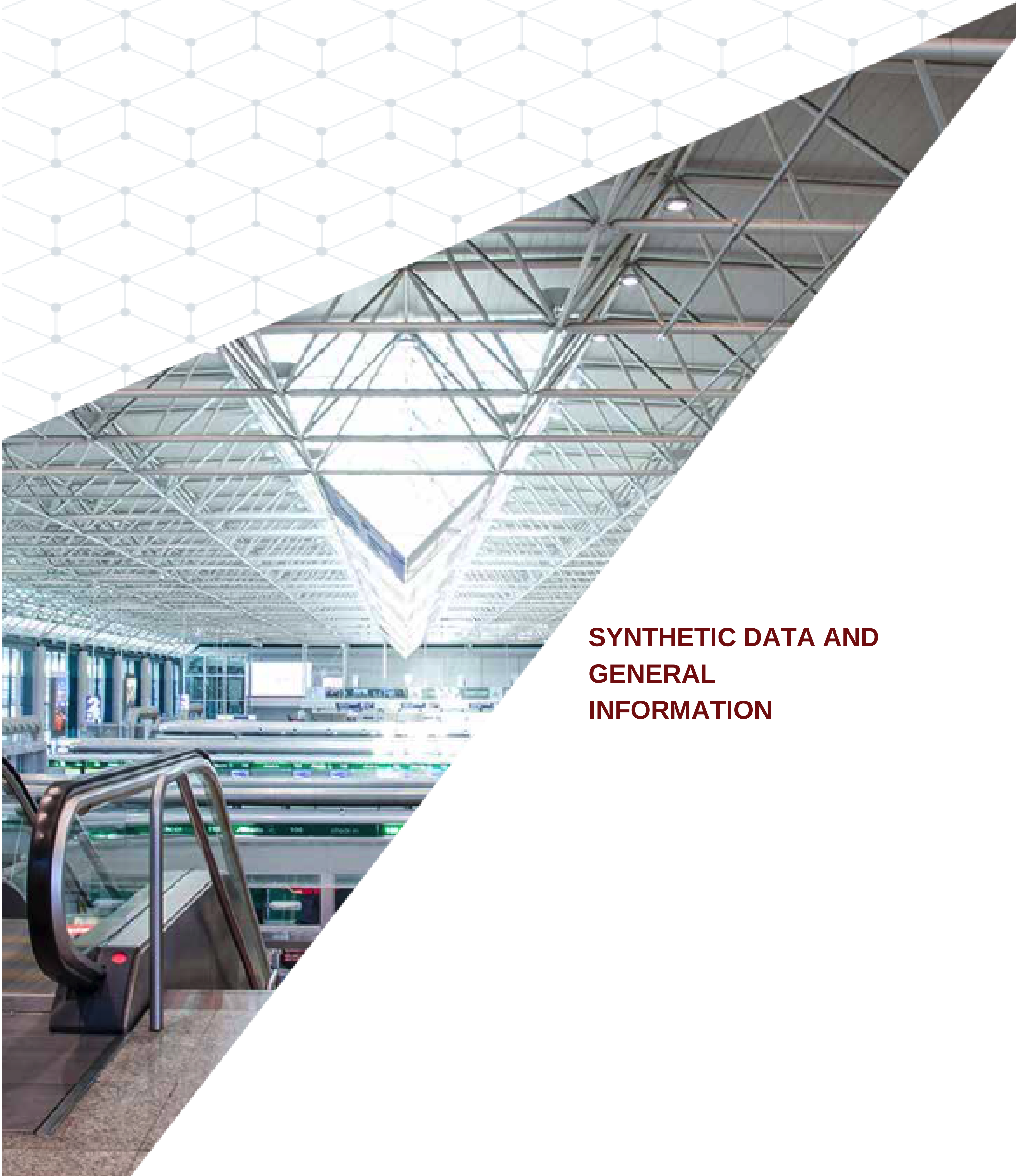
Aeroporti di Roma

CONSOLIDATED INTERIM FINANCIAL REPORT

June 30, 2016



SYNTHETIC DATA AND GENERAL INFORMATION

HALF-YEAR OUTLOOK

In the first half of 2016 more than 22 million passengers used the Roman airport system, recording a +2.8% increase compared to the first six months of 2015. This positive performance is attributable to the development of both International (+3.5%) and Domestic (+1.2%) traffic. Growth in traffic was particularly significant in Fiumicino (+3.9%), also in consideration of the negative impact, with respect to the comparison period, of the fire that hit the airport on May 7, 2015. Ciampino, the airport which some flights from Fiumicino were transferred to, recorded a drop of -4.0% in volume.

The consolidated economic results obtained show an Ebitda of 227.6 million euros, increasing by 18.6 million euros compared to the same period of 2015. An increase in aeronautical revenues was recorded (+12.4%) after the positive traffic performance and also consequently to the positive effect on revenues of the annual fee adjustment starting from March 1, in accordance with the Planning Agreement. Non-aeronautical revenues rose by 2.7% compared to the reference period, though negatively affected by some commercial areas being closed after the fire.

Consolidated EBIT for the period stood at 156.2 million euros, increasing from the 140.4 million euros in the first half of 2015.

Net debt as of June 30, 2016 amounts to 916.7 million euros, increasing by 151.9 million euros compared to the end of 2015.

The Infrastructural Development Plan continued to be developed in the six-month period, with investments for 171.6 million euros (36% more than in the 126.4 million euros of the first half of 2015). The ADR Group continues to focus on investments to design the future expansion of Fiumicino airport and to create the new infrastructure: the works for the front of the building at Terminal 3 continue in line with the plan, with the infrastructure expected to be operational by the year 2016.

On April 29, 2016, less than one year since the fire, the areas of the transit tunnel at Terminal 3 of that were compromised by the event were reopened to the public and connections were resumed with the east and west areas of the airport, with operating benefits and extra comfort for passengers.

The several actions taken to improve the travelling experience for passengers continue to be an important reference in the Group's value proposition. The company's commitment was also recognized by customers: in ACI independent reports for the second quarter of 2016[1], *Fiumicino airport exceed the targets reached before the fire, thus attaining customer satisfaction levels that are above those recorded at other international airports like Frankfurt, Paris, Madrid and Amsterdam.*

In a macroeconomic context, and the Italian context in particular, of non-significant improvement, the ADR Group is thus well positioned to continue along its path of development, offering the market the best assurance of efficient corporate management while continuing constructive communication with all stakeholders and contributing to the revival of Italy's economy.

[1] *Airports Council International* – latest reports available regarding the "Overall Satisfaction" indicator

FINANCIAL AND OPERATING HIGHLIGHTS OF THE GROUP[2]

Consolidated economic-financial results

(Euro/000)	1st HALF 2016	1st HALF 2015
Revenues from airport management	391,923	357,054
Gross operating income (EBITDA)	227,609	209,051
EBITDA%	58.1%	58.5%
Operating income (EBIT)	156,172	140,419
EBIT%	39.8%	39.3%
Net income (loss)	87,370	78,479
Group net income (loss)	87,370	78,479
Investments	171,593	126,392
	06.30.2016	**12.31.2015**
Net invested capital	1,944,982	1,855,467
Shareholders' Equity (including minority interests)	1,028,307	1,090,681
Group Shareholders' Equity	1,028,307	1,090,681
Net debt	916,674	764,786
Net debt/Shareholders' equity	0.9	0.7

	1st HALF 2016	1st HALF 2015
Net debt/EBITDA (°)	2.0	1.7
R.O.I. (Operating income/Net invested capital) (°)	14.6%	14.9%

(°) ratios compared to the last 12 months

Rating

	06.30.2016	12.31.2015
Standard & Poor's	BBB+	BBB+
Moody's	Baa1/Baa1	Baa2/Baa1 *
Fitch Rating	BBB+	BBB+

* on Romulus “secured” issue

Traffic volumes

	1st HALF 2016	1st HALF 2015
Movements (no./000)	176	176
Total passengers (no./000)	22,007	21,402
Total cargo (tons)	79,791	72,382

Group's human resources

	1st HALF 2016	1st HALF 2015
Average headcount (no. of people)	2,973	2,640
	06.30.2016	**12.31.2015**
Headcount at the end of the period (no. of people)	3,633	3,260

[2] Reference is made to the paragraph “Alternative performance indicators” in the Interim management report on operations for the reconciliation with the accounting data.

CORPORATE BODIES

BOARD OF DIRECTORS

In office until the Meeting to approve the 2016 Yearly Financial Report

Monica Mondardini	Chairman
Ugo De Carolis	Managing Director
Giuseppe Angiolini	Director
Luigi Barone	Director
Carlo Bertazzo	Director
Giovanni Castellucci	Director
Michelangelo Damasco	Director
Giancarlo Guenzi	Director
Gennarino Tozzi	Director
Guglielmo Bove	Secretary

BOARD OF STATUTORY AUDITORS

In office until the Meeting to approve the 2018 Yearly Financial Report

Giampiero Riccardi	Chairman
Mauro Romano	Statutory Auditor
Mario Tonucci	Statutory Auditor
Pier Vittorio Vietti	Statutory Auditor
Fabio Margara	Alternate Auditor
Massimiliano Troiani	Alternate Auditor

GENERAL MANAGER

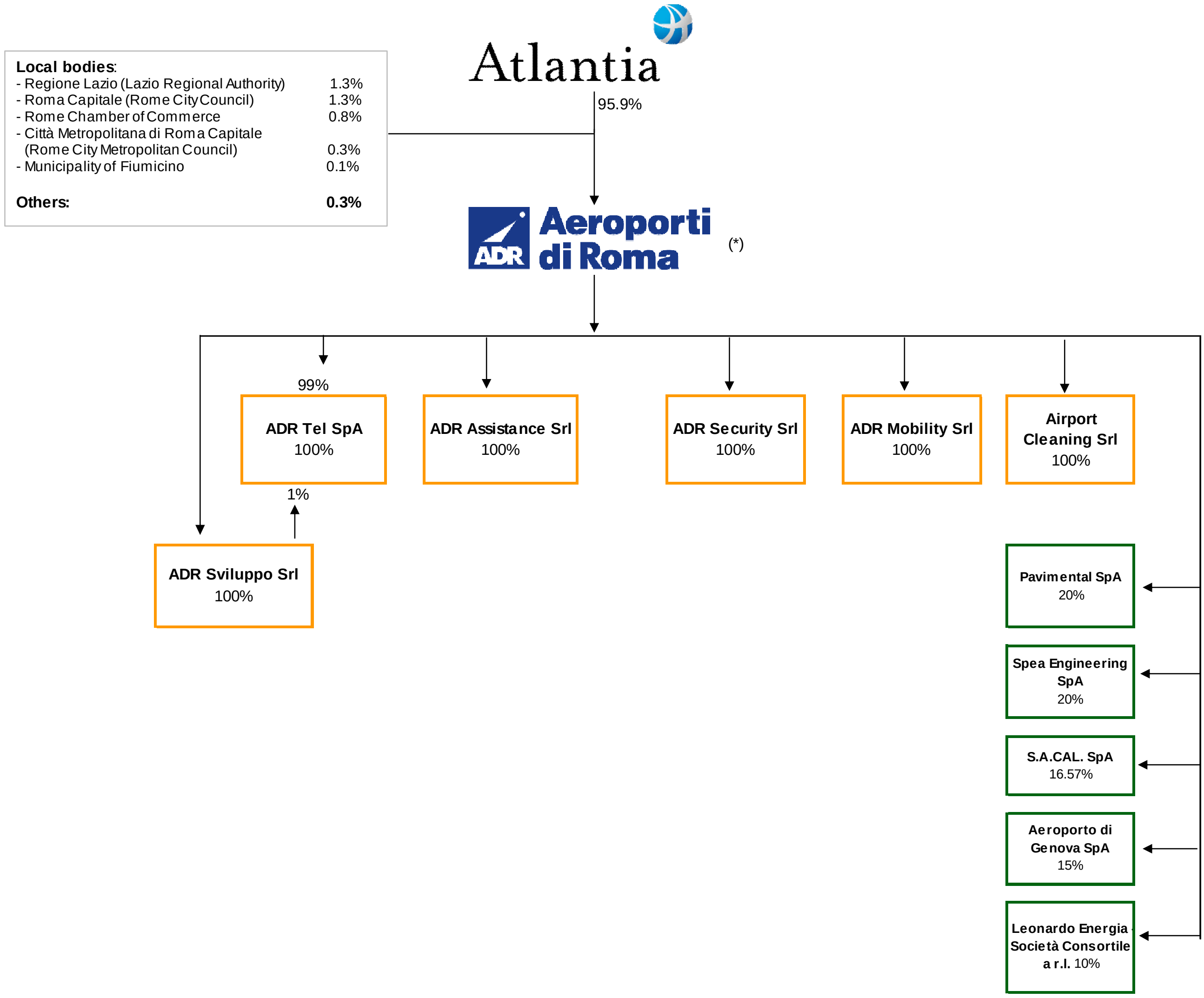
Gian Luca Littarru

INDEPENDENT AUDITORS

2013-2021 accounting periods

EY S.p.A.

THE GROUP'S STRUCTURE
(as of June 30, 2016)



SUBSIDIARY UNDERTAKINGS

INVESTMENTS IN ASSOCIATED UNDERTAKINGS AND OTHER COMPANIES

(*) ADR SpA also holds a 25% share in Consorzio E.T.L. - European Transport Law (in liquidation) and a 1% share in Consorzio Autostrade Italiane Energia (CAIE)

INTERIM MANAGEMENT REPORT ON OPERATIONS

INTERIM MANAGEMENT REPORT ON OPERATIONS

CORE BUSINESS

The Roman Airport System

Aeronautical

In the first six months of 2016 the sector of air traffic recorded a +6.2%[3] increase in passengers transported due to the positive development of the volume of transports at an International (+7.1%) and Domestic (+5.7%) level.

Except for Africa, all geographic areas recorded positive results, from +9.9% of Middle East to +1.9% in Central/South America; in Europe, the increase equaled +5.9%.

In Italy, passenger traffic[4] grew by 4.6%: both segments contributed to the development of traffic, the International and Domestic components showed respectively a 5.9% and a 3.1% increase in volume.

The Roman airport system, in the first half of 2016, welcomed more than 22 million passengers, with a growth of +2.8% compared to the previous year. The International market is the driver behind the performance, recording a 3.5% increase in volume, while the Domestic market traffic grew less (+1.2%).

In terms of capacity, the first half of 2016 showed a stable performance as regards movements (-0.2%), a slight increase in the seats offered (+1.9%): the increase in passengers, more than proportional compared with the capacity increase, translates into a consequent increase in the coefficient of the load factor which, standing at 76.1%, shows an approximate 0.7% increase.

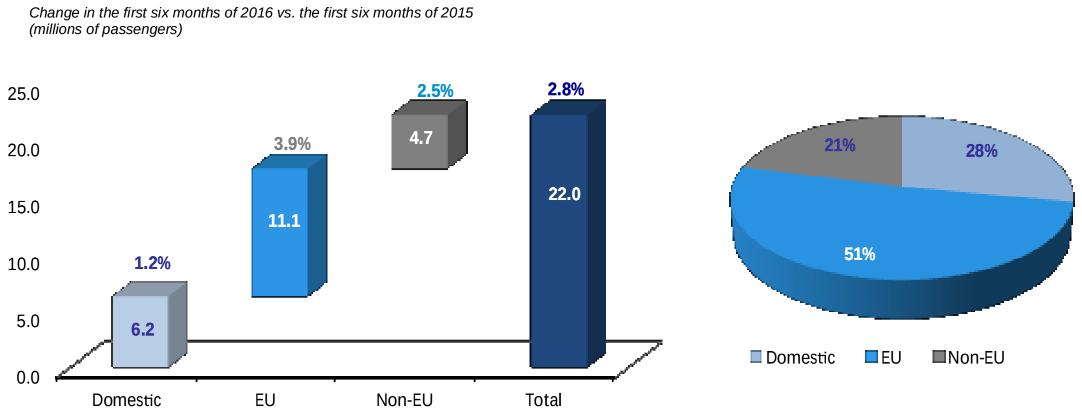
TABLE 1. Main traffic data of the Roman airport system

	1ST HALF 2016	1ST HALF 2015	Δ%
Movements (No.)	**175,609**	**175,919**	**(0.2)%**
Fiumicino	150,758	149,531	0.8%
Ciampino	24,851	26,388	(5.8)%
Passengers (No.)	**22,007,137**	**21,401,592**	**2.8%**
Fiumicino	19,244,165	18,524,872	3.9%
Ciampino	2,762,972	2,876,720	(4.0)%
boarded	10,901,415	10,580,537	3.0%
Fiumicino	9,520,725	9,144,106	4.1%
Ciampino	1,380,690	1,436,431	(3.9)%
Cargo (t.)	**79,791**	**72,382**	**10.2%**
Fiumicino	71,814	64,806	10.8%
Ciampino	7,977	7,576	5.3%

The graph below shows the trend of passenger traffic both in terms of absolute volumes and percentage difference compared to the same period of the previous year.

[3] Source: ACI Pax Flash report, April 2016
[4] Source: Assaeroporti; May 2016

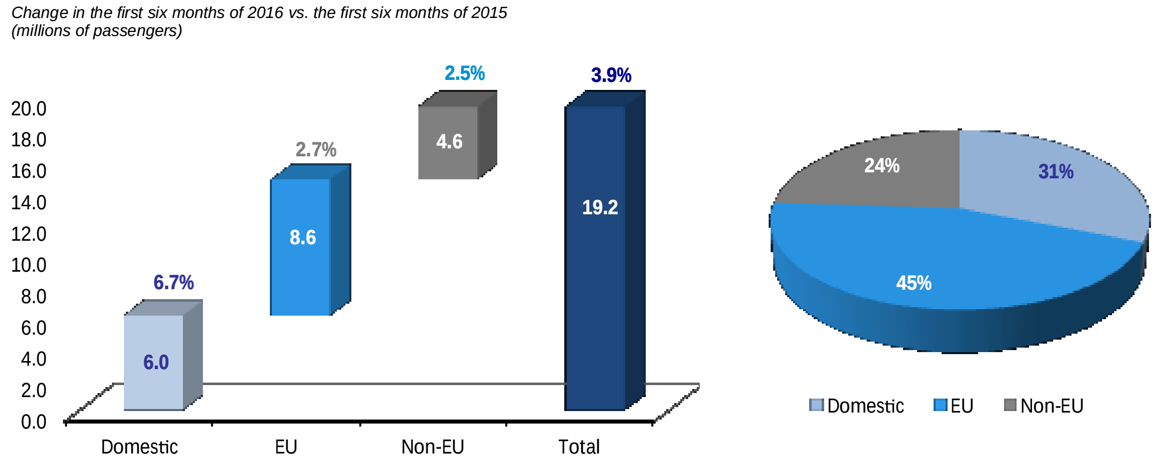
GRAPH 1. Traffic composition in the first half of 2016 for the Roman airport system



Fiumicino

In the first half of 2016, the Fiumicino airport recorded a +3.9% growth in volume, having managed above 19 million passengers. These results were achieved with a growth in volume in the Domestic market (+6.7%) and, although in a more contained manner, in the International market (+2.6%): at the same time, the capacity increased, in terms of seats offered (+3.2%), aircraft tonnage (+3.3%) and movements (+0.8%). The load factor stands at 74.9%, with a growth of 0.5 percentage points.

GRAPH 2. Traffic composition in the first half of 2016 for Fiumicino airport



The good performance of the Domestic segment is mainly attributable to the positive effect, in 2016, of new routes that were launched, in 2015, by Alitalia (to Pescara and Perugia, although these routes were closed in May 2016) and by other carriers (since the summer season 2015, Ryanair to Bari, Brindisi and Comiso, and since the winter season 2015 Blue Air to Turin). In the Summer of 2016 Ryanair also started a new connection with Trapani.

The International market also increased its traffic volumes (+2.6%), consequently to the combined effect of the growing EU (+2.7%) and non-EU (+2.5%) component. Indeed, in the first half of 2016 both segments recorded important developments in terms of network development, in addition to persisting growth started in 2015.

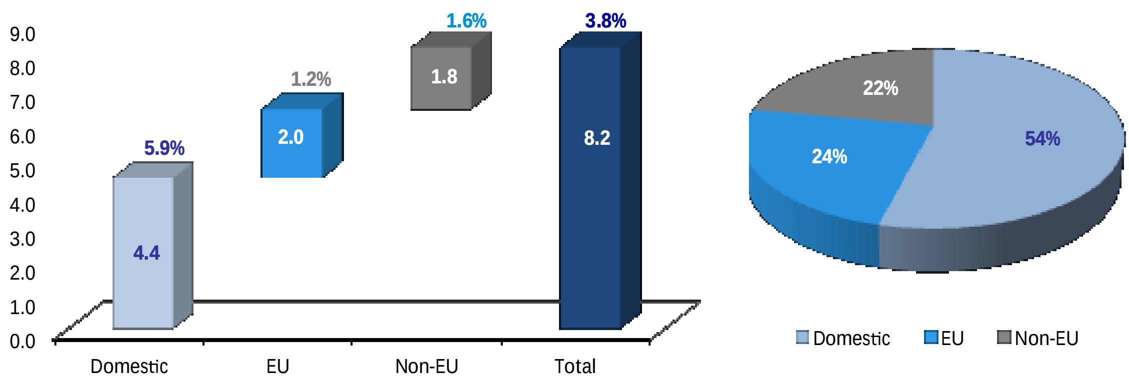
For the EU in particular worth highlighting are the new annual flights to Geneva, Zurich and Edinburgh by Vueling and to Alicante and Malaga by Ryanair; outside the EU, new connections were started with Santiago de Chile and Mexico City by Alitalia, Minneapolis by Delta and Vancouver by Air Transat.

Alitalia, the reference carrier for the Fiumicino airport, recorded a 3.8% rise in passengers transported in the first six months of 2016, with an increase in seats offered (+3.4%) and in movements (+2.2%). In a subdivision by segment, traffic performance gave positive results in the Domestic segment (+5.9%) as well as in the International segment, though to a lower extent (+1.4%).

The growth in volume of transported passengers, slightly higher compared with the increase in the capacity offered, entailed a slight improvement of the load factor which stood at 75.2%, up by 0.3% compared with the same period of the previous year.

GRAPH 3. Traffic composition in the first half of 2016 for the carrier Alitalia

Change in the first six months of 2016 vs. the first six months of 2015
(millions of passengers)



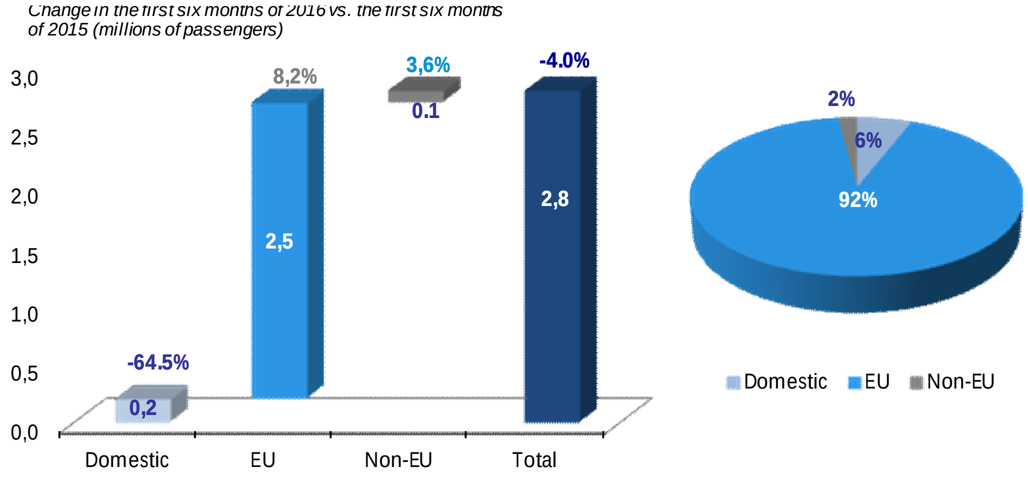
Ciampino

In the first half of 2016, Ciampino airport recorded a drop in transported passengers (-4.0%), attributable essentially to the lower capacity offered at the airport (movements -5.8%, seats offered -6.9%); this decrease in entirely due to the operating activities of May and June 2015 that were moved from Fiumicino to Ciampino consequently to the fire.

However, the performance of International traffic proved positive (+8.1%), driven by the development of the EU market, which grew +8.2% compared to the same period of the previous year.

The load factor stood at 85.8%, a +2.6% increase compared to the same period of 2015.

GRAPH 4. Traffic composition in the first half of 2016 for Ciampino airport



Consolidated financial review

This consolidated half-year financial report of the Aeroporti di Roma Group ("ADR Group") as of June 30, 2016 was prepared in accordance with IAS 34 "Interim financial reporting".

The accounting standards applied to prepare this Report are those adopted in the preparation of the yearly financial report 2015, to which reference is made for a description.

No changes in the consolidation scope, compared with December 31, 2015, are noted.

Consolidated economic performance

The analysis of the economic results of the first half of 2016 is affected, in the comparison with the same period of the previous year, by the impact of the fire that concerned large areas of Terminal 3 of Fiumicino airport in May 2015.

The economic performance of the first six months of 2016 is still influenced by the definitive unavailability of some commercial spaces managed by sub-concessionaires that are among those most damaged by the fire and not rebuilt.

It was only at the end of April that the infrastructure affected by the accident became fully available in operating terms; therefore, it was then that extraordinary operating solutions were stopped, which since May 2015 had led to extra costs being suffered to guarantee the necessary operating and security levels.

The economic performance of the first half of 2015 was also penalized, in turn, in the last two months, by loss of revenue due to the aeronautical and non-aeronautical revenue losses and the costs for securing and salvaging the areas affected by the fire. Nevertheless, the negative impact of this component was neutralized, in the situation as of June 30, 2015, by posting a corresponding revenue as insurance compensation.

From an insurance point of view, in the six months experts continued with their activity aimed at analyzing the costs incurred by the Group consequently to the fire at T3. The early results, also when comparing the assumptions used for the internal estimates, do not currently provide factual elements that are such to allow for a definitive updated estimate of insurance reimbursements recorded in the Financial Statements of December 31, 2015.

In this context, passenger traffic recorded a moderate +2.8% growth which had positive effects on the aeronautical component and on the commercial revenues of the ADR Group.

TABLE 1. Reclassified consolidated income statement[5]

(THOUSANDS OF EUROS)	1st HALF 2016	1st HALF 2015	CHANGE	% CHANGE
Revenues from airport operations of which:	391,923	357,054	34,869	9.8%
aeronautical revenues	*291,898*	*259,684*	*32,214*	*12.4%*
non-aeronautical revenues	*100,025*	*97,370*	*2,655*	*2.7%*
Revenues from construction services	108,178	58,515	49,663	84.9%
Other operating income	6,465	12,498	(6,033)	(48.3%)
Total revenues	**506,566**	**428,067**	**78,499**	**18.3%**
External operating costs	(81,187)	(79,251)	(1,936)	2.4%
Costs for construction services	(103,008)	(56,337)	(46,671)	82.8%
Concession fees	(16,173)	(15,471)	(702)	4.5%
Payroll costs	(78,590)	(67,957)	(10,633)	15.6%
Total net operating costs	**(278,957)**	**(219,016)**	**(59,941)**	**27.4%**
Gross operating income (EBITDA)	**227,609**	**209,051**	**18,558**	**8.9%**
Amortization and depreciation	(36,133)	(34,950)	(1,183)	3.4%
Other provisions and other adjusting provisions	(35,304)	(33,682)	(1,622)	4.8%
Operating income (EBIT)	**156,172**	**140,419**	**15,753**	**11.2%**
Financial Income (Expense)	(23,473)	(23,237)	(237)	1.0%
Share of profit (loss) of associates accounted for using the equity method	1,330	1,956	(626)	(32.0%)
Income (loss) before taxes from continuing operations	**134,029**	**119,138**	**14,890**	**12.5%**
Taxes	(46,659)	(40,659)	(6,000)	14.8%
Net income (loss) from continuing operations	**87,370**	**78,479**	**8,890**	**11.3%**
Net income (loss) from discontinued operations	0	0	0	0.0%
Net income (loss) for the period	**87,370**	**78,479**	**8,890**	**11.3%**
Group share of income (loss) for the period pertaining to third party shareholders	0	0	0	0.0%
Group share of income (loss) for the period	**87,370**	**78,479**	**8,890**	**11.3%**

Revenues

- Revenues from airport operations, equal to 391.9 million Euros, rose by 9.8% compared to the first half of 2015, mainly due to the development of aeronautical activities (+12.4%), driven by the positive traffic performance and the tariff adjustment component. The performance of the non-aeronautical segment also showed a 2.7% growth, which, as mentioned in the introduction, was negatively impacted by the limitation of available spaces due to the fire of May 2015, with commercial sub-concessions rising by 4.7%, and the real estate business in line with the reference period (+0.5%). For more details, see “ADR Group's activities”.
- Revenues from construction services amounted to 108.2 million Euros, a 49.7 million euro increase compared to the reference period, in line with the increase in investments made during the six months and governed by a specific agreement with the Italian Civil Aviation Authority (hereafter “ENAC”).
- Other operating revenues amounted to 6.5 million euros, decreasing by 6 million euros compared to the reference period, which included an income of 7.5 million euros as the amount within the minimum limit that can be compensated by the insurance company for the “Fire” insurance coverage in relation to the fire at T3.

[5] Reference is made to the paragraph “Alternative performance indicators” in the Interim management report on operations for the reconciliation with the accounting data.

Net operating costs

- External operating costs, amounting to 81.2 million Euros, rose by 1.9 million Euros overall, compared to the reference period, due to the combined effect of the changes below:
  - decrease in costs for raw materials and consumables for 1.0 million Euros, deriving mainly from the lower electricity costs attributable to the price component (-0.8 million Euros);
  - increase in services for 3.9 million Euros in total in relation to the costs incurred for quality improvement (ordinary maintenance and security/supervisory services) and to business development (promotional initiatives). This performance was partly offset by the decrease in the costs related to the fire, which in the first half of 2015 included the costs of securing and salvaging the areas affected by the fire; in the six months under review instead, these include the incurred additional costs related to the operating penalizations caused by the fire. The external costs for cleaning decreased, following the progressive internalization process of the cleaning activities entrusted to the Airport Cleaning subsidiary, which gradually broadened its activity scope;
  - 1.0 million Euros decline in the costs for the use of third party assets and other operating costs.
- Costs for construction services, amounting to 103.0 million Euros, rose by 46.7 million Euros compared to first half of 2015, in line with the already mentioned infrastructural development program governed by an agreement executed with ENAC.
- The liability for Concession fees amounts to 16.2 million euros, up 0.7 million euros as a result mainly of the increase in traffic.
- Payroll costs, amounting to 78.6 million Euros, rose by 15.6% (+10.6 million Euros) due mainly to the higher average headcount of the ADR Group (+332.8 FTE). This increase is due, in addition to the already mentioned process of internalization of the cleaning activities, also to the operating methods adopted for the management of passenger flows made necessary by the residual infrastructure penalizations following the fire at Terminal T3 (controls increase) with a direct impact on personnel restructuring by the companies of the Group. To be added are also the impact on increased security measures following the terrorist attacks in Paris and Brussels, the review of the quality objectives (queuing times and new e-gates for boarding passes) and the progressive implementation of the development Plan, as set forth in the Program Agreement.

Gross operating income (EBITDA)

The gross operating income (EBITDA), equal to 227.6 million Euros, rose by 18.6 million Euros compared to the comparative period (+8.9%).

Amortization and depreciation

Amortization and depreciation of intangible and tangible fixed assets amounted to 36.1 million euros (+1.2 million euros) and mainly represented the amortization of the airport concession which the Parent Company Aeroporti di Roma S.p.A. holds (hereafter “ADR”, “the Parent Company” or “the Company”).

Other provisions and other adjusting provisions

This item, totaling 35.3 million Euros (33.7 million Euros in the comparative period), is broken down as follows:

- allocations to the provisions for renovation of airport infrastructure for 29.8 million euros, essentially in line with the first half of 2015 (+0.5 million euros), despite the negative effect of the decrease in the interest rate considered as reference for the discounting of the financial flows expected in the future. The provisions include restoration and replacement work the execution of which is a condition guaranteeing the compliance with a suitable state of efficiency and security, in accordance with the concession obligations, of the airport systems and infrastructure under concession;
- provisions for risks and charges for 4.0 million Euros (3.5 million Euros in the first half of 2015);
- provisions for doubtful accounts, amounting to 1.5 million Euros, 0.7 million Euros more than in the reference period.

Operating income (EBIT)

Operating income (EBIT) stood at 156.2 million Euros, an increase of 15.8 million Euros (+11.2%) compared to the previous period.

Financial Income (Expense)

Net financial expense amounted to 23.5 million Euros, substantially in line with the comparative period (+1.0%).

Group share of income (loss) for the period

Net of the tax burden estimated for current and deferred taxation at 46.7 million Euros (40.7 million Euros in the comparative period), the ADR Group, recorded in the first half of 2016 a net profit of 87.4 million Euros, growing by 8.9 million Euros.

TABLE 2. Consolidated Statement of Comprehensive Income

(THOUSANDS OF EUROS)	1st HALF 2016	1st HALF 2015
NET INCOME FOR THE PERIOD	**87,370**	**78,479**
Profits (losses) from fair value measurement of the cash flow hedges	(19,142)	7,556
Tax effect	4,348	(2,078)
Share pertaining to the “other components of comprehensive income” of equity investments accounted for using the equity method	65	33
Other components of the comprehensive income statement that can be reclassified in the income statement, net of the tax effect	**(14,729)**	**5,511**
Income (loss) from actuarial valuation of employee benefits	(1,125)	1,002
Tax effect	295	(276)
Other components of the comprehensive income statement that will not be subsequently reclassified in the income statement, net of the tax effect	**(830)**	**726**
TOTAL OTHER COMPONENTS OF THE COMPREHENSIVE INCOME STATEMENT, NET OF THE TAX EFFECT	**(15,559)**	**6,237**
COMPREHENSIVE INCOME FOR THE PERIOD	**71,811**	**84,716**
of which		
Comprehensive income attributable to the Group	71,811	84,716
Comprehensive income attributable to minority interests	0	0

Consolidated financial performance

TABLE 3. Reclassified consolidated balance sheet[6]

	(THOUSANDS OF EUROS)	06.30.2016	12.31.2015	CHANGE
	Intangible fixed assets	2,119,395	2,040,829	78,566
	Tangible fixed assets	48,211	36,349	11,862
	Non-current financial assets	30,123	31,023	(900)
	Deferred tax assets	119,088	122,567	(3,479)
	Other non-current assets	471	472	(1)
A	**FIXED ASSETS**	**2,317,288**	**2,231,240**	**86,048**
	Commercial activities	284,512	272,733	11,779
	Other current assets	40,241	53,285	(13,044)
	Current tax assets	9,282	14,436	(5,154)
	Trade liabilities	(243,124)	(231,298)	(11,826)
	Other current liabilities	(124,029)	(121,651)	(2,378)
	Current tax liabilities	(8,011)	(17,430)	9,419
B	**WORKING CAPITAL**	**(41,129)**	**(29,925)**	**(11,204)**
	Provisions for employee benefits	(562)	(900)	338
	Provision for renovation of airport infrastructure	(140,051)	(101,168)	(38,883)
	Other allowances for risks and charges	(39,672)	(36,919)	(2,753)
C	**CURRENT SHARE OF PROVISIONS**	**(180,285)**	**(138,987)**	**(41,298)**
D = B + C	**WORKING CAPITAL NET OF THE CURRENT SHARE OF PROVISIONS**	**(221,414)**	**(168,912)**	**(52,502)**
	Non-current liabilities	(150,892)	(206,861)	55,969
E	**NON-CURRENT LIABILITIES**	**(150,892)**	**(206,861)**	**55,969**
F = A + D + E	**NET INVESTED CAPITAL**	**1,944,982**	**1,855,467**	**89,515**
	Group Shareholders' Equity	1,028,307	1,090,681	(62,374)
	Minority Interests in Shareholders' Equity	0	0	0
G	**SHAREHOLDERS' EQUITY**	**1,028,307**	**1,090,681**	**(62,374)**
	Non-current financial liabilities	974,047	973,715	332
	Other non-current financial assets	(2,433)	(2,925)	492
H	**NON-CURRENT NET DEBT**	**971,614**	**970,790**	**824**
	Current financial liabilities	32,498	23,105	9,393
	Current financial assets	(87,437)	(229,109)	141,672
I	**CURRENT NET DEBT**	**(54,939)**	**(206,004)**	**151,065**
L = H + I	**NET DEBT**	**916,675**	**764,786**	**151,889**
G + L	**COVERED INVESTED CAPITAL**	**1,944,982**	**1,855,467**	**89,515**

[6] Reference is made to the paragraph “Alternative performance indicators” in the Interim management report on operations for the reconciliation with the accounting data.

Fixed assets

Fixed assets, at June 30, 2016, stood at 2,317.3 million euros, a 86.0 million euro increase compared to the end of 2015, mainly due to:

- an increase in intangible and tangible fixed assets (+78.6 million Euros and +11.9 million Euros, respectively), in relation to the investments for the period (130.6 million Euros, including advances to suppliers for 5.6 million Euros), partly offset by amortizations and depreciations (36.1 million Euros) and the recovery of advances paid to suppliers (4.0 million Euros);
- decrease in Non-current financial assets of 0.9 million euros attributable to the valuation of the associated companies Spea Engineering S.p.A. ("Spea Engineering") and Pavimental S.p.A. with the net equity method, which takes into account the distribution of dividends, resolved by Spea Engineering (2.3 million euros), partly offset by the pro-quota result of the six months;
- decrease of 3.5 million euros in deferred tax assets.

Working capital

The Working Capital, with a negative 41.1 million Euros, showed a 11.2 million euro decrease compared to December 31, 2015 due to the events described below.

- Commercial activities rose by 11.8 million euros, attributable to receivables from customers, growing essentially due to business expansion.
- Other current assets showed a 13.0 million euros decline, due mainly to a decreased VAT credit of 10.6 million euros and to the partial 2.9 million euro repayment of the amounts due to the Customs Office following the settlement of the dispute regarding the sales made at duty-free shops in the period 1993-1998.
- Current tax assets recorded a 5.2 million euros decline attributable to IRAP receivables for the tax burden pertinent to the period.
- Trade liabilities increased by 11.8 million euros, essentially as a consequence of the increase in deferred income for the advance billing of the sub-concession fees for 9.7 million euros and the Trade payables for 4.0 million euros.
- Other current liabilities rose by 2.4 million euros overall, mainly as the combined effect of:
  - the increase in the payable for the firefighting service of 4.1 million euros due to the price accrued in the period;
  - the increase in the payable for concession fees by 0.4 million euros in relation to the portion pertaining to the six-month period, net of the payment of the second installment of 2015 made in January 2016;
  - increase in payables to personnel and social security agencies for 6.3 million euros attributable to the reclassification of Non-current liabilities for 4.2 million euros;
  - 3.1 million euro reduction in payables to the Customs Office regarding the dispute on electricity;
  - a decrease in the payables for surtax on passenger fees of 1.2 million euros due to the impact of the performance in the period of this type of collections from carriers, partly offset by the increase in the surtax of 2.5 euros, starting from January 1, 2016. For this type of charges, ADR is an intermediary in the collection of the surcharges, which it pays back to the end beneficiaries in the month after the month of collection;
  - the decrease in IRESA payables for 1.6 million euros, as tax charged by the Lazio Regional Authority to carriers. This payable, which is posted at the time of the receivable arising against the debiting towards the carriers, is settled in line with the collection policies, with ADR paying it back to the end beneficiaries on a quarterly basis.
  - decrease in VAT payables for 1 million euros.

- Current tax liabilities decreased by 9.4 million euros after the payment of the 2015 balance and the first advance for 2016, partly offset by the estimated tax burden for the six months.

Current share of provisions and Non-current liabilities

(THOUSANDS OF EUROS)	06.30.2016	12.31.2015	CHANGE
Provisions for employee benefits	22,044	21,499	545
Provision for renovation of airport infrastructure	244,890	259,956	(15,066)
Other allowances for risks and charges	63,671	60,498	3,173
TOTAL	**330,605**	**341,953**	**(11,348)**
of which:			
- current share	180,285	138,987	41,298
- non-current share[7]	150,320	202,966	(52,646)

The renovation provision, which includes the current value of the estimate of the charges to be incurred for the contractual obligation to restore and replace assets under concession, decreased by 15.1 million euros due to the operating uses, net of the provisions for the period, which absorb the values resulting from updating the scheduled replacement/renewal actions included in the latest long-term plan approved by the ADR Group.

Other allowances for risks and charges increased overall by 3.2 million euros, after provisions for 4.0 million Euros and uses for 0.8 million Euros.

Net invested capital

The consolidated net invested capital, equal to 1,945.0 million euros, showed an increase of 89.5 million euros compared to the end of the previous year.

Shareholders' equity

The Group shareholders’ equity, equal to 1,028.3 million euros, decreased by 62.4 million euros compared to December 31, 2015, due to the dividends distributed (equal to 134.4 million euros) and partly offset by the overall net income of the period (71.8 million euros, which includes the change in the fair value of the derivatives) and the increase in the shareholders’ equity reserves for 0.2 million euros relating to the fair value accrued on the incentive plans of the management of ADR based on Atlantia S.p.A’s shares (hereafter “Atlantia”).

Net debt

Net debt as of June 30, 2016 stood at 916.7 million euros, rising by 151.9 million euros compared to the end of 2015.

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[7] Non-current liabilities also include the item Other liabilities equal to 572 thousand euros as of June 30, 2016 and 3,895 thousand euros as of December 31, 2015. The 3.3 million euro decrease is mainly attributable to the reclassification under Other current liabilities of 4.2 million euros.

TABLE 4. Current consolidated net debt

(THOUSANDS OF EUROS)	06.30.2016	12.31.2015	CHANGE
Non-current financial liabilities	974,047	973,715	332
Bonds	841,850	874,108	(32,258)
Financial instruments - derivatives	132,197	99,607	32,590
Other non-current financial assets	(2,433)	(2,925)	492
NON-CURRENT NET DEBT	**971,614**	**970,790**	**824**
Current financial liabilities	32,498	23,105	9,393
Current share of medium/long-term financial liabilities	5,944	15,898	(9,954)
Financial instruments - derivatives	26,554	7,207	19,347
Current financial assets	(87,437)	(229,109)	141,672
Cash and cash equivalents	(86,284)	(218,593)	132,309
Other current financial assets	(1,153)	(10,516)	9,363
CURRENT NET DEBT	**(54,939)**	**(206,004)**	**151,065**
NET DEBT	**916,675**	**764,786**	**151,889**

Non-current net debt

The non-current net debt amounts to 971.6 million euros, up by 0.8 million euros consequently to the changes described below.

- Bond loans (841.9 million euros) refer to Tranche A4 in Pounds Sterling of the bonds issued by Romulus Finance for 247.4 million euros and to the EMTN (“Euro Medium Term Note Program”) bond loan issued by ADR in December 2013 for 594.5 million euros. The 32.3 million euro decrease is essentially attributable to the adjustment of Tranche A4 to the exchange rate of the end of the period.
- Derivative financial instruments, amounting to 132.2 million euros and comprising Cross Currency Swaps to hedge Tranche A4 in pound sterling, showed a negative fair, up by 32.6 million euros, due to the general worsening of the exchange rate and interest rate components.

Current net debt

The current portion of the debt is equal to the net funds of 54.9 million euros, decreasing by 151.1 million euros compared to December 31, 2015.

In detail, current financial liabilities, equal to 32.5 million euros, increased by 9.4 million euros due to the combined effect of:

- a reduction by 10.0 million euros in the current share of medium/long-term financial liabilities, due primarily to the impact from the annual settlement of payables for interest on the EMTN bond issue occurred in March 2016;
- increase in Financial instruments - derivatives for 19.3 million euros, including the negative fair value (25.3 million euros) of the two forward starting Interest Rate Swap agreements (with deferred application: postponed to February 9, 2017, compared to the initial June 20, 2016), signed on June 15, 2015 by the Parent Company ADR, for a notional capital of 250 million euros, and the negative fair value (1.1 million euros of the Interest Rate Swap forward starting (with deferred application: June 20, 2017), signed on February 25, 2016 by ADR, for a notional capital of 50 million euros.

Current financial assets, equal to 87.4 million euros, decreased by 141.7 million euros consequently to both the lower cash on hand (-132.3 million euros) and the decreasing loans (-9.4 million euros).

TABLE 5. Consolidated statement of cash flows for the first six months of 2016

(THOUSANDS OF EUROS)	1st HALF 2016	1st HALF 2015
Net income for the period	**87,370**	**78,479**
Adjusted by:		
Amortization and depreciation	36,133	34,950
Allocation to the provisions for renovation of airport infrastructure	29,796	29,345
Financial expenses from discounting provisions	1,891	1,597
Change in other provisions	2,509	898
Share of profit (loss) of associates accounted for using the equity method	(1,330)	(1,956)
Net change of the deferred (prepaid) tax (assets) liabilities	8,122	6,132
Other non-monetary costs (revenues)	1,210	911
Changes in the working capital and other changes	7,881	(47,973)
Net Cash Flow From Operating Activities (A)	**173,582**	**102,383**
Investments in tangible assets	(14,777)	(5,552)
Investments in intangible assets	(115,799)	(47,497)
Works for renovation of airport infrastructure	(46,669)	(60,630)
Equity investments and minority shareholdings in consolidated co.	(1)	0
Dividends received from subsidiaries, valued according to the net equity method	1,147	0
Gains from divestment of tangible and intangible assets	4,015	3,888
Net change of other non-current assets	1	(7)
Net Cash Flow From Investment Activities (B)	**(172,083)**	**(109,798)**
Dividends paid	(134,405)	(128,183)
Issue of bonds	0	6,444
Net change of other current and non-current financial liabilities	(9,915)	(9,889)
Net change of current and non-current financial assets	10,511	(474)
Net Cash Flow From Funding Activities (C)	**(133,809)**	**(132,102)**
NET CASH FLOW FOR THE PERIOD (A+B+C)	**(132,310)**	**(139,517)**
Cash and cash equivalents at the start of the period	218,593	356,066
Cash and cash equivalents at the end of the period	86,283	216,549

Additional information to the statement of cash flows

(THOUSANDS OF EUROS)	1st HALF 2016	1st HALF 2015
Net income taxes paid (reimbursed)	42,566	25,812
Interest income collected	102	330
Interest payable and commissions paid	30,561	31,344

Operations of the ADR Group generated a monetary flow of 173.6 million euros in the first half of 2016, rising by 71.2 million euros compared to the comparative period, due mainly to a lower growth in the working capital.

The net cash flow from operations was for the most part absorbed by investment activities, which recorded a final negative cash flow of 172.1 million euros compared to the -109.8 million euros of the comparative period.

The net cash flow from funding activities was negative for 133.8 million euros due mainly to the distribution of dividends in the first half of 2016.

As a result of the trends described above, the net cash flow for the period, which was negative for 132.3 million euros, decreased the cash and cash equivalents at the end of the period to 86.3 million euros compared to the opening balance of 218.6 million euros.

Alternative performance indicators

In order to illustrate the economic result of the Group as well as its economic and financial position, reclassified statements were predisposed, which are different from those required under EU IFRS accounting standards adopted by the Group and contained in the Condensed consolidated interim financial statements. These reclassified statements contain alternative performance indicators to those directly resulting from the Condensed consolidated interim financial statements that management deem useful for monitoring the Group's performance and representing the economic and financial results from the business.

These Alternative performance indicators ("API") are:

- Net operating costs
- Gross operating income (EBITDA)
- Fixed assets
- Working capital
- Net invested capital
- Net debt

Reference is made to the next paragraph for a reconciliation of the above mentioned indicators with the condensed consolidated interim financial statements.

Moreover, in order to better assess the Group's operating performance at economic and financial level, the following additional alternative performance indicators are presented:

API	SOURCE/CALCULATION METHOD
EBITDA%	ratio between EBITDA and Revenues from airport management
EBIT%	ratio between Operating income (EBIT) and Revenues from airport management
Investments	are determined as follows:
	+ investments Tangible assets (see Note 6.1 of the Explanatory Notes)
	+ investments Intangible assets net of Advances paid to suppliers in the period (see Note 6.2 of the Explanatory Notes)
	+ revenues for construction services for works funded by the government (see Note 7.1 of the Explanatory Notes)
	+ operating uses Provision for renovation of airport infrastructure (see Note 6.13 of the Explanatory Notes)
Net debt/Shareholders' equity	ratio between Net debt and Shareholders' equity
Net debt/EBITDA (last 12 months)	ratio between Net debt and EBITDA of the last 12 months rolling determined as so:
	EBITDA of the six months under review + EBITDA previous year - EBITDA of the comparative six months
R.O.I. - Operating income (last 12 months) /Net invested capital	ratio between the Operating income of the last 12 months rolling and the Net invested capital; the Operating income of the last 12 months rolling determined as so:
	Operating income of the six months under review + Operating income previous year - Operating income of the comparative six months

The reclassified statements and the above mentioned indicators must be considered as replacing the conventional ones required by IFRS.

Reconciliation between the Reclassified consolidated income statement and the consolidated financial statements

The income statement was reclassified on a "value-added" basis, which shows the contribution of the financial and core areas of operation.

For the items that cannot be directly inferred from the consolidated financial statements, the calculation method and the reference to the sections of this Consolidated half-year financial report containing the necessary information for calculation purposes are provided.

RECLASSIFIED CONSOLIDATED INCOME STATEMENT	SOURCE/CALCULATION METHOD
Revenues from airport operations of which:	as inferred from the consolidated financial statements
aeronautical revenues	see note 7.1 of the Explanatory Notes
non-aeronautical revenues	see note 7.1 of the Explanatory Notes
Revenues from construction services	as inferred from the consolidated financial statements
Other operating income	as inferred from the consolidated financial statements
Total revenues	
External operating costs	calculated as follows + Consumption of raw materials and consumables (as inferred from the consolidated financial statements) + Service costs (as inferred from the consolidated financial statements) - Costs for construction services (see note 7.3 of the Explanatory Notes) - Costs for renovation of airport infrastructure (see note 7.3 of the Explanatory Notes) + Expenses for leased assets (as inferred from the consolidated financial statements) + Other costs (as inferred from the consolidated financial statements) - Allocations to provisions for doubtful accounts (see note 7.5 of the Explanatory Notes)
Costs for construction services	see note 7.3 of the Explanatory Notes
Concession fees	as inferred from the consolidated financial statements
Payroll costs	as inferred from the consolidated financial statements
Total net operating costs	
Gross operating income (EBITDA)	
Amortization and depreciation	as inferred from the consolidated financial statements
Other provisions and other adjusting provisions	calculated as follows + Allocation to allowances for risks and charges (as inferred from the consolidated financial statements) + Allocations to provisions for doubtful accounts (see note 7.5 of the Explanatory Notes) + Allocation to (use of) the provisions for renovation of airport infrastructure (as inferred from the consolidated financial statements) - operating uses Provision for renovation of airport infrastructure (see Note 6.13 of the Explanatory Notes)
Operating income (EBIT)	
Financial Income (Expense)	as inferred from the consolidated financial statements
Share of profit (loss) of associates accounted for using the equity method	as inferred from the consolidated financial statements
Income (loss) before taxes from continuing operations	as inferred from the consolidated financial statements
Taxes	as inferred from the consolidated financial statements
Net income (loss) from continuing operations	as inferred from the consolidated financial statements
Net income (loss) from discontinued operations	as inferred from the consolidated financial statements
Net income (loss) for the period	as inferred from the consolidated financial statements
Group share of income (loss) for the period pertaining to third party shareholders	as inferred from the consolidated financial statements
Group share of income (loss) for the period	as inferred from the consolidated financial statements

Reconciliation between the Reclassified consolidated balance sheet and the consolidated financial statements

The consolidated balance sheet was reclassified in accordance with “management criteria”, which shows the division between invested capital and fixed capital and working capital, net of the provision and the related sources of funding, represented by self-financing (Shareholders’ equity) and borrowing (current and non-current net debt). For the items that cannot be directly inferred from the consolidated financial statements, the calculation method is provided.

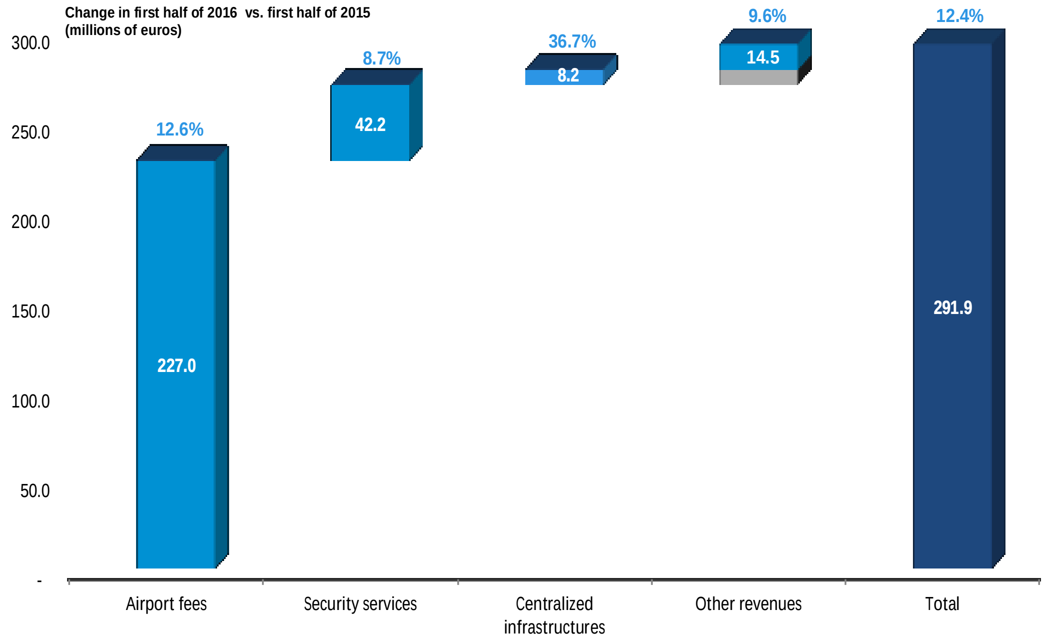
	RECLASSIFIED CONSOLIDATED BALANCE SHEET	SOURCE/CALCULATION METHOD
	Intangible fixed assets	corresponding to the item Intangible assets of the consolidated financial statements
	Tangible fixed assets	corresponding to the item Tangible assets of the consolidated financial statements
	Non-current financial assets	corresponding to the item Equity investments of the consolidated financial statements
	Deferred tax assets	as inferred from the consolidated financial statements
	Other non-current assets	as inferred from the consolidated financial statements
A	FIXED ASSETS	
	Commercial activities	as inferred from the consolidated financial statements
	Other current assets	as inferred from the consolidated financial statements
	Current tax assets	as inferred from the consolidated financial statements
	Trade liabilities	as inferred from the consolidated financial statements
	Other current liabilities	as inferred from the consolidated financial statements
	Current tax liabilities	as inferred from the consolidated financial statements
B	WORKING CAPITAL	
	Provisions for employee benefits	as inferred from the consolidated financial statements
	Provision for renovation of airport infrastructure	as inferred from the consolidated financial statements
	Other allowances for risks and charges	as inferred from the consolidated financial statements
C	CURRENT SHARE OF PROVISIONS	corresponding to the item Allowances for current provisions of the consolidated financial statements
D = B + C	WORKING CAPITAL NET OF THE CURRENT SHARE OF PROVISIONS	
	Non-current liabilities	+ Allowances for non-current provisions as inferred from the consolidated financial statements
		+ Other non-current liabilities as inferred from the consolidated financial statements
E	NON-CURRENT LIABILITIES	
F = A + D + E	NET INVESTED CAPITAL	
	Group Shareholders' Equity	as inferred from the consolidated financial statements
	Minority Interests in Shareholders' Equity	as inferred from the consolidated financial statements
G	SHAREHOLDERS' EQUITY	
	Non-current financial liabilities	as inferred from the consolidated financial statements
	Other non-current financial assets	as inferred from the consolidated financial statements
H	NON-CURRENT NET DEBT	
	Current financial liabilities	as inferred from the consolidated financial statements
	Current financial assets	+ Other current financial assets as inferred from the consolidated financial statements
		+ Cash and cash equivalents as inferred from the consolidated financial statements
I	CURRENT NET DEBT	
L = H + I	NET DEBT	
G + L	COVERED INVESTED CAPITAL	

ADR Group's activities

Aeronautical activities

The aeronautical activities, i.e. those directly linked to the aeronautical activities carried out at the airports and including airport fees, centralized infrastructures, security services etc., generated revenues for 291.9 million euros in the first half of 2016, up by 12.4% compared to the same period of the previous year (+32.2 million euros).

GRAPH 1. Economic performance of aeronautical activities



Airport fees

Revenues from airport fees in the first half of 2016 amounted to 227.0 million euros, with an increase of 12.6%.

The positive result recorded is attributable to:

- landing, take-off and parking fees: for 67.1 million euros, up 15.4% as the consequence of a number of movements that was essentially the same as in the first half of 2015 (-0.2%), though with greater aircraft tonnage (+2.4%), in addition to being positively influenced by the increase in prices as of March 1, 2016, in accordance with the Planning Agreement in force;
- passenger boarding fees: these amount to 158.5 million euros and recorded an increase compared to the first half of the previous year of 11.4%. This result is a consequence of the increase in passenger traffic (+3.0%) as well as the already mentioned adjustment of the prices as of March 1, 2016, as set forth in the Planning Agreement;
- cargo revenues: these amounted to 1.4 million euros, a +10.6% increase compared to the final figure of the first half of the previous year, as a consequence of the increase in cargo (+10.2%).

Security services

Security activities (security checks on passengers and carry-on and checked baggage, explosive detection checks, other security checks requested) generated revenues of 42.2 million euros during the first half of 2016, up 8.7% compared to the same period of the previous year. This result is mainly the consequence of the increased passenger traffic and is positively affected also by the above mentioned annual adjustment of the prices as of March 1, 2016.

Centralized infrastructures

The management of centralized infrastructures, essentially attributable to the revenues from loading bridges, recorded a turnover of 8.2 million euros, up by 36.7% compared with the same half of 2015, as a consequence of the greater use of such infrastructures and the annual adjustments of prices as of March 1, 2016.

Other revenues

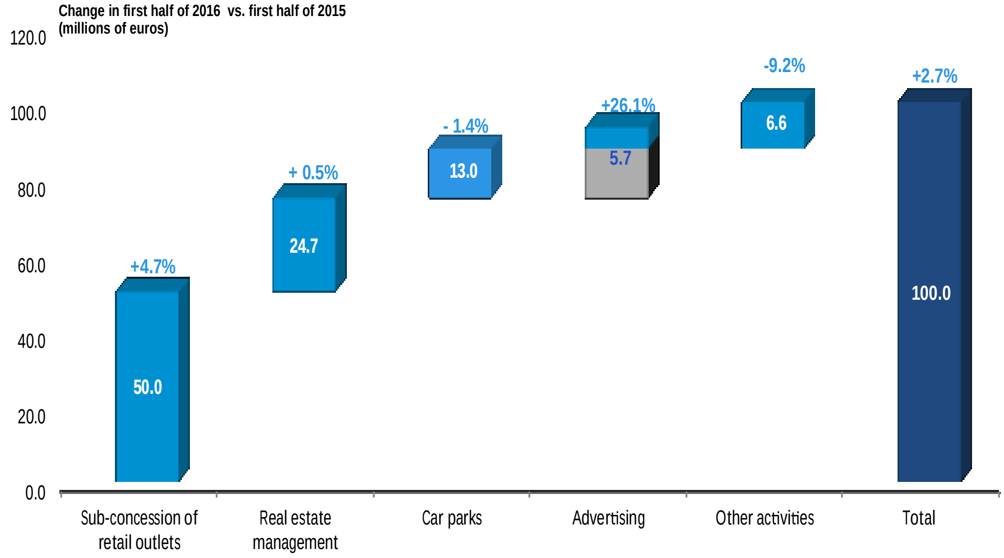
Revenues from other aeronautical activities stood at 14.5 million euros, growing by 9.6% compared with the figure of the previous year and resulting from:

- assistance to passengers with reduced mobility (PRM), provided by ADR through a service agreement entrusted to the ADR Assistance subsidiary: revenues for 8.0 million euros, with a 10.8% increase resulting from the increase in passenger traffic and the rise in prices applied as at March 1, 2016, according to the Planning Agreement, as well as from the decrease in the fees implemented as of March 1, 2015, negatively impacting the first two months of 2016;
- passenger check-in desks: revenues for 6.1 million euros, rising compared to the same period of the previous year (+8.5%), mainly due to the increased traffic, the annual adjustment of the unit prices applied from March 1, 2016 and the unavailability of check-in desks at Terminal 3 consequently to the fire of May 2015, which had negatively affected the result of the first half of 2015;
- other aeronautical revenues: amounting to 0.3 million euros and consisting of the revenues for the use of the porterage and left luggage services which showed a slight improvement (+4.3%) compared with the same six months of 2015.

Non-aeronautical activities

Non-aeronautical activities include commercial activities (sub-concessions and utilities, car parks, advertising), real estate activities and other activities with third parties.

GRAPH 1. Economic performance of non-aeronautical activities (millions of euros)



This segment was negatively affected by the previously mentioned fire occurring at Terminal 3; in fact, due to this accident, many spaces were temporarily shut down and, in the most serious cases, were not used throughout the first half of 2016.

In the first six months of 2016 non-aeronautical revenues however increased slightly overall compared to the same period of 2015 (+2.7%, equal to an increase of 2.7 million euros). The most significant components recorded the trends below.

Sub-concession of retail outlets

Sub-concessions of retail outlets, regarding sub-concessions for the retail sale of goods and services, recorded revenues of 50.0 million euros in the first half of 2016, up by 4.7% compared to the same period of 2015, due to the positive performance of traffic, despite the reorganization of the passenger flows, until restoring the connection between the east and west area of the airport at the end of April 2016. A positive development concerned all the segments and particularly the Core Categories and Food & Beverage. The Specialist Retail activities, despite recording a positive result, are still considerably affected by the loss in surface available and the changes in passenger flows in the post fire period. More specifically:

- Core Categories: this segment generated revenues from the sub-concession of activities to LS Travel Retail Roma S.r.l., a company of the Lagardère Services Group, for 18.7 million euros, up by 7.5% compared to the same period of the previous year. This positive performance is due to the traffic development recorded in comparison to the same period of the previous year and the positive impact, for specific offer components of the segment, due to the closing of some Specialist Retail activities, despite the reduction in the offer due to the unusability of the main point of sale, in the Extra-Schengen area, located in the Transit tunnel;

- Specialist Retail: revenues for 13.8 million euros were recorded, up 1.6% thanks to the increase in passengers and the gradual reopening, during the six months, of most of the outlets impacted by the fire; moreover, the trend of the currencies is not favorable to some segments of higher spending customers;
- Food & Beverage: revenues stood at 13.8 million euros for the period, with a growth of 11.8% due to the reopening of the areas impacted by the fire and the general increase in passenger traffic, though still penalized by the shut down outlets due to the fire in T3;
- Other commercial activities: passenger service activities recorded revenues for 3.6 million euros, down 17.3% compared to the first six months of 2015, mainly due to the consequences of the fire at T3 and the closing of some currency exchange counters due to some airport's operating requirements.

Real estate management

The revenues from real estate management, which include the sub-concession of spaces (real estate, offices at the terminals, spaces and stands to car hire companies) and the relevant utilities and services, equaled 24.7 million euros in the first six months of 2016, essentially stable (+0.5%) compared to the same period of the previous year. These revenues are broken down as follows:

- fees and utilities for retail and other sub-concessions: the turnover amounted to 21.3 million euros, with an approximate 0.4 million euro (-1.9%) decline due primarily to the fire, in particular for the temporary unusability of some VIP areas (especially two of them reopened on March 1, 2016, one definitely closed), offices and warehouses, as well as utilities related to commercial businesses. The progressive reopening of some spaces on the mezzanine floor of Terminal 3 and in the terminal area of the Transit tunnel, should be noted; on the other hand, the businesses, the related warehouses and some offices in the transit room will remain definitively closed;
- other fees charged at Fiumicino and Ciampino, calculated on the volumes of activities managed (hotels, car hire, car wash, fuel stations, etc.): revenues equaled 3.4 million euros, increasing by 0.5 million euros compared to the same period of the previous year, substantially attributable to the better performance of hospitality activities and car rental companies.

Car parks

The management of parking lots, in the first half of 2016, generated 13.0 million euros revenue, slightly lower than the same figure of the previous year (-1.4%); these results were obtained also because of the reduction in capacity of the multi-level parking lots following the Car Parking Revitalization initiative completed in the six months, with which the quality of the infrastructure increased, in accordance with the most rigorous and high European standards. In detail, the following trends, for the main items, were recorded:

- passenger car parking: revenue for 10.6 million euros (-2.8%). This segment is the one that was most affected by the competition in alternative means of transport to reach the airport; in particular, during the reference period, more frequent railway connections were made available, in addition to a generally better usability service, contributing to a decreased use of cars as a mean of transport to reach the Fiumicino airport;
- airport operator car parking: revenues of 2.4 million euros, up in comparison with the previous year (+5.2 %).

Advertising

Revenues from the sub-concession of advertising business activities in the form of royalties on the turnover of the sub-concessions, amounted to 5.7 million euros in the first half of 2016, up by 1.2% million euros.

Other assets

Revenues from other activities, in the first six months of 2016, amounted to 6.6 million euros, down by 9.2%; the most significant items showed the following trends:

- revenues for cleaning fees and biological wastewater treatment for 1.8 million euros (+6.1% due to the introduction of a new waste collection system and fees calculation);
- revenues for other sales (fuel, consumable materials, etc.), equal to 1.3 million euros, down 0.1 million euros;
- revenues for information systems amounting to 0.7 million euros, down by 0.2 million euros.

ADR Group capital investment

Initiatives implementing the Planning Agreement continued in the first half of 2016.

TABLE 1. Breakdown of ADR Group capital investment in the first half of 2016

(MILLIONS OF EUROS)	1ST HALF 2016			1ST HALF 2015		
	INVEST-MENTS	RENEWALS (**)	TOTAL	INVESTMENTS (*)	RENEWALS (**)	TOTAL
Departure area E/F (Pier C and 3rd Bhs)	61.2	0.0	61.2	28.6	0.0	28.6
HBS/BHS ex cargo Alitalia	19.5	0.0	19.5	7.8	0.0	7.8
Works on baggage systems and new x-ray machines	12.9	1.0	13.9	1.5	0.6	2.1
Fiumicino - civil work maintenance operations (var. buildings)	3.9	5.4	9.3	0.4	1.7	2.1
Infrastructural restoration works at T3	0.0	8.2	8.2	0.0	0.0	0.0
Maintenance works and terminal optimization	1.4	6.6	8.0	1.3	11.3	12.6
Fiumicino - electrical network and air-conditioning works	0.2	5.7	5.9	0.0	2.5	2.5
Departure area A (Pier AA/Terminal aprons connection)	5.9	0.0	5.9	8.9	0.0	8.9
Works on runways and aprons	2.8	2.1	4.9	0.2	3.0	3.2
Fiumicino - Electrical equipment maintenance works	0.6	3.3	3.9	0.0	1.5	1.5
Ciampino - infrastructure adaptation works	0.8	2.5	3.3	0.1	1.1	1.2
Vehicle and equipment purchases	3.0	0.0	3.0	1.3	0.0	1.3
Works on commercial areas and car parks	0.5	1.8	2.3	1.5	0.6	2.1
Urbanization of west area / aprons "W" 1st phase	2.2	0.0	2.2	0.0	0.0	0.0
Works on airport access	0.3	1.8	2.1	0.2	0.8	1.0
Ciampino - airport reconfiguration from military to civil	0.0	1.8	1.8	0.0	0.5	0.5
Fiumicino - Electromechanical maintenance works	0.1	1.6	1.7	1.4	3.1	4.5
Terminal 3 - Restructuring	1.5	0.0	1.5	0.4	0.0	0.4
Fiumicino Nord: Long-term capacity development	1.4	0.0	1.4	5.5	0.0	5.5
Fiumicino - sewer and water network maintenance works	0.0	1.3	1.3	0.0	1.6	1.6
Ciampino - Airside system and airport terminals upgrade	0.1	0.8	0.9	0.0	0.0	0.0
Energy saving actions	0.5	0.0	0.5	0.3	0.0	0.3
New ADR HQ	0.5	0.0	0.5	0.1	0.0	0.1
Upgrading of Terminal 5	0.5	0.0	0.5	0.0	0.0	0.0
Maintenance works on buildings managed by sub-	0.0	0.1	0.1	1.4	0.1	1.5
Runway 3	0.0	0.0	0.0	0.0	27.8	27.8
Aprons in western area	0.0	0.0	0.0	0.4	0.0	0.4
Runway 2	0.0	0.0	0.0	0.0	0.1	0.1
Other	5.1	2.7	7.8	4.5	4.3	8.8
TOTAL	**124.9**	**46.7**	**171.6**	**65.8**	**60.6**	**126.4**

(*) Inclusive of works ENAC is responsible for (12.7 million euros in the first half of 2015)

(**) These amounts are for the use of the provision for renovation of airport infrastructures

Following is a description of the main investments for the various categories.

Runways and aprons

The works to extend aircraft aprons 200 were completed and the system works for the installation of the aircraft pre-conditioning systems at the same aprons were started.

Works are underway to create the West aprons (1st phase) and build new ULD (Unit Load Device) storage areas.

Design activities continued and the drawing up of Studio di Impatto Ambientale (SIA) [Environmental Impact Study], related to the Fiumicino Sud Enhancement project, which include the new flight runaway n. 4 and related taxiways, as well as the expansion of the Aircraft Aprons in the East Area, was completed. This study was sent to ENAC in order to be then forwarded to the Ministry for the Environment and Territorial and Marine Protection ("MATTM") and to the competent authorities for the approval of environmental compatibility. ADR is predisposing all the project integration elements in preparation for the delivery of the updated Environmental Impact Study as requested by ENAC.

Following the examination of the archeological findings, the project design regarding the completion of the doubling of the Bravo taxi way was resumed.

Terminals

The activities, with ATI Cimolai, continued for the creation of the departure areas F and E (so-called "Pier C and Front Building"). The facades and coverings of the front building and the pier were completed, one after the other; works are underway concerning the flooring and internal coating of the departure area at the Pier and the works were carried out to adjust the head of the Pier. The concrete slabs of the rigid flooring of 10 of the 14 aircraft aprons were completed.

Having taken the place of its principal Gozzo Impianti, which went bankrupt at the end of 2015, Cimolai progressively improved the subcontractors by directly managing designs and system installations in order to make up for past delays as much as possible.

On April 29, 2016, less than one year after the fire of May 7, 2015, the areas of Terminal 3 of the transit tunnel, which were statically and functionally compromised by the event, were reopened to the public after having been restored and, where necessary, entirely rebuilt, repositioning the passport controls of the Extra Schengen departures; connections were resumed with the east and west areas of the airport, with had been discontinued due to the fire.

Works are underway to upgrade of the front of Terminal 3 with the aim of recovering the original architectonic line, as required by the Ministry for Cultural Heritage and Activities and Tourism (MiBACT); after completing protection for all activities previously located adjacent to the facade, the activities were started to consolidate the pre-existing supporting beam of the new glass wall, already completed for two aisles out of five. The contract for the new glass wall was also awarded and the first actions were started to protect the systems to be upgraded.

The activities aimed at improving the image and services rendered to passengers continued at Fiumicino terminals. In particular:

- the works for the remaking of the coverings of the East and West Piers and the terrace of the main areas of Terminal 3, continued;
- the replacement of the flooring at the departure levels of Terminal 1 with high-end materials and greater resistance characteristics, is under way;
- the installation of three service elevators at the airports serving the Consolidation center activities, was completed;
- the offices of Criminal Police, Boarding Team and the Educational Centre of the State Police on the mezzanine floor of Terminal 3, were completed;

- the works to upgrade and restyle the boarding/departure areas B14-B23, were completed;
- the activities related to the restructuring of the Immigration Area of Terminal 3, located at the arrival point of Station E, are in progress, with particular attention given to the circulation areas of the passengers and the passport controls; these activities involved an increase in the number of passport control stations (traditional and e-gate stations), the expansion of the area set up for the line for passport controls and the alignment of the finishings to the highest standards set out for the infrastructures under construction;
- the works for upgrading the area for luggage delivery of Terminal 3, involving flooring, false ceilings, wall coatings and lighting systems, were completed.
- three reception areas are being created in line with the new concept for passengers with reduced mobility; two have been completed at Terminal 1 (departure area) and Terminal 3 (transit area).

The design of Lot 2 of the East Airport System of the Fiumicino airport, including the expansion of T1, the reconfiguration of the boarding/departure area C and the creation of the hub for the boarding/departing area D, is under way.

Systems

As part of the works to create the new baggage handling and sorting systems at Terminal 1, the portions of the system regarding the first system start-up phase, scheduled in the short-term, have been completed and are being tested; all the x-ray machines have been delivered and their integration into the HBS (Holding Baggage System) has been started; the metalwork fabrication was assembled and the assembly and start-up of the electric and mechanical systems and of the transport lines and the BHS (Baggage Handling System) continue.

The works for the doubling of the medium voltage electrical ring towards the electric switch box of the former Cargo Alitalia were delivered, as part of the activities to develop Fiumicino east area.

Regarding the new high/medium voltage electric sub-station, the civil works are being carried out.

The works to build the new electrical network for the runways continued, with the completion of the medium voltage ring at Runway 3 and the remaking of the first electric switch boxes serving the runways.

The work on the air-conditioning systems at the Terminals, to ensure comfort during the summer months, continued.

The replacement of UTA (Unità di trattamento aria - Air conditioning system) was completed at the hanging gardens of Terminal 3.

Work on the upgrade of the technological center, replacing all the medium voltage cabinets, continued.

The replacement of the panels for the emergency unit automation, serving the heating and generator systems that are activated in case of a power outage, is under way.

The works to design and create the new switchboards and the low voltage distribution systems as well as to compartmentalize the technical rooms were started, as part of the adjustment activities for the issue of the Fire prevention certificate for Fiumicino and Ciampino airports.

The electric switch boxes of Fiumicino airport network are being upgraded by replacing the medium voltage panel and the low voltage general panels.

The system that monitors and remotely controls the AVL systems (lighting signals on runways) is being replaced in order to improve performance and reliability and to make it expandable for integration with the flight infrastructures soon to be created.

Infrastructure and buildings

The internal demolition work was completed and the upgrading of the building for the former Alitalia offices to become ADR's new headquarters is being continued.

The work on the new Advanced Medical Centre is nearing completion.

The upgrade, both civil and structural, of the Head Office and Fire Department Delta, is under way.

The aesthetic and functional upgrade of the elevated footpath platform for the connection to the Terminals, Train Stations and parking areas, was continued.

After the works carried out at the end of 2015 at the multilevel and short-stay parking areas in Fiumicino (Car Parking Revitalization), 6 Gold ESPA (European Standard Parking Awards) certifications were received from the European Parking Association ("EPA"). Fiumicino is thus the first European airport to have all the car parks at the front of the terminal EPA certified.

ICT infrastructures and systems

At the Fiumicino airport, the execution of the system for providing information to the passengers, through monitors, about the times of the first and last piece of luggage being delivered for each arriving flight, at all the baggage delivery areas, was completed.

At Terminal 1 and Terminal 3, the monitoring systems of the lines at security check points and at passport check points at Arrivals, Transits and Departures were completed, using wi-fi/bluetooth technologies which allow for an accurate recognition of the passengers.

Actions to make the access flow to the security check points more fluid are continuing. After the installation in 2015 of 12 stations for reading and checking boarding passes at Terminal 1, the installation of 11 automatic stations was completed at Terminal 3. These actions also concerned Ciampino airport, with the installation of four stations in the security check areas at departures.

As regards the improvement of the flows at passport check points, 16 extra automatic stations were installed at Fiumicino airport for passport control, to be added to those already installed in 2015, bringing the total number of automatic stations to 28 at Fiumicino and to 6 at Ciampino.

At T3 arrivals area a system was set up to inform passengers and indicate the open passport desks and the types of checks (EU, all passport, Visa Not Required, etc.).

The activity was completed to equip Ciampino airport with a radio digital Tetra technology communication system to manage emergency calls, already operational at Fiumicino since November 2015.

Ciampino Master Plan

The Study on the Environmental Impact concerning the Master Plan of the Ciampino airport was delivered to ENAC. Based on this study, later filed by ENAC with the Ministries and territorial administrations involved, the technical preliminary inquiry for approval of the environmental compatibility was opened.

Innovation, research and development

The execution phase was completed and the testing took place in June of the Smart Grid pilot project, as part of the initiatives aimed at saving power and a more effective management of the internal distribution networks. This project entails the creation of a "power island" that draws electricity from several renewable sources, making it available in case of need (possible failures in the electrical network and airport systems). This action is part of the broader airport energy master plan devised in the first half of 2016.

Human resources

As of June 30, 2016 the ADR Group had a total headcount of 3,633, recording an 11.4% increase compared to December 31, 2015. This change is mainly attributable to: *i)* the physiological increase in workforce, linked to the seasonality of passenger traffic; *ii)* the attainment of higher service levels for ADR Security in relation to the objective of shortening queuing times at check points; *iii)* the internalization of the facilitation activities at e-gates for boarding pass at Fiumicino airport; *iv)* the actions to improve passenger service quality; *v)* the enhancement of the technical structures directly involved in the implementation of the Development Plan in accordance with the Planning Agreement and the improvement of the staff facilities.

Consequently to the seasonality of passenger traffic, the ADR Group headcount on fixed-term contracts as of June 30, 2016 equaled 1,058 people, with an incremental change of 365 people compared to December 31, 2015 (+52.7%).

The average total headcount of the Group in the first half of 2016 was 2,972.9 fte, up by 332.8 fte (+12.6%) compared to the same period of 2015. This increase is attributable to: *i*) the full operation of Airport Cleaning in the west area of Fiumicino airport stated during 2015, to which ancillary activities were added, such as waste collection at the communal areas of the terminals and the improved management of the baggage trolleys; *ii*) the heightened security measures requested after the terrorist attacks of Paris and Brussels, causing a further tightening of the controls on passengers and luggage; *iii*) the persistence, in the first four months of 2016, of the structural constraints following the fire of May 7, 2015 and the consequent adoption of special operating methods with a direct effect on the size of the workforce of ADR and the main operating subsidiary undertakings (ADR Assistance, ADR Security); *iv)* the review of the quality objectives of the service (queuing times and new e-gates for boarding passes); *v*) the hiring linked to the implementation of the Development Plan in accordance with the Planning Agreement and the improvement of the staff facilities.

Development and training

In the first six months of 2016, to ensure a high quality service to Customers, the ADR Group renewed its commitment to the Customer Experience Education project started at the beginning of the year and addressing 2,500 front-end resources that manage passenger relations.

In reference to the topics related to compliance with the laws of Health and Safety in the workplace, in the first half of 2016, 10,968 hours of training courses were provided, involving 878 participants. 11.0% of the total hours provided concerned training projects funded by interprofessional funds.

E-learning training was also started on privacy-related regulations and on the rules of conduct to be adopted with passengers with reduced mobility, involving 600 employees for a total of 1,000 hours of training used.

In the first half of 2016, 48,000 training and education hours were provided, with the participation of 3,731 people in the ADR Group, for an average 12.8 hours per resource trained.

Organizational Model

In the first half of the year, the organizational actions concerned: *i)* the enhancement of the Group risk management model through the adoption of Focal Point Risk Management in all the subsidiary undertakings and the establishment of a Post audit committee overseeing the prompt and correct implementation of the risk mitigation actions; ii) the improvement of the compliance with the Commission Regulation (EU) 139/2014 by appointing a Training Manager, as the figure dedicated to safety-related training in the airside area.

In the same period, at Group level, the content of the entire set of corporate regulations was updated after the adoption of the Management, Organization and Control Models pursuant to Italian Legislative Decree 231/01 by ADR Tel and ADR Assistance.

Industrial relations

In the first half of the year, the dialogue between ADR and the Social partners mainly focused on: *i)* the aspects applying the limitation of the handling operators at Fiumicino airport arranged by ENAC with a tender procedure relating to ramp services; *ii)* issues directly linked to the improvement of flexibility in the performance of the operational personnel of ADR and its subsidiary undertakings.

Regarding the limitation of handling operators, ADR coordinated the trade union negotiations, which ended by the terms set by ENAC to start new operations, saving more than 200 jobs, in the substantial absence of turmoil for the limitation of operations at the airport.

In terms of internal flexibility, the understandings with the Social Partners were aimed at extending the new working hours for the part time personnel directly involved in passenger services and at the multi-tasking of the ADR personnel that manage civil maintenance activities, in order to improve the effectiveness of the actions without affecting the costs.

TABLE 1. Main Indicators Human Resources

	UNIT	06/30/2016	12/31/2015
ADR Group headcount by qualification	No.	**3,633**	**3,260**
Managers	No.	52	50
Administrative staff	No.	221	207
White-collar	No.	2,055	1,949
Blue-collar	No.	1,305	1,054
ADR Group headcount by company	No.	**3,633**	**3,260**
ADR S.p.A.	No.	1,290	1,241
ADR Tel	No.	52	52
ADR Assistance	No.	442	315
ADR Security	No.	1,121	1,038
ADR Mobility	No.	70	59
Airport Cleaning	No.	658	555
ADR Group headcount by contract type	No.	**3,633**	**3,260**
Open-ended contract	No.	2,575	2,567
Fixed-term contract	No.	1,058	693
	UNIT	1st HALF 2016	1st HALF 2015
ADR Group headcount by qualification (average headcount)	FTE	**2,972.9**	**2,640.1**
Managers	FTE	50.7	47.2
Administrative staff	FTE	212.6	195.4
White-collar	FTE	1,762.4	1,583.8
Blue-collar	FTE	947.2	813.7
ADR Group headcount by company (average headcount)	FTE	**2,972.9**	**2,640.1**
ADR S.p.A.	FTE	1,212.1	1,108.1
ADR Tel	FTE	52.0	50.4
ADR Assistance	FTE	276.3	254.5
ADR Security	FTE	883.5	794.4
ADR Mobility	FTE	62.4	57.6
Airport Cleaning	FTE	486.6	375.1

Service quality

In the first half of 2016, ADR continued to implement actions aimed at improving the qualitative standards of the service offered at Fiumicino and Ciampino airports, obtaining remarkable results in terms of improved performance.

Service Charter

With the aim of constantly improving the service offered to passengers, ADR significantly changed, together with ENAC, the structure of the Service Charter 2016 according to two lines of action: *i*) definition of higher targets compared to the performance in 2015, *ii*) the increase in the granularity of the indicators, segmenting the figure by:

- flight terms (Schengen, Extra-Schengen, Domestic) for the first and last bag check-in and delivery;
- aircraft type (narrow-body, wide-body and ultra-body) for the indicator relating to the last bag delivery times.

Fiumicino airport recorded higher quality levels than in 2015 for all the main service quality indicators (security, check-in, baggage reclaim).

Significant growth was recorded at Ciampino airport with regard to the security process, with a standard compliance percentage equal to 97.8% against 94.7% in 2015, and punctuality, with punctual flights equal to 86.2% compared to 78.2% in 2015.

TABLE 1. Main indicators Service Quality

	UNIT	1ST HALF 2016	1ST HALF 2015[8]	STANDARD
Fiumicino				
Lines at domestic check-in desk, within 6 minutes	%	96.7	96.1	90
Lines at Schengen check-in desk, within 12 minutes	%	93.0	93.0	90
Lines at Extra-Schengen check-in desk, within 16 minutes	%	96.7	96.7	90
Waiting time for carry-on baggage security checks, within 5 minutes for non sensitive flights	%	99.6	99.2	90
Delivery of first bag from block-on within 19 minutes at national level	%	84.6	80.5	90
Delivery of first bag from block-on within 26 minutes at Schengen level	%	92.8	86.4	90
Delivery of first bag from block-on within 30 minutes at Extra-Schengen level	%	94.5	88.5	90
Delivery of last bag from block-on within 26 minutes at national level	%	95.4	91.3	90
Delivery of last bag from block-on within 35 minutes at Schengen level	%	95.4	90.9	90
Delivery of last bag from block-on within 37 minutes at Extra-Schengen level (narrow body)	%	94.7	88.6	90
Delivery of last bag from block-on within 40 minutes at Extra-Schengen level (wide body)	%	81.6	71.4	90
Punctuality of departing flights (flights leaving with less than 15 minutes of delay)	%	77.8	77.6	77

[8] Because of the fire of May 7, 2015, the data of the first half of 2015 for Fiumicino does not include the period May 7 - June 30, 2015. Compared to the data published in the Interim Report on Operations as of June 30, 2015, the data of the first half of 2015 was recalculated based on the standards in force (Service Charter) from January 1, 2016.

Ciampino				
Lines at check-in desk, within 17 minutes	%	88.6	88.3	90
Waiting time for carry-on baggage security checks, within 7 minutes	%	97.8	94.7	90
Delivery of first bag from block-on within 19 minutes	%	85.0	89.5	90
Delivery of last bag from block-on within 25 minutes	%	87.0	90.8	90
Punctuality of departing flights (flights leaving with less than 15 minutes of delay)	%	86.2	78.2	85

Environment

ADR is committed to supplying quality services while continuously respecting the environment and health and safety in the workplace.

Water consumption

Drinking water, supplied by the public water company, is distributed by ADR through the airport grounds. Industrial water is mainly used for the cleaning of tanks and lifting pumps, firefighting services and thermal stations serving the airport.

For a more efficient use of and to save water resources, at Fiumicino ADR uses a system for the treatment of waste water from the biological purifier, permitting the reuse of the same in industrial applications. Ciampino airport uses exclusively drinking water taken directly from the public aqueduct and used mainly for restrooms, and secondarily for the watering of the green areas.

The quality of the drinking water is ensured by carrying out chemical - biological analysis regularly during the year.

Energy consumption

Energy consumption dropped at Fiumicino in the first half of 2016. A 3% saving in energy consumption and a 10% saving in heat energy were obtained in particular, compared to the same period of 2015; this trend, after the decreasing performance of the previous years, is due to the continuous actions taken to improve energy efficiency and to climatic factors.

Energy consumption dropped 4% at Ciampino in the first half of 2016, compared to the same period of 2015.

As a consequence, energy efficiency indicators improved at both airports.

During the first six months of 2016, some actions were continued in order to adjust the air-conditioning systems to save energy as well as to replace the lighting units using LED technology.

In January 2016, the certification of the Energy Management System as per the ISO 50001 standard was obtained following a specific audit by the certifying body TUV.

CO2 emissions

In 2011 ADR adhered to the Airport Carbon Accreditation (ACA) of ACI Europe (Airports Council International), a certification system envisaging four levels of accreditation. In 2015 Fiumicino airport confirmed accreditation level 3+ “Neutrality”, offsetting direct and indirect emissions (Scope 1 and 2) with the purchase of “carbon credits” from projects for the production of renewable energy and projects implementing energy saving lighting systems.

In 2016 ADR also reconfirmed accreditation level 3 ACA “Optimisation” for Ciampino airport, which envisages the quantification of all direct and indirect emissions and the other indirect emissions (scope 1, 2 and 3) and the demonstration of the absolute or relative improvements of the performances achieved.

Fiumicino recorded a decrease in CO_2 absolute emissions per passenger of 5%, while the decrease for Ciampino airport was close to 23%. These results were obtained thanks to energy savings actions and the improved waste management performance, particularly by increasing recycling.

Production of waste

The sorting of some recyclable municipal solid waste continued at both airports with the start of the recovery of an average monthly quantity of about 70 tons of compostable waste.

The operating phase of the new "door to door" waste collection service, called "la raccolta differenziata vola", was started at Fiumicino airport at the end of 2014, allowing, in the first half of 2016, 76% percent of waste to be recycled.

In 2015 two waste deposit areas were commissioned at the Terminals of Ciampino airport, suitably fitted and with attending qualified personnel, leading to a considerable increase in recycling (from 21% in 2014 to 35% in the first half of 2016).

Water discharges

Several systems of an "environmental character" are present at Fiumicino, which have been predisposed by ADR in order to minimize the impact of airport activities on the areas surrounding Fiumicino airport.

The treatment plants at Fiumicino airport, authorized by Rome City Metropolitan Council, make it possible to discharge into the superficial water bodies adjacent to Fiumicino airport, water that is compatible with the aquatic habitats present in the receiving channels as this complies with the limits set out by the provisions in force.

The sewer system at Ciampino is of a mixed nature because of the co-use made of it by ADR, the military bodies and the other civil facilities existing inside the airport areas. A primary network pertains to AMI while a secondary one is ADR's, which periodically cleans the secondary network in order to prevent any clogging; both networks flow into the separator system of the Air Force; the water leaving the waste water treatment system and the water coming from the runways is in any case sent to the separator before being channeled to the final destination.

Noise pollution

In line with the previous works carried out and with legal provisions, in the first half of the year, the monitoring of airport noise continued at Fiumicino and Ciampino.

In order to curb the environmental impact in terms of noise pollution, ADR continued to cooperate with the Sapienza University of Rome to implement the simulation model with the objective of predicting the acoustic climate and promptly take the necessary containment actions.

In November 2013 ADR had forwarded the “Plan for containing and combating noise” at Ciampino airport to the Lazio Regional Authority and the Municipal authorities concerned (Rome, Ciampino and Marino). This plan was reviewed after the observations made by the abovementioned Bodies and presented in November 2015.

Furthermore, a first meeting was held with ENAV for Fiumicino airport to define the measures for mitigation management (different use of the runways).

Risk factors of the ADR Group

The correct management of the risks inherent in performing the company's businesses is a fundamental element for the ADR Group to maximize opportunities and reduce the potential losses associated to unexpected events, preserve the creation of economic value in the long-term and protect the tangible assets and intangible interests of the stakeholders.

The ADR Group has adopted a preventive approach to risk management, to direct choices and activities of the management, with the belief that a suitable process of identification, measurement, management and monitoring of the main risks contributes to guaranteeing that the company is run smoothly, correctly and in line with the strategic objectives. The key principles of the internal control and risk management system of the ADR Group are based on:

- defining roles and responsibilities with the objective of creating synergies among the players in the process and a suitable system of operating mandates that consider the nature, normal size and risks of the individual categories of operations;
- periodic and continuous repetition of the risk identification and assessment process (so-called risk assessment), periodic assessment of the effectiveness and efficiency of the company processes;
- continuous monitoring of the internal control system carried out by the line management first, and of the checks of the Internal Audit department to ensure the actual application of the procedures and compliance with regulations in force;
- the segregation of duties and the compliance with suitable authorization and decision tracking processes;
- a suitable protection of the assets of the organization and access to data strictly necessary to perform the assigned activities;
- continuous supervision of periodic assessment activities and their constant updating.

The arrangement of the risk management system can be summarized with the activities below performed by:

- The Board of Directors, which defines the nature and level of risk compatible with the strategic objectives (the Risk Appetite), through a continuous process of analysis and assessment of the business context in which the company works. In relation to the outlined risk profiles, the guidelines for the risk management and containment action implementation system are outlined;
- ADR's top management pursues the company objectives in compliance with the guidelines defined by the Board of Directors and made operational in terms of risk assessment by the Legal Department entrusted with guaranteeing a risk management system that is in line with the methods specified by the parent company Atlantia.

With the purpose of providing a synthetic representation of the risks, the following four macro-categories can be identified: (i) strategic, (ii) operational, (iii) financial and (iv) compliance.

Strategic risks

The strategic risk factors may significantly affect the long-term performance, thus determining reviews of the ADR Group's development policies. The main strategic risks are attributable to the evolution of the air transport market: the ADR Group's economic results are highly affected by air traffic which, in turn, is conditioned by the economic scenario, the economic-financial conditions of the individual carriers, the alliances between carriers and the competition, on some routes, from alternative means of transport. The risk management tools are: i) short and long-term analysis of the competitive scenario, (ii) monitoring the trends of the demand, (iii) investment program in close cooperation with the stakeholders, (iv) diversification of the customers of the operating carriers.

The company performance is also closely connected to the affairs of the main carrier (Alitalia) and other important carriers including EasyJet, Ryanair and Vueling.

As for other sector operators, the possible decrease in or discontinuation of flights by one or more of the mentioned carriers and the termination or change of the connections to some destinations featuring a high passenger traffic may negatively impact the activity and the growth prospects of the ADR Group and its results of operations and financial position.

Among the significant strategic risks, of particular importance are the risks connected to the development of the investments in compliance with the Planning Agreement and the commitments towards the stakeholders.

Operational risks

The operational risk factors are strictly connected to the performance of the company activities and, though able to affect the short and long-term performance, do not imply significant consequences on the strategic choices.

Air transport security risks are the most significant category of the operating risks: possible incidents have negative consequences with a very important impact on the business of the ADR Group. Among the chief management tools are: (i) the safety management system, (ii) progressive investments in safety and security (iii) staff training, (iv) pressing strict control and monitoring activities of the security standards.

Important risks of an operational nature may affect the continuity of service: strikes of its staff, the staff of airlines, the staff in charge of air traffic control and sector operators; adverse weather conditions (snow, fog, etc.) may lead to interruptions in the activity and have a negative financial and reputational impact. The main management tools include the airport plans and procedures to manage contingencies and states of emergency.

Financial risks

The net debt of the ADR Group amounts to 916.7 million euros as of June 30, 2016 (764.8 million euros as of December 31, 2015).

The gross nominal debt of the ADR Group is entirely on the Parent Company ADR (925.0 million euros) and mostly refers to the bond issue of the senior unsecured type of December 2013 for 600.0 million euros and referred to the Euro Medium Term Note (EMTN) Program launched by ADR at the same time for 1.5 billion euros in total. Added to the mentioned debt is the last bond tranche in pound sterling called “Class A4 Notes” issued in 2003 through a securitization special-purpose company named Romulus Finance S.r.l. (“Romulus Finance” or “Romulus”) and maturing in 2023.

Tranche A4 is no longer backed, as it was until July 2015, by a specific repayment guarantee issued by Ambac Assurance UK Ltd ("Ambac"). Moreover, with the "issuer substitution" operation of March 2016, implemented in the form of notation, ADR actually became the direct debtor towards the A4 shareholders in place of the securitization special-purpose company Romulus Finance. As a consequence, the loan agreement between Romulus Finance and ADR – aimed at providing the vehicle Romulus with the funds needed to serve its debt to the shareholders – was terminated, and all the related guarantees were cancelled with it, together with the complex system of constraints and obligations (i.e. the Security Package) regarding ADR since 2003, in relation to the securitization structure.

In particular, on March 17, 2016, Romulus Finance and ADR executed, with the consent of all the Romulus creditors, an agreement by virtue of which ADR would acquire, pursuant to article 1273 of the Italian Civil Code, all the assets and liabilities that the Special Purpose Vehicle Romulus Finance now holds towards: (i) the A4 noteholders, (ii) the hedge counterparties of the cross currency swap and (iii) the other counterparties of the securitization (i.e. notes for Trustees, Agents, etc.). This agreement, effective on March 20, 2016, is structured as follows:

- an Issuer Substitution through which ADR has assumed the payables and all the payment obligations regarding the Class A4 notes directly towards the A4 noteholders;
- a novation of the Cross Currency Swap in place aimed exclusively, given the same other conditions, at replacing Romulus Finance with ADR as the swap counterparty in the current agreements;
- the cancellation by offsetting the residual A4 loan between Romulus Finance and ADR consequently to the provisions above.

In particular, as a consequence of the entire redemption of the A4 loan between Romulus Finance (as loaner) and ADR (as borrower), the entire Security Package was redeemed. The Security Package was established in 2003 by ADR on its assets (current accounts, instruments, receivables and investments in subsidiary undertakings) supporting the A4 loan. The redemption of the Security Package entailed, pursuant to the contractual conditions currently in effect, the termination of the Intercreditor Agreement and with it, of the entire contractual structure (and relevant constraints) tied to the Romulus securitization, so as to allow for the complete independence of the various ADR loans.

With this operation, which includes also an agreement between the parties for the cancellation of the "Account Bank Agreement", any residual interference of the Romulus securitization structure of 2003 on the existing financial contractual structure and on the agreements to be executed in the future, was definitively eliminated.

The existing bond tranche Class A4 Notes of 215 million pounds sterling has been, right from the beginning, hedged against the exchange rate risk and the interest rate risk, through "cross currency swap" contracts for a face value of 325 million euros, at a fixed rate of 6.4%.

ADR also started a senior unsecured line of credit of the revolving type (RCF) for 250 million euros maturing in 2018. As of June 30, 2016 the line has never been used. This line was recently renegotiated (see the paragraph Subsequent events).

Credit risk

This is the risk that a customer or the counterparty in a financial instrument fails to meet its obligations, thereby causing a loss. As of June 30, 2016, the ADR Group's maximum exposure to this risk is represented by the nominal value of the guarantees provided for third parties' debt or commitments, the carrying value of the financial assets shown in the annual report and especially trade receivables from customers.

For an analysis of the policies in place to control the investment in loans, please see Note 9.3 to the Condensed consolidated interim financial statements.

Liquidity risk

Liquidity risk occurs when the ADR Group does not hold and finds it difficult to find the resources needed to face future financial commitments.

The financial structure of the ADR Group is distinguished by a limited incidence of the financial leverage component, since net debt as of June 30, 2016 equals 2.0 times the EBITDA of the last 12 months.

Commitments on repayments or refinancing of the existing short-term debt are not predicted, since the RCF facility will mature in 2018, the EMTN 2013 bond loan in 2021 and the Class A4 Notes in 2023.

The RCF facility only provides for costs that change according to the rating issued by Standard & Poor's, Moody's and Fitch Rating while the rating level no longer affects the application of stricter clauses included in the old "Security Package" that assisted the loan agreement relating to Romulus Tranche A4.

However, in case of temporary additional financial requirements, in addition to cash and cash equivalents for 86.3 million euros as of 30 June 2016, the RCF line of credit of 250 million euros is available, which ensures a more than adequate liquidity reserve for unexpected needs.

Also see note 9.3 in the Notes to the Condensed consolidated interim financial statements.

Interest rate risk

The ADR Group uses external financial resources. The funding lines currently used are at a fixed rate. For this reason, the exposure to risk is limited to the cost of the RCF facility, which has not been used so far in any case.

The ADR Group uses interest rate swaps (IRS) to manage its exposure to unfavorable fluctuations in interest rates.

With resolution of May 14, 2015 the Parent Company's Board of Directors authorized, consistently with the policies adopted by its shareholder, the possibility of signing, by assessing the best market opportunities, "forward starting" interest rate swap transactions up to 900 million euros of notional capital and with a duration of 10 years. With this type of instruments, which allow interest rates to be set forward for the deadlines arranged to undertake new debt, ADR improves its ability to tackle the risk of rising interest rates in a market featuring extreme volatility.

In this context, on June 15, 2015 ADR signed two "forward starting" interest rate swap contracts with a total notional capital of 250 million euros, effective from February 9, 2017, following the negotiated restructuring with the counterparties of June 20, 2016, for a duration of 10 years. On February 25, 2016, another "forward starting" interest rate swap contract with a notional value of 50 million euros was signed, effective starting from April 20, 2017, for a duration of 9 years.

Also see note 9.3 in the Notes to the Condensed consolidated interim financial statements.

Exchange rate risk

This is linked to unfavorable variations in the exchange rate with consequent increases in the outgoing cash flows.

The ADR Group has a financial exposure in Pound Sterling. For this reason, the Group uses currency swaps to manage its exposure to unfavorable fluctuations in exchange rates. Also see note 9.3 in the Notes to the Condensed consolidated interim financial statements.

Concerning transactions with consumers, the ADR Group has a negligible exposure to the risk since the transactions in currencies other than the euro are related to limited purchases of goods and services.

Risks related to outstanding loan agreements

Rating

As highlighted previously, both ADR and its funding lines are subject to the opinion of the rating agencies: Standard & Poor’s, Moody’s and Fitch.

In reference to the judgment of rating assigned to ADR by the mentioned agencies, it should be noted that during the first half of 2016, the Moody's rating agency, on March 22, raised the unsecured debt of ADR from Baa2 to Baa1. The assigned outlook is “stable”. Consequently, the rating assigned to the Class A4 Notes (formerly Baa1 as a secured debt) remained unchanged also after the debt assumption operation described above. The outlook is stable also for these notes.

During 2016 no additional changes were made to the ratings assigned to ADR. In particular:

- Standard & Poor's: BBB+ with stable outlook (please note, in particular, that the agency also assigns a stand-alone credit profile equal to “A”, two notches above the rating of the company and a good 4 notches compared to the Italian Republic);
- Fitch Ratings: BBB+ with stable outlook.

Security and financial covenants

With the mentioned “issuer substitution“ operation, the “Security Package” established in 2003 to support the debt structure called “Romulus”, whose tranche A4 only remains today, ceased. The only, though more limited guarantee, is a “deed of assignment” under British law in favor of notes A4 on any receivables of AdR related to cross currency swaps in place with the counterparties Unicredit and Mediobanca. In any case this guarantee is limited to a maximum value of 96.5 million euro.

Financial covenants persist for the control of the revolving bank facility, calculated on a historic basis. These measure: (i) the Debt Service Coverage Ratio (DSCR), measuring the ratio between available cash flow and debt servicing and (ii) the Leverage Ratio that is the ratio between net debt and gross operating income. These ratios are checked twice a year, in accordance with the RCF loan agreement entered into in 2013, by applying the calculation methods of the respective ratios to the relative data of the Yearly Financial Report as of December 31 and the Consolidated Interim Financial Report as of June 30. With reference to the two financial ratios mentioned, it should be remembered that the reference threshold values are: (i) for the DSCR, a ratio not lower than 1.1 and, (ii) for the Leverage, a ratio not above 4.25 with reference to the current rating level of the Company.

Moreover, the loan agreements call for acceleration, termination and withdrawal conditions typical for loans of this type.

The documentation of the EMTN Program, updated on April 28, 2016, after the debt assumption operation described above, in line with market practice for “investment grade” issuers, does not envisage limitations to the charge of ADR nor the observance of financial covenants or obligations to perform/not perform (except for a negative pledging commitment, typical of the contractual documentation of a non-banking issuer), in line with market practice for investment grade issuers.

Compliance risks

Risks of compliance with laws and regulations

The ADR Group operates in a sector that is highly regulated at domestic, EU and international level: an example of significant compliance risk categories can be related to the regulations concerning noise and the environment: the airport operator is obliged to respect the national and international laws on containing noise and environmental protection. The management of these risks is focused on the utmost substantial respect of the regulations and legislation in force, cooperation with the reference authorities and the implementation of activities to protect the environment.

Regulatory risks

The airport operator performs the activities under a concession agreement, in compliance with obligations whose non-fulfillment may cause the termination or cancellation of the concession. In addition it is possible to incur sanctions as a consequence of the non-fulfillment of ancillary obligations required by the Planning Agreement. The main risk management tool, in addition to the reference company procedures, is a close connection with the Grantor to ensure the utmost respect of the fulfillments relating to the regulated activities.

OTHER INFORMATION

Updates and changes to the reference regulatory framework

Some national and EU provisions were issued during the first half of 2016, which affect the regulatory framework of the airport sector in general and ADR's business in particular.

Planning Agreement

Tariff update

In compliance with applicable regulations, at the beginning of the consultation procedure concerning the next regulatory five year period, ADR, with a 17 March, 2016 letter, asked the airlines operating at the Fiumicino and Ciampino airports to provide, by April 15, 2016, information - possibly concerning the next five years - as listed here below, which will be, as always, considered as confidential, especially as regards the other carriers: traffic forecast; forecast related to the composition and use of the fleets; projects for the development of its activities within the airport; projects for the development of its activities at the airport; any proposals for the differentiation/definition of the regulated fees; requirements about the airport and any other concerns as regards capacity, functionality and availability of the existing airport equipment, considered as capable of impacting in a significant manner the overall functionality of the airport, the operating security system and the standards for the services applicable to passengers, baggage, airplanes and goods.

Airport operations

Handling Services at Fiumicino airport

As regards the tender procedure for the recruitment, pursuant to article 11 of Italian Legislative Decree no. 18/1999, of the operators providing handling services to third parties in the categories subject to constraints, ENAC, with a note dated March 4, 2016, has informed that, following the assessments carried out as required by the tender regulations, the final awarding of the contract to Aviation Services S.p.A., Aviapartner Handling S.p.A. and Alitalia SAI S.p.A. dated December 23, 2015, has entered into effect and the three awarded companies were asked to send to ADR management the documentation necessary for the drawing up of the agreement.

In compliance with the set forth provisions, the three awarded companies delivered to ADR the required documentation as per the tender procedure (guarantees, insurance policies and ENAC certification), necessary for the execution of the agreement and in order to avoid the forfeiture of the contract award. The contracts were thus entered into between ADR and the three awarded companies, which duly started operations according to the limitation regime, on May 18, 2016.

Sub-concession of a portion of the Cargo building

The tender procedure, aimed at selecting a subject to which the portion of the internal warehouse of the “Cargo Building” will be awarded for the execution of cargo handling activities, was completed on March 22, 2016, with the contract being awarded to the Company XPress.

Airport noise pollution and noise abatement at Ciampino airport

On January 12, 2016 the first meeting was held of the Service Conference called by the Lazio Regional Authority on the Plan to for containing and combating noise at Ciampino airport presented by ADR. The Service Conference merely performs preliminary activities and has no decision-making powers, since it is up to the individual Municipalities concerned to approve or reject the Plan. During the meeting, ADR presented the Plan being proposed to the representatives of the attending authorities (Municipality of Ciampino, Lazio regional board, ARPA and ENAC). The Conference requested that ADR submits additional documentation within a time frame of 90 days.

Subsequently, on February 19, 2016, the Lazio Region sent to the Ministry for the Environment and Territorial and Marine Protection a note asking for an opinion as regards the competence for the approval of the Plan presented by ADR in consideration of the following: i) the provisions of article 5, paragraph 2 of Ministerial Decree of 29 November 2000 which grants to such Ministry the competence to approve plans for noise abatement, applicable to national infrastructures and ii) the publication, in December 2015, of the “Airport National Plan” which qualifies Ciampino as an airport of national interest.

On March 17, 2016, the Ministry, in response to the question posed by the Lazio Region, reserved all powers for the approval of the Plan for the reduction and abatement of noise at the Ciampino airport, upon Agreement with the Unified Conference.

Procedure for the approval of the projects of airport infrastructures

Italian Law no. 9 of January 22, 2016 of conversion with amendments of Italian Law Decree no. 185/2015 “Urgent measures for territorial interventions”, published in the Official Gazette no. 18 of January 23, 2016, confirmed the repeal of the law that allowed for the combining of the procedure for infrastructural interventions at Fiumicino and Ciampino airports with the procedure set out for strategic infrastructures of major national interest (so-called large scale works) (art. 71, paragraph 3-bis of Legislative Decree no. 1/2012 converted, with amendments, by the law of March 24, 2012, no. 27).

With the repeal of art. 71, par. 3-bis, the infrastructural interventions for the Fiumicino and Ciampino airports are no longer equated to the infrastructures of the so-called “large scale works” and go back to being subject to the pre-existing regulations in terms of the approval procedures.

On February 4, 2016, following such repeal, the Ministry of the Environment and the Protection of Land and Sea, upon an ENAC petition, communicated the start of the new Environmental Impact Assessment procedure of the Master Plan of the Ciampino airport, publishing the documents on its website for consultation purposes.

Increase in the municipal surcharge on boarding fees

With reference to the interministerial decree no. 357 of October 29, 2015, which set out a new measure for increasing the surcharge on the departure dues of passengers of airplanes - amounting to Euro 2.50 per passenger for 2016 - on February 15, 2016, ENAC communicated that the set out increase applies only to the tickets with departure date starting on January 1, 2016, sold after December 17, 2015 and any way not beyond the day subsequent to the publication date of the decree on the institutional site of the Ministry of Infrastructures and Transports, which occurred on December 22, 2015.

Sub-concession of retail outlets

With note 0080179 of June 23, 2015, the National Anti-Corruption Authority (ANAC), informed ADR about the opening of the preliminary inquiry regarding the awarding of contracts, in sub-concession to third parties, for the performance of commercial activities (so called non-aviation) within the airport area".

For this purpose, ANAC requested from ADR a specific report on the sub-concessions related to non-aviation activities concerning the last three years (2012-2013-2014) with the indication, for each of them, of the type of award (direct or competitive) through which the related contractual conditions were issued.

Confirming receipt of the above note, on 20 July 2015, ADR sent to the competent Authority the requested report.

With note 0040649 of March 10, 2016, ANAC communicated to ADR its own observations as regards the investigation results and related conclusions.

Very briefly, the Authority after expressing several observations regarding i) the duration of the concession; ii) the delay in the implementation status of the investments and iii) the tariff scheme (dual till method) applied, stated, on the one hand, that ADR should always guarantee public procedures for the awarding, in sub-concession, of spaces for carrying out commercial activities within the airport, and on the other hand, contested some specific profiles referring to the actual methods adopted by ADR for the above awarding procedures. With the same note, the Authority also highlighted that the participation of associates to the tender called by ADR, represents a serious problem of information asymmetry compared with the other economic operators who participate in the same tenders".

Based on the above, ANAC informed the recipients (ADR, ENAC, Ministry of Infrastructure and Transport, Associazione Fuori Pista) about the possibility of submitting its rebuttal arguments within 30 days from the receipt date of the above note.

ADR, with note dated April 8, 2016, presented to the Authorities its rebuttal arguments, stating that: (i) the awards of the contracts in question are of a strictly commercial nature; (ii) for these awards of contracts ADR is not legally required to carry out publicity procedures and (iii) in all cases, the procedures adopted to date by ADR and agreed upon by AGCM are such as to guarantee compliance with transparency, proportionality and non-discrimination requirements.

Transactions with related parties

Notice regarding management and coordination of the company

From August 2, 2007, ADR qualifies as a company “managed and coordinated” by Gemina, which wholly owns Leonardo Srl, subsequently merged into Gemina. As a result of the merger via incorporation of Gemina in Atlantia, with effect as from December 1, 2013, ADR is subject to the “management and co-ordination” of Atlantia.

In turn, ADR “manages and coordinates” its subsidiary undertakings, ADR Tel, ADR Sviluppo S.r.l., ADR Assistance, ADR Security, ADR Mobility and Airport Cleaning.

Transactions with related parties

All the transactions with parent companies and other related parties were carried out on an arm’s length basis.

With reference to the relations with the parent company and the related parties, reference is made to Note 10 in the Notes to the condensed consolidated half-year financial statements.

Subsequent events

Traffic trends in the first seven months of 2016 [9]

In the period January-July 2016, the Roman airport system recorded a +2.8% rise in passengers transported resulting from the significant growth in the international component (+3.5%, EU +3.7% and non-EU +3.1%, respectively) and the essential stability of domestic traffic (+0.9%).

TABLE 1. Main traffic data of the Roman airport system

	JAN. –JUL. 2016	JAN. –JUL. 2015	Δ%
Movements (No.)	**198,335**	**198,833**	**(0.3%)**
Fiumicino	170,459	168,262	1.3%
Ciampino	27,876	30,571	(8.8%)
Passengers (No.)	**25,133,441**	**24,448,059**	**2.8%**
Fiumicino	22,051,486	21,115,030	4.4%
Ciampino	3,081,955	3,333,029	(7.5%)
Cargo (t)	**90,062**	**81,930**	**9.9%**
Fiumicino	81,183	73,486	10.5%
Ciampino	8,879	8,444	5.2%

Fiumicino

In the period considered, Fiumicino recorded a +4.4% rise in passenger traffic, as well as growth in seats (+3.7%), aircraft tonnage (+3.9%) and movements (+1.3%).

The growing passenger traffic is attributable to the growth of both the Domestic (+7.2%) and International (+3.3%) component, with the EU component increasing by +3.3% and the Non-EU component by +3.0%.

In the first three weeks of July the growth in volumes was +8.4%, due to the developments of the capacity offered and the increase in movements (+5.2%). Traffic development was driven by the Domestic segment (+10.4%) and the International segment (+7.6%) with the Non-EU Europe component dropping instead (-6.3%).

Ciampino

In the period under review, the airport recorded a fall of -7.5% in passengers together with a decrease in capacity (movements -8.8%, aircraft tonnage -9.4% and seats -10.4%).

In the first three weeks of July, the drop was even stronger (-30.1%), due essentially to the lower capacity offered at the airport compared to July 2015, when, because of the fire, the part of the operations at Fiumicino had been transferred for extraordinary reasons.

[9] Provisional data updated to July 21, 2016 and compared with the same period of 2015.

Other significant events

- On July 11, 2016, a new revolving line of credit (RCF) was started for 250 million euros, which is the same as the pre-existing one signed in 2013, though benefitting from a prolonged three-year maturity (2021), with two additional optional years. The agreement on the new RCF was reached with the same syndicate of banks as in 2013. In addition to including updates aimed at simplifying the arrangement, such as, for example, simpler financial covenants previously maintained to ensure the necessary alignment with the complex contractual structure of the so-called "*Romulus*" debt, it also envisages a tangible improvement of the economic conditions, obtained by strengthening ADR's creditworthiness and a more favorable market context than in the recent past.

- With regard to the Plan for the reduction and abatement of noise at Ciampino airport presented by ADR, on July 13, 2016 a first meeting was held at the Ministry of the Environment, attended by the representatives of the department, ISPRA (a technical organization entrusted by the Ministry with the technical assessment of the Plan) and ADR. On July 18, 2016, the Ministry sent ADR a letter containing all the requests and observations made by ISPRA as regards the Plan, giving ADR sixty days to reply and make any addition.

- With sentence handed down on June 23, 2016 and filed on July 14, 2016, the Provincial Tax Commission for Rome rejected the appeal regarding the ICI assessment for the Hilton Hotel in the tax period 2011, stating the same points already contained in the rulings issued for the dispute regarding the previous years. As done for other unfavorable 1st instance disputes, ADR will file an appeal before the Regional Tax Commission.

Business Outlook

The main official sources confirm a moderate growth of the main European economies in 2016 and a persisting situation of non-significant improvement for Italy, which remains among the European countries for which the least development is predicted.

However, in consideration of the traffic growth obtained in the first half of 2016, satisfactory traffic volumes are expected in the year. Positive returns in terms of quality will be attainable consequently to the reconfiguration of traffic flows made possible by the reopening of the transit tunnel after the fire.

ADR will continue to pursue its strategy of development of its relationships with intercontinental airlines and destinations, by valuing Fiumicino's role as a hub and trying to develop the markets with the highest economic value and growth potential.

The implementation of the Infrastructural development plan will continue with greater investments, in line with the objectives shared with the Users.

The continuous improvement of the service levels remains a strategic priority for the ADR Group, which is committed to enriching the passenger experience at the airport. The determined effort continues to pursue maximum effectiveness in the management of the core business and high levels of operating efficiency to maximize its positive impact on the surrounding territory and the value for the stakeholders and shareholders.

For the year 2016, unless the traffic development worsens and net of any non-recurrent items, an economic performance can be predicted that is improved, compared to 2015.

The Board of Directors

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF JUNE 30, 2016

Condensed consolidated interim financial statements as of June 30, 2016

CONSOLIDATED FINANCIAL STATEMENTS OF THE AEROPORTI DI ROMA GROUP

Consolidated statement of financial position

ASSETS (THOUSANDS OF EUROS)	NOTES	06.30.2016	OF WHICH TOWARDS RELATED PARTIES	12.31.2015	OF WHICH TOWARDS RELATED PARTIES
NON-CURRENT ASSETS					
Tangible assets	6.1	48,211		36,349	
Concession fees		2,102,616		2,025,643	
Other intangible assets		16,779		15,186	
Intangible assets	6.2	2,119,395		2,040,829	
Equity investments	6.3	30,123		31,023	
Other non-current financial assets	6.4	2,433		2,925	
Deferred tax assets	6.5	119,088		122,567	
Other non-current assets	6.6	471		472	
TOTAL NON-CURRENT ASSETS		2,319,721		2,234,165	
CURRENT ASSETS					
Inventories		4,071		3,697	
Trade receivables		280,441	*4,127*	269,036	*3,437*
Commercial activities	6.7	284,512	*4,127*	272,733	*3,437*
Other current financial assets	6.4	1,153	*1,148*	10,516	
Current tax assets	6.8	9,282	*7,817*	14,436	*7,470*
Other current assets	6.9	40,241	*89*	53,285	*3,547*
Cash and cash equivalents	6.10	86,284		218,593	
TOTAL CURRENT ASSETS		421,472	*13,181*	569,563	*14,454*
TOTAL ASSETS		**2,741,193**	***13,181***	**2,803,728**	***14,454***

SHAREHOLDERS' EQUITY AND LIABILITIES (THOUSANDS OF EUROS)	NOTES	06.30.2016	OF WHICH TOWARDS RELATED PARTIES	12.31.2015	OF WHICH TOWARDS RELATED PARTIES
SHAREHOLDERS' EQUITY					
GROUP SHAREHOLDERS' EQUITY					
Share capital		62,225		62,225	
Reserves and retained earnings		878,712		891,881	
Net income for the period		87,370		136,575	
		1,028,307		1,090,681	
MINORITY INTERESTS IN SHAREHOLDERS' EQUITY		0		0	
TOTAL SHAREHOLDERS' EQUITY	6.11	**1,028,307**		**1,090,681**	
LIABILITIES					
NON-CURRENT LIABILITIES					
Provisions for employee benefits	6.12	21,482		20,599	
Provision for renovation of airport infrastructure	6.13	104,839		158,788	
Other allowances for risks and charges	6.14	23,999		23,579	
Allowances for non-current provisions		150,320		202,966	
Bonds		841,850	*266,254*	874,108	*292,935*
Financial instruments - derivatives		132,197		99,607	
Non-current financial liabilities	6.15	974,047	*266,254*	973,715	*292,935*
Other non-current liabilities	6.16	572	*572*	3,895	*2,877*
TOTAL NON-CURRENT LIABILITIES		1,124,939	*266,826*	1,180,576	*295,812*
CURRENT LIABILITIES					
Provisions for employee benefits	6.12	562		900	
Provision for renovation of airport infrastructure	6.13	140,051		101,168	
Other allowances for risks and charges	6.14	39,672		36,919	
Allowances for current provisions		180,285		138,987	
Trade payables	6.17	243,124	*51,372*	231,298	*54,512*
Trade liabilities		243,124	*51,372*	231,298	*54,512*
Current share of medium/long-term financial liabilities		5,944	*425*	15,898	*523*
Financial instruments - derivatives		26,554		7,207	
Current financial liabilities	6.15	32,498	*425*	23,105	*523*
Current tax liabilities	6.8	8,011	*5,574*	17,430	*17,090*
Other current liabilities	6.18	124,029	*2,727*	121,651	*1,397*
TOTAL CURRENT LIABILITIES		587,947	*60,098*	532,471	*73,521*
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**2,741,193**	***326,924***	**2,803,728**	***369,333***

Consolidated income statement

(THOUSANDS OF EUROS)	NOTES	1st HALF 2016	OF WHICH TOWARDS RELATED PARTIES	1st HALF 2015	OF WHICH TOWARDS RELATED PARTIES
REVENUES					
Revenues from airport management		391,923	*5,990*	357,054	*5,207*
Revenues from construction services		108,178		58,515	
Other operating income		6,465	*766*	12,498	*255*
TOTAL REVENUES	7.1	506,566	*6,756*	428,067	*5,462*
COSTS					
Consumption of raw materials and consumables	7.2	(14,969)	*(9,018)*	(15,984)	*(9,577)*
Service costs	7.3	(210,544)	*(26,506)*	(173,873)	*(53,079)*
Payroll costs	7.4	(78,590)	*(1,888)*	(67,957)	*(2,654)*
Concession fees		(16,173)		(15,471)	
Expenses for leased assets		(1,612)		(1,831)	
Allocation to (use of) the provisions for renovation of airport infrastructure		16,872		31,285	
Allocations to allowances for risks and charges		(3,964)		(3,544)	
Other costs		(5,281)		(5,323)	
Other operating costs	7.5	(10,158)	*(51)*	5,116	*(50)*
Depreciation of tangible assets	6.1	(2,928)		(2,251)	
Amortization of intangible concession fees	6.2	(31,204)		(30,945)	
Amortization of other intangible assets	6.2	(2,001)		(1,754)	
Amortization and depreciation		(36,133)		(34,950)	
TOTAL COSTS		(350,394)	*(37,463)*	(287,648)	*(65,360)*
OPERATING INCOME (EBIT)		**156,172**		**140,419**	
Financial income		208		24,206	*9*
Financial expense		(57,225)	*(7,336)*	(24,078)	*(6,869)*
Foreign exchange gains (losses)		33,544		(23,365)	
FINANCIAL INCOME (EXPENSE)	7.6	**(23,473)**	*(7,336)*	**(23,237)**	***(6,860)***
Share of profit (loss) of associates accounted for using the equity method	7.7	1,330		1,956	
INCOME (LOSS) BEFORE TAXES		134,029		119,138	
Income taxes	7.8	(46,659)		(40,659)	
NET INCOME (LOSS) FROM CONTINUING OPERATIONS		**87,370**		**78,479**	
Net income (loss) from discontinued operations		0		0	
NET INCOME FOR THE PERIOD		**87,370**		**78,479**	
of which					
Group income		87,370		78,479	
Minority interests		0		0	

Consolidated Statement of Comprehensive Income

(THOUSANDS OF EUROS)	NOTES	1st HALF 2016	1st HALF 2015
NET INCOME FOR THE PERIOD		**87,370**	**78,479**
Profits (losses) from fair value measurement of the cash flow hedges	6.15	(19,142)	7,556
Tax effect		4,348	(2,078)
Share pertaining to the "other components of comprehensive income" of equity investments accounted for using the equity method	6.3	65	33
Other components of the comprehensive income statement that can be reclassified in the income statement, net of the tax effect		**(14,729)**	**5,511**
Income (loss) from actuarial valuation of employee benefits	6.12	(1,125)	1,002
Tax effect		295	(276)
Other components of the comprehensive income statement that will not be subsequently reclassified in the income statement, net of the tax effect		**(830)**	**726**
TOTAL OTHER COMPONENTS OF THE COMPREHENSIVE INCOME STATEMENT, NET OF THE TAX EFFECT		(15,559)	6,237
COMPREHENSIVE INCOME FOR THE PERIOD		**71,811**	**84,716**
of which			
Comprehensive income attributable to the Group		71,811	84,716
Comprehensive income attributable to minority interests		0	0

Statement of changes in consolidated equity

(THOUSANDS OF EUROS)	SHARE CAPITAL	LEGAL RESERVE	SHARE PREMIUM RESERVE	CASH FLOW HEDGE RESERVE	RESERVE FOR THE VALUATION OF EQUITY INVESTMENTS ACCORDING TO THE NET EQUITY METHOD	OTHER RESERVES AND RETAINED EARNINGS	NET INCOME FOR THE PERIOD	TOTAL	MINORITY INTERESTS IN SHAREHOLDERS' EQUITY	TOTAL SHAREHOLDERS' EQUITY
BALANCE AS OF DECEMBER 31, 2014	**62,225**	**12,462**	**667,389**	**(51,691)**	**(56)**	**258,338**	**136,509**	**1,085,176**	**0**	**1,085,176**
Net income for the period							78,479	78,479	0	78,479
Other components of comprehensive income:										
Profits (losses) from fair value measurement of the cash flow hedge derivative instruments, net of the tax effect				5,478				5,478		5,478
Gains (losses) from actuarial estimates, net of the tax effect						726		726		726
Share of profit (loss) of associates accounted for using the equity method					33			33		33
Comprehensive income for the period				5,478	33	726	78,479	84,716	0	84,716
Dividend distribution							(128,183)	(128,183)	0	(128,183)
Profit allocation						8,326	(8,326)	0		0
Other changes					2	285		287		287
BALANCE AS OF JUNE 30, 2015	**62,225**	**12,462**	**667,389**	**(46,213)**	**(21)**	**267,675**	**78,479**	**1,041,996**	**0**	**1,041,996**
BALANCE AS OF DECEMBER 31, 2015	**62,225**	**12,462**	**667,389**	**(55,654)**	**(37)**	**267,721**	**136,575**	**1,090,681**	**0**	**1,090,681**
Net income for the period							87,370	87,370	0	87,370
Other components of comprehensive income:				(14,794)	65	(830)		(15,559)		(15,559)
Profits (losses) from fair value measurement of the cash flow hedge derivative instruments, net of the tax effect				(14,794)				(14,794)		(14,794)
Gains (losses) from actuarial estimates, net of the tax effect						(830)		(830)		(830)
Share of profit (loss) of associates accounted for using the equity method					65			65		65
Comprehensive income for the period				(14,794)	65	(830)	87,370	71,811	0	71,811
Dividend distribution						(134,405)		(134,405)	0	(134,405)
Profit allocation						136,575	(136,575)	0		0
Other changes					(1)	221		220		220
BALANCE AS OF JUNE 30, 2016	**62,225**	**12,462**	**667,389**	**(70,448)**	**27**	**269,282**	**87,370**	**1,028,307**	**0**	**1,028,307**

Consolidated Statement of Cash Flows

(THOUSANDS OF EUROS)	NOTES	1st HALF 2016	1st HALF 2015
Net income for the period		**87,370**	**78,479**
Adjusted by:			
Amortization and depreciation	6.1/6.2	36,133	34,950
Allocation to the provisions for renovation of airport infrastructure	6.13	29,796	29,345
Financial expense from discounting provisions	7.6	1,891	1,597
Change in other provisions		2,509	898
Share of profit (loss) of associates accounted for using the equity method	7.7	(1,330)	(1,956)
Net change of the deferred (prepaid) tax (assets) liabilities		8,122	6,132
Other non-monetary costs (revenues)		1,210	911
Changes in the working capital and other changes		7,881	(47,973)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		173,582	102,383
Investments in tangible assets	6.1	(14,777)	(5,552)
Investments in intangible assets	6.2	(115,799)	(47,497)
Works for renovation of airport infrastructure	6.13	(46,669)	(60,630)
Equity investments and minority shareholdings in consolidated co.		(1)	0
Dividends received from subsidiaries, valued according to the net equity method		1,147	0
Gains from divestment of tangible and intangible assets and equity investments		4,015	3,888
Net change of other non-current assets		1	(7)
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B)		(172,083)	(109,798)
Dividends paid		(134,405)	(128,183)
Issue of bonds		0	6,444
Net change of other current and non-current financial liabilities		(9,915)	(9,889)
Net change of current and non-current financial assets		10,511	(474)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(133,809)	(132,102)
NET CASH FLOW FOR THE PERIOD (A+B+C)		**(132,310)**	**(139,517)**
Cash and cash equivalents at the start of the period	6.10	218,593	356,066
Cash and cash equivalents at the end of the period	6.10	86,283	216,549

Additional information to the statement of cash flows

(THOUSANDS OF EUROS)		1st HALF 2016	1st HALF 2015
Net income taxes paid (reimbursed)		42,813	25,812
Interest income collected		102	330
Interest payable and commissions paid		30,561	31,344

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE AEROPORTI DI ROMA GROUP

1. General information

Aeroporti di Roma S.p.A. (hereafter the “Company” or “ADR” or “the Parent Company”) manages the Roman airport system on an exclusive basis under the concession signed between the Italian Civil Aviation Authority (“ENAC”) and ADR. On December 21, 2012 the Prime Minister approved the new Planning Agreement signed between ADR and ENAC on October 25, 2012, based on which ADR is entrusted with managing the airport system directly and indirectly through the subsidiary undertakings, which specific activities are assigned to.

The registered office of the Parent Company is in Fiumicino, Via dell’Aeroporto di Fiumicino 320, while the secondary office is in Ciampino, Via Appia Nuova 1651. The duration is currently set until December 31, 2050.

On the date of presenting the Condensed consolidated interim financial statements, Atlantia S.p.A. (“Atlantia”) is the shareholder that directly holds the majority of the shares of ADR (59,687,641, equal to 95.92% of the capital) and exercises the management and coordination towards the company.

These condensed consolidated interim financial statements of ADR and its subsidiary undertakings (the “ADR Group”) were approved by the Board of Directors of the company during the meeting of August 1, 2016 and subject to audit by EY S.p.A. (formerly Reconta Ernst & Young S.p.A.).

The consolidated financial statements were prepared in the assumption of going-concern.

2. Form and content of the Consolidated financial statements

The condensed consolidated interim financial statements as of June 30, 2016 were prepared in compliance with IAS 34 “Interim financial reporting” (applicable for the 6-month financial information).

The condensed consolidated interim financial statements comprise statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders’ equity, statement of cash flows and these explanatory notes, applying the provisions of IAS 1 “Presentation of Financial Statements” and the general criterion of the historical cost, with the exception of the financial statement items that according to IFRS are recognized at their fair value, as stated in the valuation criteria of the individual items described in the Consolidated Financial Statements as of December 31, 2015, to which reference is made.

Compared to the annual consolidated financial statements, a summarized report is envisaged in terms of form and content, as provided for by IAS 34. As a consequence, for more detailed information, these condensed consolidated interim financial statements must be read together with the consolidated financial statements for the year ended December 31, 2015, prepared according to the International Financial Reporting Standards (IFRS).

The accounting statements are the same as those adopted in the consolidated yearly financial statements as of December 31, 2015.

For each item in the consolidated financial statements, the corresponding value of the previous year or period is reported for comparison purposes.

All the values are expressed in thousands of euros, unless otherwise stated. Euro is the functional currency of the parent company and the subsidiary undertakings and the currency of presentation of the financial statements.

3. Consolidation area and principles

The condensed consolidated interim financial statements include the financial statements of ADR and its subsidiary undertakings for the year ending June 30, 2016.

Annex 1 “List of equity investments” lists the companies included in the consolidation area. The consolidation area has not changed compared to December 31, 2015.

For consolidation purposes, the accounting situations of the subsidiary undertakings were used, approved by the relevant Board of Directors and the Sole Directors, adjusted on the basis of the IFRS standards adopted by the Group.

The consolidation principles are the same applied to the preparation of the consolidated financial statements for the year ended December 31, 2015, to which reference is made.

4. Accounting standards applied

In preparing the condensed consolidated interim financial statements as of June 30, 2016, the same accounting standards and valuation criteria applied in preparing the consolidated financial statements for the year ended December 31, 2015, were used, to which reference is made for an analytical description of these standards and criteria.

Therefore, the accounting standards applied in preparing this document have not changed significantly compared to those adopted in preparing the consolidated financial statements for the year ended December 31, 2015, as, during the first six months of 2016, no new accounting standards, new interpretations or amendments to the applicable standards came into force, which had a significant impact on the consolidated financial statements of the ADR Group.

For complete information, it is specified that the accounting standards, interpretations and/or the amendments to already enforced accounting standards and interpretations listed below are applicable from January 1, 2016:

- IFRS 11 – Joint Arrangements. It was clarified that, if an interest in a joint operation is acquired, which represents a business as defined by IFRS 3, the provisions of this last standard shall be used;
- IFRS 7 - Financial Instruments: disclosures. The amendments made to the standard clarify that, when a financial asset is transferred, while signing service arrangements at the same time, which show an interest in the future performance, the disclosures required by the standard must be provided in any case;
- IAS 19 - Employee benefits. The amendments made clarify that the rate used to discount the obligations linked to benefits after the end of the employment relationship (financed and non

financed) must be determined with reference to market yields, at the reference reporting period, on high quality corporate bonds identified in the same currency used to pay the benefits;

- IAS 34 - Interim Financial Reporting. It was clarified that the disclosures required by this standard can be included in the notes to the interim financial statements or, with specific references in the interim financial statements, in other sections of the statement (such as, for example, the management commentary or risk reports). In these cases, the mentioned statement must in any case be made available to the users under the same conditions and at the same time as the interim financial statements.
- IAS 16 – Property, plant and equipment and IAS 38 – Intangible assets. It was clarified that there is a rebuttable presumption that an amortization method for tangible and intangible assets is inappropriate when based on revenue generated by an activity or group of activities. This is because the revenue generated by an activity or group of activities that includes the use of a tangible or intangible asset typically reflects factors that are not directly linked to the consumption of the economic benefits embodied in the tangible or intangible asset. This presumption can be overcome only in limited circumstances: when it is possible to demonstrate that the revenue generated by the activity and the consumption of the economic benefits of the tangible or intangible assets are "highly correlated" or in the cases in which the tangible or intangible asset is directly determined as a measure of revenue (as in the case, for example, of the concession fees, which end when a certain amount of revenue is reached).

According to IFRS, the preparation of the financial statements requires estimates and valuations to be made, which affect the determination of the book value of assets and liabilities as well as the information provided in the explanatory notes, also with reference to the assets and liabilities potentially existing at the end of the period. These estimates in particular are used to determine the amortization and depreciation, the impairment test of assets (including the valuation of receivables), allowances for provisions, employee benefits, the fair value of financial assets and liabilities, current and deferred tax assets and liabilities.

Therefore, the actual results subsequently recorded may differ from these estimates; furthermore, the estimates and valuations are reviewed and updated periodically and the effects deriving from any variation are immediately reflected in the financial statements.

In accordance with IAS 36, when preparing the consolidated interim financial statements, the book value of the assets posted is subject to impairment only when internal and external impairment indicators are present that require the immediate measurement of the relevant losses.

5. Concession Agreement

Concessionary Relationship

ADR's corporate purpose is the construction and management of airports or of a part thereof, and the exercise of any activity related or complementary to air traffic of any type or specialty. This aim is achieved on the basis of the Concession Report issued by ENAC.

The concessionaire ADR ensures the management and development of the Roman airport system ("Leonardo da Vinci" at Fiumicino and "G.B. Pastine" at Ciampino) in accordance with international, European and national regulations as well as the Regulations of ENAC that govern the operation of the airport open to civil traffic.

The original Management Agreement 2820/74 was in force until December 21, 2012. After that date, a new Single Deed - Planning Agreement was approved with specific Council of Ministers Presidential Decree. In a single document this regulates both the relations regarding the airport management concession and the criteria to determine and periodically update the fees applicable to the so-called "regulated services".

The principle remains in place according to which the management must be inspired by financial and organizational criteria pursuant to Italian Law no. 755 of November 10, 1973 and subsequent amendments.

Duration of the Concession

The term of the concession expires on June 30, 2044 in compliance with art. 14 of Italian Law no. 359 of August 8, 1992, and art. 1-quater of Italian Law no. 351 of August 3, 1995, as set forth in the reports by the Ministry of Transport and Navigation on September 12, 1994 and January 23, 1998.

The causes for revocation, default or termination of the concessionary relationship are specified in the new Agreement under articles 18, 19 and 20 as well as art. 20 bis for the effects set for the natural expiry as of June 30, 2044.

Subject matter of the Concession

Italian Law 755/73 (art. 1) sets forth the subject of the concession, consisting in the single management of the Capital's airport system, to be carried out under the supervision of the Ministry of Transport (now ENAC - Italian Civil Aviation Authority - pursuant to Italian Legislative Decree 250/1997) according to the provisions of the Navigation Code and regulations currently in force.

ADR also provides security screening services for passengers and carry-on and checked baggage, always based on the concession regime.

Income

Pursuant to art. 6, paragraph 1, of Italian Law 755/73, "all revenues of the State, which derive from the management of the two airports, belong to the company holding the concession".

Art. 10 of the Planning Agreement lists in detail the income of the concessionaire, providing also the "fair fee" to be paid to it by anyone carrying out non-aeronautical activities for a profit, also occasionally, within the airports under concession that is not remunerated otherwise.

This article also specifies the income deriving from or connected to commercial activities that are not included in the tariff discipline of the Planning Agreement.

It regulates the so-called "regulated consideration", i.e. the airport services originally identified in the "Reordering framework regarding the tariff system for airport services rendered on an exclusive basis" proposed by the Minister of Transport and Navigation in conjunction with the Minister of Finance and approved with CIPE resolution no. 86 of August 4, 2000 and replaced by Resolution no. 51/08. These fees include the airport fees and all the fees for the services rendered on an exclusive basis.

Concession fees

Italian Law Decree 251/95, converted into Italian Law 351/95 introduced the obligation to pay a concession fee.

The reference parameter for calculating the fee ("WLU" - Work Load Unit) was adopted following the Decree of the State Property Office of June 30, 2003. The WLU corresponds to one passenger or 100 kg of cargo or post and is calculated using the data reported in the statistical yearbook of the Ministry for Infrastructure and Transport - ENAC (Italian Civil Aviation Authority). This fee quantification method was confirmed until 2015, with subsequent Decrees of the State Property Office.

According to art. 2, paragraph 4 of the Planning Agreement, if, consequently to regulatory provisions and/or administrative measures, the amount of the concession fee was to be changed compared to the one in force at the time of the stipulation, or if forms of taxation were introduced with an equivalent effect on the Concessionaire's account, the latter shall be entitled to a specific increase to cover the greater disbursement.

ADR also pays ENAC a fee for the concession of the baggage and passenger security checking services pursuant to Italian Ministerial Decree no. 85/99. The amount is set to 0.07 euros per outgoing passenger (Italian Ministerial Decree of July 13, 2005). The obligation to make this payment is reported also under art. 2, paragraph 5 of the Planning Agreement.

The asset regime

Art. 12 of the Planning Agreement governs the regime of possession of assets by the Concessionaire. The same is to be interpreted together with the provisions in articles 703 and 41 of the Navigation Code.

Additional rules contained in the Planning Agreement contribute to defining the legal treatment of the assets (e.g. art. 9 paragraph 7 and art. 20 bis) which, though conditioned by the pertinence of the principle of correlation for the use to perform regulated activities or alternatively commercially (unregulated) activities, does not significantly differ from the pre-existing regime. In particular:

- the assets received under concession at the time of establishing the concessionaire or subsequently created by the concessionaire by virtue of laws of the State with public funds, are possessed by the concessionaire under the right of use regime as these are government property; these assets are summarized in the table below:

(THOUSANDS OF EUROS)	06.30.2016	12.31.2015
Assets received under the concession at Fiumicino	119,812	119,812
Assets received under the concession at Ciampino	29,293	29,293
Assets completed on behalf of the State (*)	731,376	731,376
TOTAL	**880,481**	**880,481**

(*) value of the construction services for works financed, realized and reported to the Italian Civil Aviation Authority

- the assets acquired/created by the Concessionaire with funding from its accounts and used to perform activities subject to fee regulation are possessed under the concession ownership regime. This leads to the obligation to hand them over to the Grantor upon the natural expiry of the concession; this action will be in any case conditioned by the repayment of their value to be established according to the new convention rules;
- the same treatment applies to the goods acquired/created by the Concessionaire with funding from its accounts, but used to perform (unregulated) commercial activities, provided these are related to real estate;
- for commercial movable properties, the ownership title is full; the Grantor is granted a right to purchase (art. 20 bis 4.d) upon the natural expiry of the concession, which can be exercised by paying the former concessionaire their residual carrying value.

Based on the Planning Agreement, at the natural expiration of the concession, ENAC will send ADR a fee equal to the residual value of the investments made. The residue value will be taken from the regulatory accounts. To date the ADR Group does not have assets in service whose residual value from the regulatory accounts exceeds zero.

6. Information on the items of the consolidated statement of financial position

6.1 Tangible assets

(THOUSANDS OF EUROS)	12.31.2015			CHANGE				06.30.2016		
	COST	ACC. DEPR.	NET VALUE	INVESTMENTS	DEPRECIATION	OTHER CHANGES	DISPOSALS	COST	ACC. DEPR.	NET VALUE
Plant and machinery	60,302	(44,336)	15,966	886	(1,858)	26	0	61,214	(46,194)	15,020
Industrial and commercial equipment	12,144	(10,181)	1,963	411	(270)	0	0	12,555	(10,451)	2,104
Other assets	23,606	(18,969)	4,637	395	(800)	44	(17)	23,262	(19,003)	4,259
Work in progress and advances	13,783	0	13,783	13,085	0	(40)	0	26,828	0	26,828
TOTAL TANGIBLE ASSETS	**109,835**	**(73,486)**	**36,349**	**14,777**	**(2,928)**	**30**	**(17)**	**123,859**	**(75,648)**	**48,211**

(THOUSANDS OF EUROS)	12.31.2014			CHANGE				06.30.2015		
	COST	ACC. DEPR.	NET VALUE	INVESTMENTS	DEPRECIATION	OTHER CHANGES	DISPOSALS	COST	ACC. DEPR.	NET VALUE
Plant and machinery	52,479	(41,156)	11,323	1,951	(1,527)	1,423	(87)	55,575	(42,492)	13,083
Industrial and commercial equipment	10,822	(9,718)	1,104	174	(207)	27	0	11,022	(9,924)	1,098
Other assets	22,207	(19,081)	3,126	522	(517)	396	(3)	22,936	(19,412)	3,524
Work in progress and advances	1,979	0	1,979	2,905	0	(1,856)	0	3,028	0	3,028
TOTAL TANGIBLE ASSETS	**87,487**	**(69,955)**	**17,532**	**5,552**	**(2,251)**	**(10)**	**(90)**	**92,561**	**(71,828)**	**20,733**

Tangible assets, equaling 48,211 thousand euros (36,349 thousand euros as of December 31, 2015) rose in the six-month period by 11,862 thousand euros mainly as an effect of the investments, partly offset by the depreciation of 2,928 thousand euros.

Investments of 14,777 thousand euros mainly refer to:

- within the category Plant and machinery (886 thousand euros) mainly to transport vehicles (673 thousand euros) and to baggage inspection equipment (140 thousand euros);
- within the category Industrial and commercial equipment (411 thousand euros) to security equipment;
- within the category Other assets (395 thousand euros) mainly to electronic machinery (300 thousand euros);
- within the category work in progress and advances (13,085 thousand euros), mainly inspection equipment for 12,200 thousand euros.

During the six months no significant changes took place in the estimated useful life of the assets.

After the Issuer Substitution operation described in Note 8 - Guarantees and covenants on medium/long-term liabilities of these Explanatory Notes, starting from the second part of the six-month period, the constraints to the Romulus Finance S.r.l. (“Romulus Finance” or “Romulus”) financial structure were removed, including the guarantees provided by the ADR Group and concerning movable property (such as plant, machinery and instruments, etc.).

6.2 Intangible assets

(THOUSANDS OF EUROS)	12.31.2015				CHANGE			06.30.2016			
	COST	W.D.	ACC. AMORT..	NET VALUE	INVESTMENTS	AMORTIZATION	OTHER CHANGES	COST	W.D.	ACC. AMORT..	NET VALUE
Concession fees											
Airport management concession - rights acquired	2,167,966	0	(763,381)	1,404,585	0	(24,642)	0	2,167,966	0	(788,023)	1,379,943
Airport management concession - investments in infrastructure	758,360	0	(137,302)	621,058	108,177	(6,562)	0	866,537	0	(143,864)	722,673
TOTAL CONCESSION FEES	2,926,326	0	(900,683)	2,025,643	108,177	(31,204)	0	3,034,503	0	(931,887)	2,102,616
Other intangible assets	53,304	(41)	(44,728)	8,535	1,970	(2,001)	10	55,284	(41)	(46,729)	8,514
Advances to suppliers	6,651	0	0	6,651	5,652	0	(4,038)	8,265	0	0	8,265
TOTAL OTHER INTANGIBLE ASSETS	59,955	(41)	(44,728)	15,186	7,622	(2,001)	(4,028)	63,549	(41)	(46,729)	16,779
TOTAL INTANGIBLE ASSETS	**2,986,281**	**(41)**	**(945,411)**	**2,040,829**	**115,799**	**(33,205)**	**(4,028)**	**3,098,052**	**(41)**	**(978,616)**	**2,119,395**

(THOUSANDS OF EUROS)	12.31.2014				CHANGE			06.30.2015			
	COST	W.D.	ACC. AMORT.	NET VALUE	INVESTMENTS	AMORTIZATION	OTHER CHANGES	COST	W.D.	ACC. AMORT.	NET VALUE
Concession fees											
Airport management concession - rights acquired	2,167,966	0	(714,098)	1,453,868	0	(24,642)	0	2,167,966	0	(738,740)	1,429,226
Airport management concession - investments in infrastructure	621,113	0	(124,551)	496,562	45,801	(6,303)	0	666,914	0	(130,854)	536,060
TOTAL CONCESSION FEES	2,789,079	0	(838,649)	1,950,430	45,801	(30,945)	0	2,834,880	0	(869,594)	1,965,286
Other intangible assets	48,235	(41)	(41,222)	6,972	1,695	(1,754)	(11)	49,919	(41)	(42,976)	6,902
Advances to suppliers	13,958	0	0	13,958	0	0	(3,776)	10,182	0	0	10,182
TOTAL OTHER INTANGIBLE ASSETS	62,193	(41)	(41,222)	20,930	1,695	(1,754)	(3,787)	60,101	(41)	(42,976)	17,084
TOTAL INTANGIBLE ASSETS	**2,851,272**	**(41)**	**(879,871)**	**1,971,360**	**47,496**	**(32,699)**	**(3,787)**	**2,894,981**	**(41)**	**(912,570)**	**1,982,370**

Intangible assets, equal to 2,119,395 thousand euros (2,040,829 thousand euros as of December 31, 2015) rose by 78,566 thousand euros mainly due to the investments in the six months, equal to 115,799 thousand euros, partly offset by the amortization equal to 33,205 thousand euros, and other changes equal to -4,028 thousand euros.

Concession fees include the concession relating to managing the Rome's airport system; for further information on the concession relationship reference should be made to Note 5. In detail:

- Airport management concession - rights acquired: represents the value of the airport management concession, and reflects the difference between the price paid for ADR's shares by Leonardo S.p.A. (incorporated in Leonardo S.p.A. effective January 1, 2001) compared to the pro-rata value of shareholders' equity of ADR Group;

- Airport management concession - investments in infrastructure: includes the activities to create new infrastructure and/or improve and enhance the existing airport infrastructure carried out by the ADR Group.

  The investments in the Airport management concession - investments in infrastructure equal 108,177 thousand euros and relate to construction services provided in the period on infrastructure in concession. In applying IFRIC 12, in the income statement the costs connected to these investments are recorded, as well as the fair value of the related construction services carried out.

Worth noting are:

- works to create departure area F (formerly Pier C) for 61.2 million euros;
- work on the HBS/BHS ex Cargo AZ for 19.5 million euros;
- work at boarding area A for 5.9 million euros;
- civil maintenance work for 3.9 million euros;
- terminal maintenance and optimization works for 1.4 million euros;

No impairment indicators were identified as of June 30, 2016.

The Other intangible assets, equal to 8,514 thousand euros (8,535 thousand euros as of December 31, 2015), include the rights to use the property rights, concessions, licenses, trademarks and similar rights. The investments for the six months, equal to 1,970 thousand euros, mainly refer to the implementation of airport systems, the evolutionary maintenance of the accounting system and the acquisition of licenses.

Advances to suppliers, equal to 8,265 thousand euros (6,651 thousand euros as of December 31, 2015), refer to the advances for the works to create departure area F (formerly Pier C), agreed with ATI Cimolai and disbursed in 2014 and in 2016, in accordance with the Deed of submission of the technical variation and supplementary appraisal no. 3 phase 3 and 4 of August 7, 2014, in order to guarantee a fast resumption of the works and the respect of the set delivery terms. The 1,614 thousand euro increase compared to December 31, 2015 is attributable to the advance paid in the six-month period, net of the recovery occurred in the period in relation to the work progress.

6.3 Equity investments

(THOUSANDS OF EUROS)	06.30.2016	12.31.2015	CHANGE
ASSOCIATED UNDERTAKINGS			
Pavimental S.p.A.	10,982	11,374	(392)
Spea Engineering S.p.A.	16,938	17,447	(509)
Consorzio E.T.L. (in liquidation)	0	0	0
Ligabue Gate Gourmet Roma S.p.A. (insolvent)	0	0	0
	27,920	**28,821**	**(901)**
OTHER COMPANIES			
Aeroporto di Genova S.p.A.	894	894	0
S.A.CAL. S.p.A.	1,307	1,307	0
Consorzio CAIE	1	0	1
Leonardo Energia - Società Consortile a r.l.	1	1	0
	2,203	**2,202**	**1**
TOTAL	**30,123**	**31,023**	**(900)**

Equity investments amount to 30,123 thousand euros, down by 900 thousand euros compared to December 31, 2015 due to:

- reduction of the investment in Pavimental S.p.A. ("Pavimental") (20% of the capital) of 392 thousand euros, consequently to the valuation with the equity method (of which -417 thousand euros booked to the income statement, +1 thousand euros to the other components of the comprehensive income statement and +24 thousand euros to the shareholders' equity). The company operates in the building and maintenance sector and in the modernization of road, motorway and airport paving;
- reduction of the value of the investment in Spea Engineering S.p.A. ("Spea Engineering") (20% of the capital) of 509 thousand euros, consequently to the valuation with the equity method, which led to a 2,295 euro reduction consequently to the resolution to distribute dividends and a revaluation of 1,786 thousand euros in relation to the result of the six-month period (of which +1,747 thousand euros booked to the income statement, -2 thousand euros to the comprehensive income statement and 41 thousand euros to the shareholders' equity). The company is engaged in the provision of engineering services for work design and management activities;
- subscription of a 1% share (equal to 1 thousand euros) of Consorzio Autostrade Italiane Energia, which supplies energy to the market.

After the Issuer Substitution operation described in Note 8 - Guarantees and covenants on medium/long-term liabilities of these Explanatory Notes, starting from the second part of the six-month period, the constraints to the Romulus financial structure were removed, including the guarantees provided by the ADR Group and concerning the shares and stakes held by ADR in the capital of the subsidiary undertakings.

6.4 Other current and non-current financial assets

Other non-current financial assets equal 2,433 thousand euros (2,925 thousand euros as of December 31, 2015) and refer to the accessory charges incurred for the Revolving Credit Facility in December 2013, which are booked on a pro-quota basis to the income statement based on the duration of the facility.

The Other current financial assets, equal to 1,153 thousand euros (10,516 thousand euros as of December 31, 2015), include the receivable from Spea Engineering for 1,148 thousand euros regarding the dividends resolved in the six-month period and only partly paid. As of December 31, 2015, this item only included the balance of the "Debt Service Reserve Account" term current account, which was closed after the definitive removal, at the end of March, of the obligation to deposit a contractually set amount in a term account to guarantee the old Romulus securitization debt started by ADR in 2003. The relevant funds were transferred to a bank account in the name of the Parent Company.

The Issuer Substitution operation, which was the basis for the removal of the constraints to the Romulus financial structure, is detailed in Note 8 - Guarantees and covenants on medium/long-term liabilities of these Explanatory Notes.

6.5 Deferred tax assets

The Deferred tax assets, equal to 119,088 thousand euros (122,567 thousand euros as of December 31, 2015), are shown net of deferred tax liabilities that can be offset. The nature of the temporary differences that determined the net deferred tax assets is illustrated in the table below.

(THOUSANDS OF EUROS)	12.31.2015	CHANGE				06.30.2016
		PROVISIONS	RELEASES	DEFERRED TAX ASSETS/DEFERRED TAX LIABILITIES ON INCOME AND CHARGES RECORDED IN THE SHAREHOLDERS' EQUITY	RATE CHANGE EFFECT	
DEFERRED TAX ASSETS						
Allocation to (use of) the provisions for renovation of airport infrastructure	107,366	3,812	(9,642)	0	0	101,536
Allocation to allowance for obsolete and slow moving goods	18	12	(12)	0	0	18
Allocations to provisions for doubtful accounts	8,850	63	0	0	(8)	8,905
Amortized cost and derivative instruments	18,772	336	(635)	4,594	(246)	22,821
Allowances for risks and charges	13,383	1,191	(200)	0	(4)	14,370
Other	1,565	120	(407)	295	(1)	1,572
TOTAL DEFERRED TAX ASSETS	149,954	5,534	(10,896)	4,889	(259)	149,222
DEFERRED TAX LIABILITIES THAT CAN BE OFFSET						
Application of IFRIC 12	27,387	4,101	(1,354)	0	0	30,134
TOTAL DEFERRED TAX LIABILITIES	27,387	4,101	(1,354)	0	0	30,134
TOTAL NET DEFERRED TAX ASSETS	**122,567**	**1,433**	**(9,542)**	**4,889**	**(259)**	**119,088**

The changes of the first half of 2016 mainly refer to the allocation to and use of the provisions for renovation of airport infrastructure, to the effects of applying IFRIC 12 on the fixed assets and to the change in the fair value of the derivative instruments.

The 3.5% decrease in the IRES rate, starting from the year 2017, in accordance with the "Stability law 2016", implied a decrease in Deferred tax assets of 259 thousand euros (of which 246 thousand euros with effect on the shareholders' equity and 13 thousand euros with effect on the income statement).

6.6 Other non-current assets

Other non-current assets, equal to 471 thousand euros (472 thousand euros as of December 31, 2015), refer to guarantee deposits.

6.7 Commercial activities

Commercial assets, equal to 284,512 thousand euros (272,733 thousand euros as of December 31, 2015), include:

- inventories, equal to 4,071 thousand euros (3,697 thousand euros as of December 31, 2015) comprising consumable materials, clothing, spare parts, cleaning material, fuel, telephone material, etc. After the Issuer Substitution operation described in Note 8, starting from the second part of the six-month period, the constraints to the Romulus financial structure were removed, including the guarantees provided by the ADR Group and concerning inventories;

- trade receivables, equal to 280,441 thousand euros (269,036 thousand euros as of December 31, 2015).

In detail the trade receivables are broken down as follows:

(THOUSANDS OF EUROS)	06.30.2016	12.31.2015	CHANGE
Due from clients	278,048	265,659	12,389
Due from parent companies	5	226	(221)
Receivables for construction services	47,117	47,117	0
Other trade receivables	2,414	1,885	529
TOTAL TRADE RECEIVABLES, GROSS OF THE PROVISIONS FOR DOUBTFUL ACCOUNTS	327,584	314,887	12,697
Provisions for doubtful accounts	(39,437)	(38,145)	(1,292)
Provisions for overdue interest	(7,706)	(7,706)	0
TOTAL PROVISIONS FOR DOUBTFUL ACCOUNTS	(47,143)	(45,851)	(1,292)
TOTAL TRADE RECEIVABLES	**280,441**	**269,036**	**11,405**

“Due from clients” (gross of provisions for doubtful loans) total 327,584 thousand euros and recorded a positive change of 12,697 thousand euros, which is attributable essentially to the increased volumes of activity.

It is worth remembering that the ADR Group's receivables from the companies of the Alitalia group under special administration equal 11,086 thousand euros. For the amounts due from Alitalia S.p.A. under special administration, worth remembering is that in 2011 the surety of 6.3 million euros was enforced, issued by Alitalia/CAI to secure the amounts due to ADR from Alitalia S.p.A. under special administration (as well as to the aircraft owned by lessors, obliged in a fair manner) in order to allow the aircrafts owned by the lessors to reach Alitalia/CAI free from claims of seizure for protection purposes made by ADR. The amount enforced and collected was posted under the Other current liabilities.

The receivables from ENAC for construction services (gross of the provisions for doubtful accounts), equal to 47,117 thousand euros (47,117 thousand euros as of December 31, 2015), comprise the receivables for invoices issued and to be issued for work in progress, largely relating to the state-financed portion of construction works in departure area F.

The other trade receivables (2,414 thousand euros (1,885 thousand euros as of December 31, 2015) refer to prepaid expenses of a commercial nature.

The table below shows the movements of the provisions for doubtful accounts:

(THOUSANDS OF EUROS)	12.31.2015	INCREASES	DECREASES	06.30.2016
Provisions for doubtful accounts	38,145	1,544	(252)	39,437
Provisions for overdue interest	7,706	0	0	7,706
TOTAL PROVISIONS FOR DOUBTFUL ACCOUNTS	**45,851**	**1,544**	**(252)**	**47,143**

The book value of trade receivables is close to the relevant fair value.

After the Issuer Substitution operation described in Note 8 - Guarantees and covenants on medium/long-term liabilities of these Explanatory Notes, starting from the second part of the six-month period, the constraints to the Romulus financial structure were removed, including the guarantees provided by the ADR Group and concerning the receivables.

6.8 Current tax assets and liabilities

The table below shows in detail the assets and liabilities for current taxes at the start and end of the period.

	ASSETS			LIABILITIES		
(THOUSANDS OF EUROS)	06.30.2016	12.31.2015	CHANGE	06.30.2016	12.31.2015	CHANGE
Due from/to parent companies for tax consolidation	7,817	7,470	347	5,574	17,090	(11,516)
IRES	122	122	0	45	280	(235)
IRAP	1,343	6,844	(5,501)	2,392	60	2,332
TOTAL	**9,282**	**14,436**	**(5,154)**	**8,011**	**17,430**	**(9,419)**

Current tax assets are equal to 9,282 thousand euros (14,436 thousand euros as of December 31, 2015) and mainly include:

- the receivable from the parent company Atlantia of 7,817 thousand euros mainly (7,470 thousand euros) for the rebate application regarding the higher IRES paid in the taxation periods 2007-2011 due to the non deduction of IRAP on staff costs; for further information on the tax consolidation please see Note 7.8 Income taxes;
- the IRAP receivable of 1,343 thousand euros, down compared to the balance at the end of 2015 (6,844 thousand euros) consequently to the tax accrued in the six-month period.

Current tax liabilities, equal to 8,011 thousand euros (17,430 thousand euros as of December 31, 2015), consist mainly of the payable to the parent company Atlantia due to the tax consolidation for 5,574 thousand euros, regarding the tax estimate for the period, net of the advances already paid.

6.9 Other current assets

(THOUSANDS OF EUROS)	06.30.2016	12.31.2015	CHANGE
Due from parent companies	0	3,528	(3,528)
Due from associated undertakings	482	482	0
Due from tax authorities	14,242	24,299	(10,057)
Due from others	25,517	24,976	541
TOTAL OTHER CURRENT ASSETS	**40,241**	**53,285**	**(13,044)**

"Due from parent companies" is equal to zero compared to a balance of 3,528 thousand euros as of December 31, 2015, which included ADR's VAT credit in December, in relation to the agreement signed in 2015 with Atlantia for the activation of the group VAT settlement procedure, not renewed in 2016.

Due from tax authorities, equal to 14,242 thousand euros (24,299 thousand euros as of December 31, 2015), mainly include:

- VAT credit of 6,522 thousand euros (13,648 thousand euros as of December 31, 2015);
- due from tax authorities equal to 6,657 thousand euros, for taxes (and the relevant collection charges and interest) regarding the period 1/1/1993-3/23/1995, recognized as limited by the Supreme Court, within the dispute with the Customs Office, and with repayment required. The reduction of 2,923 thousand euros compared to December 31, 2015 is attributable to the partial repayment occurred in the six-month period (for more information see Note 9.5 Litigation).

Due from others, equal to 25,517 thousand euros (24,976 thousand euros as of December 31, 2015), include the best estimate, developed based on the best knowledge of the accident management status, of the compensation of the insurance claim for the "Fire" coverage, in relation to the costs incurred to restore, secure and salvage the areas impacted by the fire and the estimate of the costs to be incurred to reconstruct the portion of Terminal 3, net of the advance of 5 million euros collected in July 2015.

6.10 Cash and cash equivalents

(THOUSANDS OF EUROS)	06.30.2016	12.31.2015	CHANGE
Bank and post office deposits	85,846	218,297	(132,451)
Cash and notes in hand	438	296	142
TOTAL CASH AND CASH EQUIVALENTS	**86,284**	**218,593**	**(132,309)**

Cash and cash equivalents, amounting to 86,284 thousand euros, have decreased by 132,309 thousand euros compared to December 31, 2015, consequently to the investments of the period as well as to the distribution of dividends and the payment of the tax balance and advances, referring to this portion of the period.

After the mentioned Issuer Substitution operation, already starting from the second part of the six-month period, the constraints imposed by the Romulus financial contracts with regard to liquidity management were removed (so-called Account Bank Agreement). Due to this removal, ADR is no longer subject to any constraint to use its available funds deriving from financial contracts and is entirely released from segregations of amounts to predefined bank accounts to guarantee the debt repayment.

6.11 Shareholders' equity

The shareholders' equity of the ADR Group as of December 30, 2016 amounts to 1,028,307 thousand euros (1,090,681 thousand euros as of December 31, 2015), while the minority interests in shareholders' equity amount to zero (zero also as of December 31, 2015). The shareholders' equity is analyzed as follows:

(THOUSANDS OF EUROS)	06.30.2016	12.31.2015	CHANGE
Share capital	62,225	62,225	0
Share premium reserve	667,389	667,389	0
Legal reserve	12,462	12,462	0
Cash flow hedge reserve	(70,448)	(55,654)	(14,794)
Reserve for associates accounted for using the equity method	27	(37)	64
Other reserves and retained earnings	269,282	267,721	1,561
Net income for the period	87,370	136,575	(49,205)
TOTAL GROUP SHAREHOLDERS' EQUITY	1,028,307	1,090,681	(62,374)
MINORITY INTEREST IN SHAREHOLDERS' EQUITY	0	0	0
TOTAL SHAREHOLDERS' EQUITY	**1,028,307**	**1,090,681**	**(62,374)**

The changes taking place in the six months are highlighted in the table entered among the accounting statements.

As of June 30, 2016 ADR's share capital, wholly subscribed and paid up, amounts to 62,224,743 euros, represented by 62,224,743 shares with a par value of 1 euro each.

ADR's legal reserve represents the part of profits which, according to the contents of art. 2430 of the Italian Civil Code, may not be distributed as dividends. The reserve reached the maximum amount required by law.

The cash flow hedge reserve includes the measurement at fair value of the cash flow hedge derivatives; for more details reference is made to Note 6.15.

Furthermore, pursuant to IFRS 2, the value accrued in the six-month period of the fair value of the remuneration plans based on shares and settled with the conferment of securities of the Parent Company Atlantia in favor of employees and directors of ADR, equal to 221 thousand euros, was booked to the income statement, counterbalanced by an increase in the specific shareholders' equity reserve, classified in the item "Other reserves and retained earnings". For information on the remuneration plans based on shares reference is made to Note 11.2.

6.12 Provisions for employee benefits

Provisions for employee benefits are 22,044 thousand euros (21,499 thousand euros as of December 31, 2015) of which 21,482 thousand euros non-current, and consist of an employee severance indemnity provision, governed by art. 2120 of the Italian Civil Code, which includes the estimate of the bond, determined based on actuarial techniques, relating to the amount to be paid to ADR employees when terminating the employment relationship. The change in the employee severance indemnity provision is shown in the following table.

(THOUSANDS OF EUROS)	1ST HALF 2016	
INITIAL VALUE OF THE EMPLOYEE SEVERANCE INDEMNITY PROVISION		**21,499**
Current cost	46	
Interest payable	84	
Total costs recorded in the income statement		130
Liquidation / Releases		(710)
Actuarial gains/losses from changes in the demographic assumptions	0	
Actuarial gains/losses from changes in the financial assumptions	1,174	
Effect of past experience	(49)	
Total actuarial gains/losses recognized in the comprehensive income statement		1,125
FINAL VALUE OF THE EMPLOYEE SEVERANCE INDEMNITY PROVISION		**22,044**
of which:		
non-current share		21,482
current share		562

Summarized below are the main assumptions made for the actuarial estimate process regarding the employee severance indemnities at June 30, 2016:

FINANCIAL ASSUMPTIONS	1ST HALF 2016	1ST HALF 2015
Discounting rate	0.77%	1.49%
Inflation rate	1.5% for 2016 1.8% for 2017 1.7% for 2018 1.6% for 2019 2.0% from 2020 onwards	0.6% for 2015 1.2% for 2016 1.5% for 2017 and 2018 2.0% from 2019 onwards
Annual rate of increase in employee severance indemnities	2.18% for 2016 2.37% for 2017 2.3% for 2018 2.24% for 2019 2.49% from 2020 onwards	1.95% for 2015 2.40% for 2016 2.63% for 2017 and 2018 3.0% from 2019 onwards
Annual rate of pay increase	0.65%	0.07%
Annual turnover rate	1.02%	0.9%
Annual rate of disbursement of advances	1.73%	1.9%

The discounting rate used to determine the current value of the obligation was determined in accordance with paragraph 78 of IAS 19, with reference to the average return curve deriving from the index IBOXX Eurozone Corporates AA 7-10 with duration based on the average permanence of the collective measurement subject.

DEMOGRAPHIC ASSUMPTIONS	2016/2015
Mortality	Mortality tables RG48 published by the State's general office
Inability	INPS tables divided by age and gender
Retirement	Reaching the minimum requirements set by the General Compulsory Insurance, updated based on Italian Law no. 214 of December 22, 2011

6.13 Provisions for renovation of airport infrastructure (non-current and current share)

The Provisions for renovation of airport infrastructure, equal to 244,890 thousand euros (259,956 thousand euros at December 31, 2015), of which 140,051 thousand euros for the current share (101,168 thousand euros at December 31, 2015), include the current value of the updated estimate of the charges to be incurred for extraordinary maintenance recoveries and replacements in the face of the contractual obligation set by the airport concession signed by the granting Administration with the aim of ensuring the due functionality and safety of the airport infrastructure.

Reported below is the analysis of the changes during the period.

(THOUSANDS OF EUROS)	12.31.2015	PROVISIONS	DISCOUNTING EFFECT	DECREASES FOR THE REVERSAL OF FUNDS IN EXCESS	OPERATING USES	06.30.2016
Provision for renovation of airport infrastructure	**259,956**	29,796	1,807	0	(46,669)	**244,890**
of which:						
current share	101,168					140,051
non-current share	158,788					104,839

6.14 Other allowances for risks and charges (current and non-current share)

The Other allowances for risks and charges are equal to 63,671 thousand euros (60,498 thousand euros at December 31, 2015), of which 39,672 thousand euros for the current share (36,919 at December 31, 2015). Reported below is the analysis of the breakdown of the item and the changes during the period.

(THOUSANDS OF EUROS)	12.31.2015	PROVISIONS	DECREASES FOR THE REVERSAL OF FUNDS IN EXCESS	OPERATING USES	06.30.2016
Tax provisions	15,603	448			16,051
Provisions for current and potential disputes	43,608	3,516		(750)	46,374
Provisions for internal insurance	1,259		(26)		1,233
Restructuring	0				0
To cover investee companies' losses	28			(15)	13
TOTAL OTHER ALLOWANCES FOR RISKS AND CHARGES	**60,498**	**3,964**	**(26)**	**(765)**	**63,671**
of which:					
current share	36,919				39,672
non-current share	23,579				23,999

The tax provision, equal to 16,051 thousand euros, relating for 9.5 million euros to the risk of a negative outcome of the pending cases regarding the dispute with UTF (now the Customs Office) on the tax and additional fee on electricity for the period 2002-2005 and 2007-2010, following the unfavorable decisions of the Supreme Court on some disputes already considered by the Court and for 6.6 million euros to the valuation of the liability risk consequently to the recent unfavorable decisions concerning ICI/IMU (property taxes).

The provisions for current and potential disputes of 46,374 thousand euros (43,608 thousand euros at December 31, 2015) include the estimated charges that are expected to be incurred in connection with the disputes in progress at period end. 750 thousand euros of these provisions were used in the first half of 2016, essentially as a result of some disputes with former employees and customers being settled, which increased due to provisions for 3,516 thousand euros. These provisions include, among others, a prudent valuation, made on the basis of the best information, of the liabilities other than those covered by the insurance policies in force, which the Company is likely to be called to account for in case of definitively ascertained liability. On this point, so far 160 claims have been lodged by third parties (carriers, handlers, sub-concessionaires and passengers), only partly supported by a clear quantification of the damages, to date equaling about 105 million euros. For more information on the fire event at Terminal 3, reference is made to Note 11.1.

For further information on the current disputes reference should be made to Note 9.5 Litigation.

6.15 Financial liabilities (current and non-current share)

(THOUSANDS OF EUROS)	06.30.2016					12.31.2015		
	BOOK VALUE	CURRENT SHARE	NON-CURRENT SHARE	BETWEEN 1 AND 5 YEARS	OVER 5 YEARS	BOOK VALUE	CURRENT SHARE	NON-CURRENT SHARE
MEDIUM/LONG-TERM FINANCIAL LIABILITIES								
Bonds	841,850	0	841,850	594,528	247,322	874,108	0	874,108
Accrued expenses medium/long-term financial liabilities	5,944	5,944	0	0	0	15,898	15,898	0
TOTAL MEDIUM/LONG-TERM FINANCIAL LIABILITIES	847,794	5,944	841,850	594,528	247,322	890,006	15,898	874,108
FINANCIAL INSTRUMENTS - DERIVATIVES	158,751	26,554	132,197	0	132,197	106,814	7,207	99,607
TOTAL FINANCIAL LIABILITIES	**1,006,545**	**32,498**	**974,047**	**594,528**	**379,519**	**996,820**	**23,105**	**973,715**

Bonds

	12.31.2015	CHANGES				06.30.2016
(THOUSANDS OF EUROS)	BOOK VALUE	NEW LOANS RAISED	REPAYMENTS	EXCHANGE RATE DIFFERENCES	AMORTIZED COST EFFECT	BOOK VALUE
Bonds	874,108	0	0	(33,546)	1,288	841,850
current share	0					0
non-current share	874,108					841,850

Bonds are equal to 841,850 thousand euros (874,108 thousand euros at December 31, 2015). The negative change in the period, equal to 32,258 thousand euros, refers mainly to the change in the Euro/Sterling exchange rate.

Reported below is the main information regarding the bond issues existing as of June 30, 2016.

(THOUSANDS OF EUROS)

NAME	ISSUER	PAR VALUE	CURRENCY	BOOK VALUE	INTEREST RATE	COUPON	REPAYMENT	DURATION	EXPIRY
Class A4 (*)	ADR (**)	215,000	GBP	247,322	5.441%	every six months	at maturity	20 years	02/2023
€600,000,000 3.250% EMTN Program	ADR	600,000	EUR	594,528	3.25%	yearly	at maturity	7 years and 2 months	02/2021
TOTAL BONDS				**841,850**					

(*) the book value recorded in the financial statements (247.3 million euros) is affected by the adoption of the amortized cost method and the adjustment to the exchange rate at the end of the period.

(**) originally issued by the vehicle Romulus Finance and subsequently "replaced" by ADR following the Issuer Substitution operation detailed in Note 8

99.87% of A4 Romulus bonds are held by the parent company Atlantia after the conclusion of the Tender Offer procedure launched by the same in January 2015 towards the holders of the outstanding A4 bonds. For further information reference should be made to Note 8.

In addition to the bond issue carried out originally through the vehicle Romulus Finance, the bonds shown in the financial statements include the senior unsecured bond issue of December 10, 2013 for an overall par value of 600 million euros, as part of the important plan adopted by ADR at the time in order to refinance its financial debt. The securities representing the bond issue of December 2013 were placed with qualified investors listed in the regulated market of the Irish stock exchange.

The bonds were issued by ADR with validity on its medium-term issue plan (Euro Medium Term Note Program - EMTN Program) approved by ADR in November 2013 for a maximum amount of 1.5 billion euros. The senior unsecured bond issue was rated “BBB+”, “Baa1” and “BBB+” by the agencies Standard & Poor's, Moody's and Fitch, respectively. The three agencies also assign a positive outlook.

The fair value of the bond issues is reported in the table below.

(THOUSANDS OF EUROS)	06.30.2016		12.31.2015	
	BOOK VALUE	FAIR VALUE	BOOK VALUE	FAIR VALUE
Fixed rate	841,850	1,002,680	874,108	1,008,657
Floating rate	0	0	0	0
TOTAL BOND ISSUES	841,850	**1,002,680**	**874,108**	**1,008,657**

The fair value of the bond issues was determined on the basis of the market values available at June 30, 2016; in particular, the future cash flows were discounted on the basis of the standard discounting curves used in market practice (6-month Euribor and 6-month Libor). A spread was also considered on the curves to express the counterparty risk, in line with ADR's situation on the measurement date. Compared to December 31, 2015, the effect of discounting the flows for the purpose of the valuation would be such to determine an increase in fair value. However, this effect is more than offset by the exchange rate effect. These combined effects thus imply a fair value decrease of about 6 million euros compared to December 31, 2015.

Medium/long-term loans

The table below describes the current revolving type line of banking credit subscribed by ADR in December 2013, with the indication of the expiration and the applicable rate. As of June 30, 2016 this line, still available, is not used.

(THOUSANDS OF EUROS)			06.30.2016						
FINANCER	NAME	AMOUNT GRANTED	AMOUNT USED (PAR VALUE)	BOOK VALUE	CURRENCY	RATE	REPAYMENT	DURATION	EXPIRY
Syndicate of banks	Revolving Credit Facility	250,000	0	0	EUR	variable index-linked to the Euribor + margin	revolving	5 years	12/2018
TOTAL MEDIUM/LONG-TERM LOANS			**0**	**0**					

Also the revolving line of credit, like the ADR debt deriving from the bond issue carried out under the EMTN Program, is of the senior unsecured type and is aimed at ensuring suitable liquidity support for the Company's development plans. The syndicate of banks that granted this loan comprises: BNP Paribas, Barclays, Crédit Agricole, Mediobanca, Natixis, The Royal Bank of Scotland, UniCredit and Société Générale.

The interest rates applied to the Revolving Credit Facility (“RCF”) vary in relation to the level of ADR's rating. It should be noted that on March 22, 2016, the Moody's rating agency raised the unsecured debt of ADR from Baa2 to Baa1. However, this upgrade was not followed by a decrease in the margin of the RCF line since, in accordance with the contract forms prepared in 2013, ADR was already at the minimum interest margin level applicable.

Derivatives with negative fair value

(THOUSANDS OF EUROS)	06.30.2016	12.31.2015	CHANGE
Foreign currency hedging derivatives	64,886	32,083	32,803
Interest rate hedging derivatives	93,655	74,560	19,095
Interest accrual	210	171	39
TOTAL DERIVATIVES WITH NEGATIVE FAIR VALUE	**158,751**	**106,814**	**51,937**
non-current share	132,197	99,607	32,590
current share	26,554	7,207	19,347

Exchange rate and interest rate hedging derivatives

The ADR Group uses hedging derivatives for exchange and interest rate risks to mitigate any future increases in outgoing cash flows attributable to unfavorable changes in exchange and interest rates.

As of June 30, 2016 the ADR Group has a cross currency swap allowing the cash flows in euro regarding the payment of interest and the redemption of the A4 bond in pound sterling to be stabilized.

During the month of June 2015 (and subsequently restructured in June 2016) and in February 2016, ADR signed interest rate swap contracts of the forward starting type, starting on February 9, 2017 and April 20, 2017, respectively, adopting a policy of hedging against the prospective rate risk deriving from future financial requirements. This policy is aimed at reducing the risk of misalignment between the return of invested capital and the cost of debt.

Below is a table summarizing the outstanding derivative contracts of the ADR Group at June 30, 2016.

									FAIR VALUE OF THE DERIVATIVE		*CHANGE IN FAIR VALUE*	
CONCESSIONAIRE	COMPANY	INSTRUM.	TYPE	RISK COVERED	SUBSCR. DATE	EXP.	NOTIONAL VALUE COVERED	RATE APPLIED	AT 06.30.2016	AT 12.31.2015	TO THE INCOME STATEMENT	TO OCI (***)
Mediobanca, UniCredit	ADR	CCS	CF	I	02/2013	02/2023	325,019	It receives a fixed rate of 5.441% and pays 3 month Euribor + 90bps until 12/2009, then pays a fixed rate of 6.4%	(67,311)	(67,524)	95	118
				C					(64,886)	(32,083)	(32,803)	0
									(132,197)	(99,607)	(32,708)	118
Société Générale	ADR	IRS FWD (**)	CF	I	06/2015 (restructured on 6/2016)	02/2027	250,000	It pays a fixed rate of 1.396% and receives 6 month EURIBOR	(25,264)	(7,036)	(47)	(18,181)
Société Générale	ADR	IRS FWD (***)	CF	I	02/2016	04/2026	50,000	It pays a fixed rate of 0.688% and receives 6 month EURIBOR	(1,079)	0	0	(1,079)
					TOTAL				**(158,540)**	**(106,643)**	**(32,755)**	**(19,142)**
					of which:							
					Foreign currency hedging derivatives				(64,886)	(32,083)		
					Interest rate hedging derivatives				(93,654)	(74,560)		

(*) Change in the hedging reserve

(**) IRS forward starting: activation date February 9, 2017

(***) IRS forward starting: activation date April 20, 2017.

(****) the change in fair value is posted in the OCI net of the tax effect of 4,348 thousand euros

CF: Cash Flow Value Hedge - C: exchange rate - I: interest

For the valuation techniques and the inputs used to determine the fair value of the derivatives reference is made to Note 9.4 Information on fair value measurement.

6.16 Other non-current liabilities

The other non-current liabilities are equal to 572 thousand euros (3,895 thousand euros as of December 31, 2015) and consist for 447 thousand euros of dues to personnel and 125 thousand euros of dues to social security agencies. The 3,323 thousand euro decrease is essentially attributable to the reclassification under Other current liabilities of 4.2 million euros, maturing in the short term.

6.17 Trade payables

Trade payables are equal to 243,124 thousand euros (231,298 thousand euros at December 31, 2015).

(THOUSANDS OF EUROS)	06.30.2016	12.31.2015	CHANGE
Due to suppliers	224,021	220,042	3,979
Due to parent companies	857	1,130	(273)
Deferred income	11,092	1,354	9,738
Advances received	7,154	8,772	(1,618)
TOTAL TRADE PAYABLES	**243,124**	**231,298**	**11,826**

Due to suppliers equal 224,021 thousand euros, up 3,979 thousand euros.

Deferred income, equal to 11,092 thousand euros, rose by 9,738 thousand euros compared to December 31, 2015 consequently to the advance billing of the sub-concession fees made at the end of the six-month period.

6.18 Other current liabilities

The Other current liabilities are equal to 124,029 thousand euros (121,651 thousand euros at December 31, 2015).

The item is analyzed in the table below.

(THOUSANDS OF EUROS)	06.30.2016	12.31.2015	CHANGE
Payables for taxes other than income taxes	64,238	71,815	(7,577)
Payables for firefighting services	4,157	104	4,053
Payables to personnel	16,304	11,136	5,168
Due to social security agencies	9,105	7,969	1,136
Payables for security deposits	9,738	9,787	(49)
Other payables	20,487	20,840	(353)
TOTAL OTHER CURRENT LIABILITIES	**124,029**	**121,651**	**2,378**

The Payables for taxes other than income taxes are equal to 64,238 thousand euros (71,815 thousand euros at December 31, 2015) and mainly include:

- payable for the passenger surcharges for 57,630 thousand euros (58,829 thousand euros at December 31, 2015). This amount was paid the following month after collection of municipal surcharge from carriers, while the outstanding amounts due are recorded in a contra-entry under receivables from clients. The surcharge on the passenger boarding fee charged to the carriers equals 10 euros per passenger, of which 7.5 euros allocated to INPS and one euro (commissarial surcharge) for the commissarial management of the Municipality of Rome. The trend of the payable for the surcharge, essentially in line compared to the end of 2015, reflects the correlated effect of the trend, in the six-month period, of the corresponding fees from the carriers; this effect is partly balanced by the increase of 2.5 euros in the surcharge destined to INPS starting from January 1, 2016, in accordance with Interministerial Decree no. 357/2015;

- payable of 3,353 thousand euros to the Lazio Regional Authority for IRESA (4,989 thousand euros as of December 31, 2015). This tax is charged by the Lazio Regional Authority to carriers, who are obliged to pay it to the airport management companies which, in line with the surcharges commented on above, must periodically pay them back to the Regional board. ADR started to charge this tax in May 2014, applicable from January 1, 2014, after the signing of the agreement for tax management of the tax with the Lazio Regional Authority on January 30, 2014. The 1,636 thousand euro decrease in IRESA charges compared to December 31, 2015 reflects the correlated effect of the performance in the six-month period of this type of collections from carriers.

The decrease, compared to the end of the previous year, in Payables for taxes other than income taxes, equal to 7,577 thousand euros, is attributable to the change in the payable due to surcharges and IRESA, as described above, as well as to the decrease in VAT payables for 975 thousand euros and the payment, made in the six-month period, of the payable to the Customs Office of 3,103 thousand euros regarding the dispute on revenue tax and surcharges on electricity.

Payables to personnel, equal to 16,304 thousand euros (11,136 thousand euros as of December 31, 2015), and Due to social security agencies, equal to 9,105 thousand euros (7,969 thousand euros), rose by 6,304 thousand euros in total, mainly attributable to the reclassification of Other non-current liabilities for 4.2 million euros.

The Payables for firefighting services equal 4,157 thousand euros, up by 4,053 thousand euros compared to December 31, 2015 due to the price accrued in the period.

The Other payables, equal to 20,487 thousand euros, include 17,580 thousand euros (17,195 thousand euros at December 31, 2015) of the payable to ENAC for the concession fee. This payable increases by 385 million euros in relation to the portion pertaining to the six-month period, net of the payment of the second installment of 2015 made in January 2016.

7. Information on the items of the consolidated income statement

7.1 Revenues

Revenues in the first half of 2016 equal 506,566 thousand euros (428,067 thousand euros in the first half of 2015) and are broken down as follows:

(THOUSANDS OF EUROS)	1ST HALF 2016	1ST HALF 2015
AERONAUTICAL		
Airport fees	226,960	201,601
Centralized infrastructures	8,248	6,035
Security services	42,242	38,872
Other	14,448	13,176
	291,898	**259,684**
NON-AERONAUTICAL		
Sub-concessions and utilities:		
Properties and utilities	24,701	24,590
Shops	49,985	47,754
Car parks	13,041	13,229
Advertising	5,666	4,494
Other	6,632	7,303
	100,025	**97,370**
REVENUES FROM AIRPORT MANAGEMENT	391,923	357,054
REVENUES FROM CONSTRUCTION SERVICES	108,178	58,515
OTHER OPERATING INCOME	6,465	12,498
TOTAL REVENUES	**506,566**	**428,067**

Revenues from airport management, equal to 391,923 thousand euros, rose by 9.8% overall compared to the reference period, essentially due to the development of aeronautical activities (+12.4%), driven by the positive traffic performance and the tariff adjustment component. The performance of the non-aviation segment also showed a 2.7% growth, which, as mentioned in the introduction, was negatively impacted by the limitation of available spaces due to the fire of May 2015, with commercial sub-concessions rising by 4.7%, and the real estate business in line with the reference period (+0.5%).

Revenues from construction services equal to 108,178 thousand euros (58,515 thousand euros in the first half of 2015) refer to revenues from construction services for self-funded works (45,801 thousand euros in the first half of 2015). In the first half of 2016 no revenues from construction services for works funded by the government (former Pier C) were recorded (12,714 thousand euros in the comparative six-month period.

Consistently with the accounting model adopted, according to the application of accounting standard IFRIC 12, these revenues, which represent the consideration due for the activity performed, are measured at fair value, determined on the basis of the total costs incurred (external costs mainly).

Other operating income equal to 6,465 thousand euros (12,498 thousand euros in the first half of 2015) is broken down as follows:

(THOUSANDS OF EUROS)	1ST HALF 2016	1ST HALF 2015
Grants and subsidies	8	90
Gains on disposals	0	9
Reabsorption of funds:		
Other allowances for risks and charges	26	5
Expense recoveries	2,516	2,083
Damages and compensation from third parties	5	7,572
Other income	3,910	2,739
TOTAL OTHER OPERATING INCOME	**6,465**	**12,498**

In the reference period, other operating income included mainly the recognition of income for 7.5 million euros, as part of the "Damages and compensation from third parties", as the amount within the minimum limit that can be compensated by the insurance company for the "Fire" insurance coverage against the costs incurred to secure and salvage the areas impacted by the fire.

7.2 Consumption of raw materials and consumables

The item Consumption of raw materials and consumables is equal to 14,969 thousand euros (15,984 thousand euros in the reference period). The details are reported in the table below.

(THOUSANDS OF EUROS)	1ST HALF 2016	1ST HALF 2015
Fuel and lubricants	1,338	1,599
Electricity, gas and water	10,978	11,772
Consumables, spare parts and various materials	2,653	2,613
TOTAL CONSUMPTION OF RAW MATERIALS AND CONSUMABLES	**14,969**	**15,984**

The overall 1,015 thousand euro decrease is mainly linked to lower electricity, gas and water costs (-794 thousand euros) essentially attributable to the electricity price component.

7.3 Service costs

Service costs equal 210,544 thousand euros (173,873 thousand euros in six month period of 2015). The details are reported in the table below.

(THOUSANDS OF EUROS)	1ST HALF 2016	1ST HALF 2015
Costs for maintenance	20,340	22,699
Costs for renovation of airport infrastructure	46,669	60,630
External service costs	6,785	3,934
Costs for construction services	103,008	56,337
Cleaning and disinfestations	4,188	5,161
Professional services	6,619	5,545
Firefighting services	4,053	4,107
Other costs	18,750	14,649
Remuneration of Directors and Statutory Auditors	132	811
TOTAL SERVICE COSTS	**210,544**	**173,873**

The increase in costs for services is attributable essentially to the greater costs for construction services (46.7 million euros) and to the costs for external services, in addition to greater costs for ordinary maintenance, net of the cost component linked to the fire at Terminal 3, aimed mainly at improving the service quality, and the commercial costs regarding promotional initiatives.

This performance was partly offset by the decrease in the costs related to the fire (re classified mainly under maintenance, external services and other costs), which in the first half of 2015 included the costs of securing and salvaging the areas affected by the event; in the six months under review instead, these include the incurred additional costs related to the operating penalizations caused by the fire. The costs for renovation of airport infrastructures decreased (-14.0 million euros), just like the external costs for cleaning, following the progressive internalization process of the cleaning activities entrusted to the Airport Cleaning subsidiary, which gradually broadened its activity scope;

7.4 Payroll costs

Payroll costs equal 78,590 thousand euros (67,957 thousand euros in the reference period). The details are reported in the table below.

(THOUSANDS OF EUROS)	1ST HALF 2016	1ST HALF 2015
Salaries and wages	57,738	49,878
Social security charges	15,870	13,955
Post-employment benefits	3,467	3,082
Previous years payroll costs adjustments	75	(381)
Other costs	1,440	1,423
TOTAL PAYROLL COSTS	**78,590**	**67,957**

The increase of 10.633 million euros compared to the first half of 2015 mainly derives from the increased average workforce employed by the ADR Group (+332.8 fte). This increase is due, in addition to the process of internalization of the cleaning activities, also to the operating methods adopted for the management of passenger flows made necessary by the residual infrastructure penalizations following the fire at Terminal T3 (controls increase) with a direct impact on personnel restructuring by the companies of the Group. To be added are also the impact on increased security measures following the terrorist attacks in Paris and Brussels, the review of the quality objectives (queuing times and new e-gates for boarding passes) and the progressive implementation of the development Plan, as set forth in the Program Agreement.

The table below shows the average headcount of the ADR Group (broken down by treatment):

AVERAGE HEADCOUNT	1ST HALF 2016	1ST HALF 2015	CHANGE
Managers	50.7	47.2	3.5
Administrative staff	212.6	195.4	17.2
White-collar	1,762.4	1,583.8	178.6
Blue-collar	947.2	813.7	133.5
TOTAL AVERAGE HEADCOUNT	**2,972.9**	**2,640.1**	**332.8**

The following table also shows the average number of employees by Company:

AVERAGE HEADCOUNT	1ST HALF 2016	1ST HALF 2015	CHANGE
ADR S.p.A.	1,212.1	1,108.1	104
ADR Tel S.p.A.	52.0	50.4	1.6
ADR Assistance S.r.l.	276.3	254.5	21.8
ADR Security S.r.l.	883.5	794.4	89.1
ADR Mobility S.r.l.	62.4	57.6	4.8
Airport Cleaning S.r.l.	486.6	375.1	111.5
TOTAL AVERAGE HEADCOUNT	**2,972.9**	**2,640.1**	**332.8**

7.5 Other operating costs

The other operating costs equal 10,158 thousand euros (-5,116 thousand euros in the reference period). The details are reported in the table below.

(THOUSANDS OF EUROS)	1ST HALF 2016	1ST HALF 2015
Concession fee	16,173	15,471
Expenses for leased assets	1,612	1,831
Allocation to (use of) the provisions for renovation of airport infrastructure	(16,872)	(31,285)
Allocations to allowances for risks and charges	3,964	3,544
Other costs:		
Allocations to provisions for doubtful accounts	1,543	793
Indirect taxes and levies	2,795	3,021
Other expenses	943	1,509
TOTAL OTHER OPERATING COSTS	**10,158**	**(5,116)**

Concession fees, equal to 16,173 thousand euros, increased by 702 thousand euros due mainly to the increase in traffic.

The item Allocation to (use of) the provisions for renovation of airport infrastructure includes the allocation to the provisions for renovation of airport infrastructure, recorded net of the uses against the costs incurred in the period, classified in the corresponding item of the income statement by nature.

The Allocations to allowances for risks and charges are equal to 3,964 thousand euros compared to the 3.544 thousand of the reference six-month period. For more details reference is made to Note 6.14.

Provisions for doubtful accounts, equal to 1,543 thousand euros reflect an updated assessment of the recoverability of the ADR Group's trade receivables. This item increased by 750 million euros compared to the reference period.

7.6 Financial income (expense)

The item financial income (expense) equals 23,473 thousand euros (23,237 thousand euros in the first half of 2015). The tables below provide details on the financial income and expenses.

Financial income

(THOUSANDS OF EUROS)	1ST HALF 2016	1ST HALF 2015
Interest income		
Interest on bank deposits and loans	92	313
Income on derivatives		
Valuation of derivatives	95	23,872
Other income	4	13
Interest on overdue current receivables	0	7
Interest from clients	17	1
TOTAL FINANCIAL INCOME	**208**	**24,206**

Income deriving from interest on bank deposits and loans, equal to 92 thousand euros, decreased by 221 thousand euros compared to the reference period, due to, on the one side, the lower deposits and, on the other, the lower lending rates recognized by the counterparties on these deposits.

The income from valuation of derivatives equals 95 thousand euros compared to 23,872 thousand euros in the first half of 2015, which included the positive change in the fair value of the cross currency swap contracts for the Euro/Sterling exchange rate component hedging the A4 bonds issued in pound sterling, which offset an exchange rate loss of the same amount.

Financial expense

(THOUSANDS OF EUROS)	1ST HALF 2016	1ST HALF 2015
FINANCIAL EXPENSE FROM DISCOUNTING PROVISIONS FOR RENOVATION OF AIRPORT INFRASTRUCTURE	1,807	1,430
Interest on outstanding bonds	17,034	18,589
Interest on medium/long-term loans	487	484
Effects of applying the amortized cost method	1,781	1,139
Other financial interest expenses	2	5
TOTAL FINANCIAL INTEREST EXPENSE	19,304	20,217
Valuation of derivatives	32,849	0
IRS differentials	3,180	2,264
TOTAL EXPENSES ON DERIVATIVES	36,029	2,264
Financial expense from discounting employee benefits	84	167
Other expenses	1	0
TOTAL OTHER EXPENSES	85	167
TOTAL FINANCIAL EXPENSE	**57,225**	**24,078**

The Financial expense from discounting provisions for renovation of airport infrastructure, equal to 1,807 thousand euros, includes the financial component for the discounting of the provision and rose by 377 thousand euros consequently to the change in the rate applied.

The Interest on outstanding bonds amounts to 17,034 thousand euros; the 1,555 thousand euro decrease compared to the first half of 2015 is mainly attributable to the elimination of the costs linked to the guarantee provided by da Ambac Assurance Ltd., which ceased in July 2015 (lower cost equal to 763 thousand euros). The residual delta is mainly offset by the greater value of the swap differentials (equal to 916 thousand euros).

The expense from valuation of derivatives, equal to 32,849 thousand euros (0 thousand euros in the first half of 2015) reflects the change occurring in the period in the fair value of the cross currency swap contracts for the Euro/Sterling exchange rate component hedging the A4 bonds issued in pound sterling (shown in Note 6.15).
As a matter of fact, the devaluation of the pound sterling against the euro in the six-month period led to a negative change in the fair value of the derivative, which balanced the accounting of an exchange rate profit (on this point see the subsequent Foreign exchange gains/loss table).

Foreign exchange gains (losses)

(THOUSANDS OF EUROS)	1ST HALF 2016	1ST HALF 2015
Foreign exchange gains	33,603	514
Foreign exchange losses	(59)	(23,879)
TOTAL FOREIGN EXCHANGE GAINS (LOSSES)	**33,544**	**(23,365)**

For the notes refer to the paragraph relating to the Financial expense.

7.7 Share of profit/(loss) of associates accounted for using the equity method

The share of profit/(loss) of associates accounted for using the equity method, equal to 1,330 thousand euros (1,956 in the first half of 2015), includes the effect on the income statement of the valuation of the associate Spea Engineering for 1,747 thousand euros and the devaluation of Pavimental for -417 thousand euros (+1,936 thousand euros and +20 thousand euros respectively in the first half of 2015).

7.8 Income taxes

The income taxes equal 46,659 thousand euros (40,659 thousand euros in the first half of 2015). The item is analyzed in the table below.

(THOUSANDS OF EUROS)	1ST HALF 2016	1ST HALF 2015
CURRENT TAXES		
IRES	30,538	30,217
IRAP	8,144	6,404
	38,682	**36,621**
DIFFERENCES ON CURRENT TAXES OF PREVIOUS YEARS		
Income taxes of previous years	(145)	(2,093)
	(145)	**(2,093)**

DEFERRED TAX ASSETS AND LIABILITIES		
Deferred tax assets	5,375	1,765
Deferred tax liabilities	2,747	4,366
	8,122	**6,131**
TOTAL INCOME TAXES	**46,659**	**40,659**

With reference to IRES, please note that on May 20, 2014 ADR, together with the companies of the Group, ADR Tel S.p.A. (“ADR Tel”), ADR Assistance, ADR Mobility (“ADR Mobility”) and ADR Security, communicated to the consolidating company Atlantia the desire of exercising the group taxation option, pursuant art. 117 of TUIR, for the three-year period 2014-2016.

Deferred tax assets and liabilities were determined on the basis of the tax rates that are expected to be applied when these differences will be reversed, in consideration of the 3.5% decrease in the IRES rate, starting from the year 2017, in accordance with the Stability law 2016.

For more details on the calculation of prepaid taxes reference should be made to Note 6.5.

8. Guarantees and covenants on the medium/long-term financial liabilities

The Class A4 Notes bond in pound sterling issued originally in 2003 by the securitization special-purpose company Romulus Finance, subsequently replaced – through an "issuer substitution" operation – by ADR is guaranteed, as of June 30, 2016, by a lien (via a so-called Deed of Assignment under British law) on the receivables that may derive from cross currency swap contracts hedging Class A4 Notes. This guarantee in favor of the creditors of the bond in pound sterling would be enforced only if the fair value of the cross currency swap contracts had a positive value (as of June 30, 2016 this value is negative for 132.4 million euros) and for an overall value up to 96.5 million euros.

The mentioned guarantee is the only one surviving the complex Security Package established in 2003 by ADR with regard to the securitization of the bank debt. Indeed, with the "issuer substitution" operation of March 2016, implemented in the form of notation, ADR actually became the direct debtor towards the A4 shareholders in place of the securitization special-purpose company Romulus Finance. As a consequence, the loan agreement between Romulus Finance and ADR – aimed at providing the vehicle Romulus with the funds needed to serve its debt to the shareholders – was terminated, and all the related guarantees were cancelled with it, together with the complex system of constraints and obligations (i.e. the Security Package) regarding ADR since 2003, in relation to the securitization structure.

In particular, on March 17, 2016, Romulus Finance and ADR executed, with the consent of all the Romulus creditors, an agreement by virtue of which ADR would acquire, pursuant to article 1273 of the Italian Civil Code, all the assets and liabilities that the Special Purpose Vehicle Romulus Finance now holds towards: (i) the A4 noteholders, (ii) the hedge counterparties of the cross currency swap and (iii) the other counterparties of the securitization (i.e. notes for Trustees, Agents, etc.). This agreement, effective on March 20, 2016, is structured as follows:

- an Issuer Substitution through which ADR has assumed the payables and all the payment obligations regarding the Class A4 notes directly towards the A4 noteholders;
- a novation of the Cross Currency Swap in place aimed exclusively, given the same other conditions, at replacing Romulus Finance with ADR as the swap counterparty in the current agreements;
- the cancellation by offsetting the residual A4 loan between Romulus Finance and ADR consequently to the provisions in the first point.

In particular, as a consequence of the entire redemption of the A4 loan between Romulus Finance (as loaner) and ADR (as borrower), the entire Security Package was redeemed. The Security Package was established in 2003 by ADR on its assets (current accounts, instruments, receivables and investments in subsidiary undertakings) supporting the A4 loan. The redemption of the Security Package entailed, pursuant to the contractual conditions currently in effect, the termination of the Intercreditor Agreement and with it, of the entire contractual structure (and relevant constraints) tied to the Romulus securitization, so as to allow for the complete independence of the various ADR loans.

With this operation, which includes also an agreement between the parties for the cancellation of the "Account Bank Agreement", any residual interference of the Romulus securitization structure of

2003 on the existing financial contractual structure and on the agreements to be executed in the future, was definitively eliminated.

Financial covenants persist for the control of the revolving bank facility, calculated on a historic basis. These measure: (i) the Debt Service Coverage Ratio (DSCR), measuring the ratio between available cash flow and debt servicing and (ii) the Leverage Ratio that is the ratio between net debt and gross operating income. These ratios are checked twice a year, in accordance with the RCF loan agreement entered into in 2013, by applying the calculation methods of the respective ratios to the relative data of the Yearly Financial Report as of December 31 and the Consolidated Interim Financial Report as of June 30. With reference to the two financial ratios mentioned, it should be remembered that the reference threshold values are: (i) for the DSCR, a ratio not lower than 1.1 and, (ii) for the Leverage, a ratio not above 4.25 with reference to the current rating level of the Company.

Moreover, the loan agreements call for acceleration, termination and withdrawal conditions typical for loans of this type.

The documentation of the EMTN Program, updated on April 28, 2016, after the debt assumption operation described above, in line with market practice for “investment grade” issuers, does not envisage limitations to the charge of ADR nor the observance of financial covenants or obligations to perform/not perform (except for a negative pledging commitment, typical of the contractual documentation of a non-banking issuer), in line with market practice for investment grade issuers. The provisions of the documents of the Class A4 Notes bond are in line with those of the EMTN Program.

For further information on compliance with the covenants, reference is made to the description in the Interim Management Report on Operations, paragraph “Risks related to outstanding loan agreements”.

9. Other guarantees, commitments and risks

9.1 Guarantees

The ADR Group at June 30, 2016 had the following guarantees in place:

- guarantees issued as part of the loan agreements mentioned in Note 8;
- the sureties issued to clients and third parties are equal to 0.2 million euros (0.2 million euros as of December 31, 2015).

9.2 Commitments

The commitments on purchases of the ADR Group amount to 126.8 million euros regarding investment activities.

Also mentioned is ADR's commitment, as an operator of airport infrastructures, to draw up and implement noise reduction and abatement plans, as required by noise pollution legislation (Italian Law no. 447/1995) and the Italian Ministerial Decree of November 29, 2000, for Fiumicino and Ciampino airports.

To this end ADR is currently assessing whether or not the relevant limits have been exceeded, and if so will proceed with preparation of the necessary noise reduction and abatement plans. Such commitments are difficult to quantify and are, by necessity, determined on the basis of interpretations, given that there are no specific indications of the activities to be considered as “maintenance” and “extension” of infrastructures, which form the basis for calculation pursuant to Italian Law no. 447/1995 (the framework law on noise pollution).

In view of the above, ADR, based on available estimates regarding the investments made on the date of these Statements, judges its overall commitment to be no more than 74 million euros. This figure relates to extension activities only, and does not include maintenance. The figure may be calculated with more certainty depending on the interpretation which will be given pursuant to current legislation and once the specific projects have been carried out on the types of interventions to be done. This sum is thus conditional on subsequent events and on the effective program of works to be carried out.

9.3 Management of financial risks

Credit risk

As of June 30, 2016, the ADR Group's maximum exposure to credit risk is equal to the carrying value of the financial assets shown in the financial statements, as well as the nominal value of the guarantees provided for third parties ‘debt or commitments.

The greatest credit risk is the receivables arising from its transactions with customers. The risk of customers ‘default is dealt with by making provisions in a specific allowance for doubtful accounts, whose balance is reviewed from time to time. The ADR Group’s policy in this respect involves the making of provisions for each position, depending on the age of the receivable, the creditworthiness of the individual customer, the progress in the receivable management and collection process.

The Group's commercial policies set out the procedure illustrated below for the creation of trade receivables:

- cash payment is required in transactions with consumers (multilevel and long-term parking lots, first aid, etc.) and with occasional counterparties (e.g. club memberships, luggage porters, taxi access management, etc.);
- cash payment or prepayment is required from occasional carriers without a satisfactory credit profile or collateral;
- credit terms are extended to loyal customers considered reliable (carriers with medium-term operational plans and sub-concessionaires). However, these customers' creditworthiness is monitored and, where necessary, collateral is required.

Liquidity risk

The liquidity risk is the risk that the financial resources available may be insufficient to cover the expiring obligations. In consideration of ADR Group's ability to generate cash flows, the diversification of the sources of financing and the availability of lines of credit, the Company believes to have access to sufficient sources of finance to meet the planned financial requirements.

As of June 30, 2016 the ADR Group had a liquidity reserve estimated at 336.3 million euros, comprising:

- 86.3 million euros refer to cash and cash equivalents;
- 250.0 million euros of unused credit facilities (for more details see Note 6.15).

Interest rate and exchange rate risk

The ADR Group uses interest rate derivatives, with the objective to mitigate, at acceptable terms and conditions, the potential effects of changes in interest rates and exchange rates on its operating performance.

With resolution of May 14, 2015 the Parent Company's Board of Directors gave the green light, in line with the policies adopted by its shareholder, to the possibility of signing, by assessing the best market opportunities, "forward starting" Interest Rate Swap transactions up to the maximum amount of 900 million euros and with a duration of 10 years. With this type of instruments, which allow interest rates to be set forward in correspondence to the deadlines arranged to undertake new debt, ADR intends to tackle the risk of rising rates, which is currently deemed more probable than in the recent past.

As of June 30, 2016 the ADR Group has:

- cross currency swap derivatives to cover the A4 bonds; Tranche A4 of the bonds issued by Romulus Finance, equal to 215 million pound sterling, was covered, for the entire duration (until expiration in 2023) by a cross currency swap in euro. The characteristics of this derivative instrument are described in Note 6.15;
- interest rate swap derivatives of the forward starting type for a total notional capital of 250 million euros, signed on June 15, 2015, effective consequently to the restructuring negotiated with the counterparties on June 20, 2016, from February 9, 2017 and with a 10 year duration, through which the Parent Company ADR aimed to cover the new debt requirements with the same duration which the company intends to assume in the same timeframe. The characteristics of this derivative instrument are described in Note 6.15;
- another "forward starting" interest rate swap contract with a notional value of 50 million euros, signed on February 25, 2016, effective starting from April 20, 2017, for a duration of 9 years.

The Group does not have any other transaction in foreign currency in place.

9.4 Information on fair value measurements

Below is the fair value measurement at period end and the classification according to the fair value hierarchy of the assets and liabilities valued at fair value on a recurring basis (there are no assets or liabilities valued at fair value on a non recurring basis):

				06.30.2016
(THOUSANDS OF EUROS)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Hedging derivatives	0	158,540	0	**158,540**

The only financial instruments of the Group valued at fair value are the derivative instruments described in Note 6.15. These derivative instruments are included in “level 2” of the “fair value hierarchy” defined by IFRS 7, with the fair value measured on the basis of the valuation techniques that refer to the parameters that can be observed in the market, other than the price of the financial instrument.

In the first half of 2016, no transfer took place between the various fair value hierarchy levels.

With reference to the financial liabilities, for which note 6.15 indicates the fair value, this fair value, calculated according to the techniques stated in the above mentioned notes, is included in level 2 of the “fair value hierarchy” defined by IFRS 7.

9.5 Litigation

Administrative, civil and labor litigation is followed by the ADR Group through its internal legal department which has provided, for the preparation of the accounts, a complete and exhaustive breakdown of the different civil, administrative and arbitration proceedings outstanding as of that date. As regards litigation as a whole, the Company carried out a valuation of the risk of negative outcomes leading to the creation of a specific allowance under “Allowances for risks and charges” to cover the cost of litigation likely to result in a negative outcome and for which a reasonable estimate of the amount involved could be made. The disputes for which a negative outcome was merely possible, given the different legal interpretations, were not the object of provisions in accordance with the principles and procedures governing the preparation of financial statements. Furthermore, there are a limited number of civil proceedings underway, for which no provisions were made, as the impact of any negative outcome for the ADR Group, while negligible, could not be measured.

Tax litigation

The most significant disputes involving the Parent Company, ADR, are shown below, given that no significant disputes involving other Group companies, which might lead to potential liabilities not recorded in the financial statements, are reported.

Litigation with the Customs Office - Electricity

- In 2006 the Tax Office of Rome (UTF - now the Customs Office) issued demands for payment of a total of 13 million euros (including interests, expenses and sanctions), regarding failure to pay the tax on electricity consumption and the related surcharge for the period 2002-2006 in addition to notifications of administrative irregularities. The disputes relate to the alleged sale to third parties of electricity acquired by ADR, as well as the refusal to recognize the favorable terms applied in accordance with art. 52 of the Consolidated Customs Act to entities qualifying for inclusion in the category “industrial operators”. ADR appealed the demands in question before the Provincial Tax Commission, defined with a favorable outcome for the Company. In the appeals against the sentences presented by the Customs Office, the Lazio Regional Tax Commission confirmed the outcome in first instance. The Attorney General's Office contested the sentences issued by the Regional Tax Commission and ADR took formal legal action. Following the hearings of March 5 and June 25, 2013, the Supreme Court filed nineteen sentences that accept the reasons for appeal proposed by the Government Legal Service, rejecting those proposed by the company on cross-appeal. In short, the Supreme Court, recognizing the erroneousness of the rulings by the Regional Tax Commission, deemed the claims by the Customs Office to be legitimate with regard to both the transfer of energy to third parties and the denied inclusion in the category of “industrial operators”.

Regarding the sentences issued by the Court and pertaining to the refusal to recognize the favorable terms applied to industrial facilities, the Company filed a motion for revocation as it believes these were issued by excluding essential facts whose existence is inferred from the documents of the case, which were not subject to dispute between the parties in the case.

- Similarly with the audit undertaken, for the years 2002-2006, by the former Rome Tax Office, in 2011, the Customs Office audited ADR on its taxation of the consumption, excise tax and surcharge on electricity in the period 2007-2010. Following this audit, the Customs Office notified the company, in October 2012, of a demand for payment and the imposition of administrative sanctions totaling 5.3 million euros. The Company appealed to the Provincial Tax Commission, with a request to suspend the collection. The Tax Office notified the company of the tax assessment for the VAT due on the challenged taxation of the consumption for 2007 for a total of 0.3 million euros. On October 11, 2013 the sentence of the Provincial Tax Commission was filed, which accepts, subject to reunion, the appeals lodged against the assessments issued by the Customs Office and the Inland Revenue for the taxation period 2007. In light of the development of the contested dispute for the period 2002-2006, the Tax Authorities proposed to appeal against this decision.
- On June 11, 2015 the sentence of the Regional Tax Commission was filed, with which the appeal submitted by the Customs Office and the Inland Revenue was accepted against the sentence submitted in first instance. In consideration of the legal interpretation formed with the sentences issued by the Supreme Court for the previous years, the Company appealed against the sentence of the Regional Tax Commission in relation to the assessment pertaining to the refusal to recognize the favorable terms applied to industrial facilities, as well as VAT assessment challenged by the Inland Revenue.

  The Tax Office notified the company of the tax assessment, with reference to the tax periods 2008, 2009 and 2010, for the VAT due on the challenged taxation of the consumption totaling 0.5 million euros, for which appeals were submitted with the Provincial Tax Commission.
- On February 23, 2015 the Rome Customs Office 2 started an audit towards the Parent Company ADR regarding the correct application of the regulations on taxation of the consumption, excise tax and surcharge on electricity for the tax periods 2011 and 2012. On April 12, 2016, the Customs Office of Rome 2 served the Company with a Tax Audit Report that contested the sub-contracting of electric power to third parties, by quantifying in 0.6 million euros the excise duties and surcharges owed. This activity is the continuation of the audits already carried out in the tax periods 2002-2010. On May 24, 2016, pursuant to art. 12 of Law no. 212/2000, the company filed a brief containing all of its remarks on the Report on findings served by the Customs Office of Rome 2.

Litigation with the Customs Office - Duty Free Shop

In 2007, the Rome Customs District Office notified ADR of reported irregularities in the sales carried out at its duty free shops in the period January 1, 1993 - January 31, 1998 to passengers traveling within the EU that exceeded duty free allowances in terms of amount and value, ordering payment regarding VAT, excise duties and tobacco duties, as a result of the findings set out for a total of 22.3 million euros.

Upon closing the dispute procedure that ended with the filing of the sentence issued by the Rome Regional Tax Commission, with which the right is definitively acknowledged to repayment of the custom duties, an application was formally lodged with the Customs Office and Equitalia Sud for partial relief, with contextual request for the refund of the higher amounts paid. On June 6, 2016 ADR collected 2.9 million euros as partial repayment.

Tax Indemnity

In 2002, when IRI obtained the consent to sell to the Macquarie Group 44.74% of ADR, the entities Gemina, Impregilo S.p.A. and Falck S.p.A. replaced the same IRI and directly assumed the commitment towards ADR (with a 50%, 13.1% and 36.9% share, respectively) to compensation as issued by IRI during the privatization of ADR, aimed at covering 51.166% of the losses that the company may incur for tax claims relating to periods prior to the privatization that took place in July of 2000. The dispute between ADR and the Customs Office refers to the period of 1993/1998 and is covered by the mentioned guarantee. As Impregilo S.p.A. and Falck S.p.A. repudiate the validity of the guarantee, ADR has brought a case against the latter companies to obtain the payment of the sums due conditionally to the definitive sentence convicting ADR. With sentence of October 2012, the Court of Rome accepted ADR’s application, against which Impregilo S.p.A. and Falck S.p.A. have appealed. At the hearing in September 27, 2013, the case was adjourned until November 10, 2017 for final judgment.

ICI / IMU (PROPERTY TAXES)

The Municipality of Fiumicino notified ADR two tax assessments, challenging the failure to declare and pay the local property tax for 2001 and 2002 regarding Hilton Rome Airport Hotel. The Company, considering that there are valid arguments in favor of its non-liability to pay this tax, has appealed against these tax assessments to the Provincial Tax Commission for Rome. On December 20, 2010 the Provincial Tax Commission for Rome deposited the sentence that rejected ADR's appeal against the assessment notice for 2002. Due to the limited degree of investigation of the legal issues at stake in this case, the Company intends to appeal against the sentence of the Provincial Tax Commission for Rome. On December 23, 2011 the Provincial Tax Commission for Rome deposited the sentence that accepted ADR's appeal against the assessment notice for 2001. The municipality of Fiumicino lodged an appeal against the sentence handed down by the Provincial Tax Commission for Rome.

On January 9, 2015 the sentences issued by the Regional Tax Commission were filed, which rejected the appeal filed by ADR for the year 2002 and accepted the appeal of the Municipality of Fiumicino for the year 2001, respectively. The Company, which considers its arguments still open, lodged an appeal against the appeal sentence with the Supreme Court.

On May 5, 2011 the Municipality of Fiumicino notified ADR another two tax assessments for the years 2005 and 2006. The Company, in line with the action for 2001 and 2002, has appealed against these tax assessments to the Provincial Tax Commission for Rome. On December 2, 2014 the Provincial Tax Commission, after joining the appeals for the years 2005 and 2006, filed the ruling with which it rejected the Company's appeals.

On May 29, 2015, the Company, which considers its arguments still open, lodged an appeal against the sentence handed down by the Provincial Tax Commission for Rome. On May 5, 2016 the Regional Tax Commission for Rome deposited the sentence that rejected ADR's appeal. The Company, which considers its arguments still open, will lodge an appeal against the appeal sentence with the Supreme Court.

On October 7, 2013 the Municipality of Fiumicino notified ADR five tax assessments, challenging the failure to pay the local property tax for 2007-2011 regarding the Hilton Rome Airport Hotel and the failure to pay the local property tax for the other buildings only for the years 2007-2009.

On November 12, 2013 the company lodged an appeal for the cancellation of the mentioned notices for the purpose of self-protection, in relation to the disputes regarding the buildings other than the Hilton Rome Airport hotel. In the absence of a prompt response from the municipal administration, the company challenged the notices with appeals before the Provincial Tax Commission. On January 2 and 7, 2014 the municipality of Fiumicino notified the deed of cancellation of the tax assessments already served on October 7, 2013, partially accepting the appeal for cancellation proposed by the company with contextual re-issue of the same for the Hilton Rome Airport hotel and the buildings that are part of the so-called Alitalia Technical Area. Also for these new tax assessments the company appealed before the Provincial Tax Commission.

Regarding the appeal lodged against the notice of assessment for the tax period 2008, concerning the other properties present in the so-called Alitalia Technical Area, the Provincial Tax Commission for Rome, with the sentence files on December 3, 2015, fully rejected the appeal filed. The Company, which considers its arguments still open, lodged an appeal before the Regional Tax Commission.

IRESA

Since June 2014 ADR has been served 92 appeals to the Provincial Tax Commission for Rome by 40 carriers, appealing against the charge notification letters issued by ADR for the period January - September 2014 regarding the payment of the Regional tax on aircraft noise (IRESA). The appeals are aimed at causing IRESA to be declared illegitimate, which ADR is currently collecting in compliance with the provisions of the agreement in force with the Lazio Regional Authority, after Regional Law no. 2 of April 29, 2013 came into force or, subordinately, to obtain that the same be reduced within the limits or the so-called “Destination Italy” decree and the consequent refund of the amounts in excess paid.

On June 9, 2015, the Provincial Tax Commission for Rome filed the sentence relating to the appeal put forward by AirOne. The sentence, partially accepting the requests of the carrier, cancels the debit notes referring to the periods after February 21, 2014, with compensation for litigation costs.

After signing the Addendum to the Agreement with the Lazio Regional Authority, the Company forwarded to the same Regional Authority the data needed to re-calculate the taxes due by the carriers for the period January 1, 2014-June 30, 2015. Based on the commitments assumed by the parties, which put the Regional Authority in charge of recalculating the precise tax burden for the carriers, with consequent autonomy in terms of assessment and collection, the Company reversed all the debiting papers issued and not yet paid in relation to the mentioned period.

Administrative, civil and labor litigation

The most significant disputes involving the Parent Company ADR, are shown below, given that no significant disputes involving other Group companies, which might lead to potential liabilities not recorded in the financial statements, are reported.

Airport fees and regulated tariffs

- On April 7, 2014 EasyJet Switzerland SA summoned ADR to return 1 million euros, plus interest, equaling the amount paid, in its words, in excess (non-EU fees rather than EU fees for flights Swiss Confederation) from 2009 to 2013 for the landing and take-off fees and passenger boarding fees. At the first hearing of October 23, 2014, the parties only referred to the contents of the respective procedural documents and the judge set the terms for the briefs, setting the date for the next hearing for October 7, 2015, during which the date of the next hearing was set to December 20, 2017 to specify the conclusions.

- In July 2011 ADR was notified, in its capacity as involved party, the appeal lodged before the Lazio Regional Administrative Court by IBAR and ten airlines for the cancelation of the letter of May 11, 2011 with which ENAC declared that, with reference to the fee to use the automatic handling system of transit baggage "NET6000", the cost connection limit just for 2011 is "equal to 1.87 euros per piece of baggage". The applicant did not made a request for suspensive relief and a date for the relevant hearing has yet to be set.
- On February 28, 2013, an appeal to the Lazio Regional Administrative Court was notified by the Municipality of Viterbo, with which the Planning Agreement was contested together with the Prime Ministerial Decree of December 21, 2012 and all the other conditioning, connected and consequent deeds with a claim for damages, which to date is pending with no set hearing.
- On November 13, 2013 ADR was served an appeal to the Regional Agency for the Environmental Protection of the Lazio region (ARPA) against the Ministry of the Environment and the Protection of land and sea, the Minister of Cultural Heritage, Activities and Tourism, the Lazio Regional Authority, ENAC, the municipality of Fiumicino, Roma Capitale (Rome City Council) and ADR. With this appeal ARPA challenged the Interministerial decree of the Ministry of the Environment-Ministry of Cultural Heritage of environmental impact assessment (VIA) of August 8, 2013 regarding the "Aeroporto Leonardo da Vinci – Progetto di completamento di Fiumicino Sud" project and any other presupposed, connected and consequential deed (including the favorable opinion with provisions no. 1156 of January 25, 2013 formulated by the Technical Commission for the Assessment of the Environmental Impact VIA/VAS), demanding the partial cancellation in the parts in which it establishes fulfillments on ARPA's account regarding the provisions associated with the environmental compatibility check of the Project of completion of Fiumicino Sud.
- On February 26, 2014 Easyjet Airline Company Ltd notified ADR of an appeal to the Lazio Regional Administrative Court for the cancellation, with prior suspension, of the restructuring, from March 1, 2014, of the passenger boarding fees in connection with the determination of the new transit fees. With the appeal, Easyjet contested the Civil Aviation Authority directive relating to "Fiumicino Tariff Arrangement" of December 27, 2013 (and all of the assumed deeds, to the extent to which they restructure the passenger boarding fees at Fiumicino airport). The plaintiffs deem the mentioned restructuring - resulting from the application of a 65% discount on the abovementioned fees to the passengers in transit at the airport and the contextual increase of the same fee for outbound passengers - to be a violation of the Italian and community regulations. In particular, (i) the obligation of consultation with users was allegedly violated, (ii) the cost orientation principles and (iii) the principle of non-discrimination of users were allegedly not respected and (iv) ADR allegedly abused its dominant position by applying discriminating and excessive prices. The plaintiff requested the lower-court precautionary measure, which was denied by the President of the competent Regional Administrative Court section. During the discussion of the precautionary measure of April 29, 2014 of the Council Meeting, the Regional Administrative Court acknowledged the legitimacy of the exception raised by ADR as regards the absence of interest consequently to the Prime Ministerial Decree of approval of the Additional Deed no. 2 to the Single Deed. As the terms for the proposal of additional grounds have not passed yet, EasyJet declared its interest in formulating such additional grounds. The Board scheduled the Council Meeting for May 29, 2014 to discuss the precautionary measure. At the hearing of May 29, 2014 the Lazio Regional Administrative Court (Third Ter Section) rejected Easyjet's application for interim relief since the appeal was not secured by the "fumus boni iuris".

Limitation of the handlers authorized to operate in Fiumicino

- In December 2014 ADR was served five appeals to the Lazio Regional Administrative Court that challenge the Civil Aviation Authority directive of October 13, 2014 that limits the number of handlers authorized to provide the services under points 3, 4 and 5 (with exclusion of 5.7) of Attachment A to Italian Legislative Decree 18/99 at Fiumicino airport. The appeals were lodged by Assaereo, Aviation Services S.p.A., Consulta Srl, Consulta S.p.A. and IBAR. Assaereo, Consulta S.r.l. and IBAR requested the suspension of the directive. In December 2014, ADR was also served two reasons added to an appeal filed by "Fallimento Groundcare Milano S.r.l.", which challenge the same Civil Aviation Authority directive. Consulta S.r.l. filed a request for trial and waived the precautionary demand. On February 6, 2015, ALHA Airport notified an extraordinary appeal to the Head of State for the cancellation of ENAC's measure.
- At the hearing of March 19, 2015, set to discuss the precautionary appeals of IBAR and Assaereo, the Regional Administrative Court issued an interlocutory relief requesting ENAC to file the documents regarding the investigation carried out for the purposes of adopting the limitation measure. Therefore, the discussion on the precautionary appeals was postponed to the Council Meeting schedule for April 16, 2015. With two separate rulings of April 17, 2015 the Lazio Regional Administrative Court rejected IBAR's and Assaereo's suspensive relief. At the relevant hearing of June 16, 2016, Assaereo's defense requested the postponement of the hearing to a date to be set, possibly later than October 11, 2016 (when Consulta's appeal will be discussed). The request was accepted by the President, with the discussion being postponed until precisely October 11, 2016 in order to jointly consider the cases.
- Following the publication in the EUOJ of April 25, 2015 of the call for tender for the selection of the handlers authorized to perform the services under points 3, 4 and 5 (excluding 5.7) of Annex A to Italian Legislative Decree 18/99 at Fiumicino airport, Consulta S.p.A., Assaereo, IBAR and Aviation Services, which had already contested the Civil Aviation Authority limiting directive, with additional reasons also contested the call for tender before the Lazio Regional Administrative Court. Whereas ATA Italia filed a new appeal with the Lazio Regional Administrative Court for the cancellation of the call for tender. Consulta, IBAR and ATA requested the suspension. At the hearing of June 25, 2015, ATA Italia's suspensive relief was discussed and, with the ruling of June 26, 2015, the Lazio Regional Administrative Court rejected this request. At the hearing of July 8, 2016, ATA Italia's defense requested a postponement aimed at the subsequent filing of a formal waiver; the President accepted to postpone the hearing until October (date not set yet). At the council meeting of July 9, 2015 Consulta S.p.A.'s defense declared to waive the precautionary demand; a date for the relevant hearing has yet to be fixed. At the council meeting of July 17, 2015, IBAR confirmed the waiver of the precautionary demand; a date for the relevant hearing has yet to be fixed. With additional grounds, Consulta S.p.A., on December 29, 2015, challenged, before the Lazio Administrative Court, the Civil Aviation Authority final awarding procedure of December 23, 2015, demanding the suspension of its application: at the council meeting to discuss the precautionary measure of January 21, 2016, the President of the Council accepted Consulta's deferment petition with postponement to a date to be set based on the upcoming presentation of additional reasons. The hearing was held on May 19, 2016 and, at the time, Consulta declared to waive the precautionary demand; therefore, with Ruling of the same day, the Council of State made a formal acknowledgement.

  With appeal before the Lazio Regional Administrative Court of January 14, 2016, also WFS s.r.l. challenged ENAC's awarding procedure, in particular in the part regarding its exclusion; ADR intervened in the case with cross-appeal of opposition, and at the hearing of February 4, 2016, the Council rejected WFS's precautionary request because of the absence of a risk of imminent and irreparable damage and set the relevant hearing for April 14, 2016; with Ruling of May 16, 2016, the

Regional Administrative Court requested the integration of the inspection towards Aviation Services, postponing the hearing until October 13, 2016.

Tender procedure for the sub-concession of a portion of the Cargo warehouse

Following the publication in the OJEU of April 4, 2015 of the call for tender for the selection of a subject to entrust the sub-concession of a warehouse for the execution of the handling activities at Fiumicino airport, FLE and BAS filed two separate appeals with the Lazio Regional Administrative Court for the cancellation of the call for tender with contextual request for suspensive relief. At the hearing of June 11, 2015 the Regional Administrative Court rejected both requests for suspensive relief. Therefore BAS put forward a second appeal to the Lazio Regional Administrative Court against the new configuration of the Cargo warehouse, requesting the lower-court precautionary measures against a letter by ENAC and a letter by ADR, rejected by the administrative judge on June 26, 2015. At the hearing of the council meeting of July 17, 2015 the plaintiff asked for a referral to present additional grounds; the Lazio Regional Administrative Court adjourned to the council meeting of October 29, 2015, when the plaintiff waived the suspension.

On April 27, 2016, Alitalia lodged an appeal before the Lazio Regional Administrative Court, requesting a precautionary measure to obtain the cancellation of the final awarding to the company X-Press; at the hearing of July 13, 2016, the Lazio Regional Administrative Court rejected Alitalia's suspensive relief and scheduled the hearing for January 11, 2017.

At the relevant hearing of June 16, 2016 regarding the appeal filed by FLE, the plaintiff declared that the disputed issue had ceased, also as ratification of the definitive awarding; therefore, with Ruling of June 21, 2016, the Administrative Court declared the preclusion of the case due to ensuing absent interest.

Airport Fuel Supply Fees

- ENI S.p.A. has brought a claim before the Rome civil court against its own client airlines in order to ascertain their obligation to pay the oil company the amounts it owes to airport operators, and to order them to pay the amount accrued since October 2005. In the same claim, ENI S.p.A. has also brought a secondary claim against airport operators, including ADR, in order to ascertain that the concession fees paid by ENI to airport operators should not be calculated on the basis of the amount of fuel supplied to airlines. Moreover, as specifically regards ADR, ENI requests that the Company be ordered to return the amount paid in October 2005, totaling 0.2 million euros and that it be determined that ENI does not owe the amount of 1.1 million euros requested by ADR until May 2006 and yet unpaid. Following a referral order on the role, on May 28, 2014 a hearing was held on the outcome, for which the judge reserved the right to decide on the need to obtain a preliminary ruling before the European Court of Justice, however without any specification as regards the subject of the abovementioned issue. Upon the dissolution of the reserve on May 15, 2015 the case was adjourned to the hearing on December 2, 2015 for final judgment. A decision on this case was not taken at the time.
- AirOne S.p.A. has taken out legal proceedings at the Civil Tribunal of Rome against Tamoil, its jet fuel supplier, as well as certain airport operators including ADR claiming the illegality of the fees charged to oil companies by operators in return for the use of airport infrastructure, which these companies subsequently "pass on" to carriers. Consequently, AirOne also requests that Tamoil – together with the above airport operators – be ordered to repay the sum paid by Airone since 2003, amounting to 2.9 million euros. With no definitive sentence in 2012, the Judge provided an expert to examine the case. At the hearing of February 19, 2015 the judge reserved the right to decide how to continue the case, due to the various requests regarding the trial put forward by the Parties. With order of February 21, 2015 the judge, having reported the need for an additional technical

assessment, required an expert to examine the case. The case was initially postponed to the hearing of April 20, 2016 to examine the appraisal and to the hearing of February 25, 2016 to continue the investigation. At the time, the examining magistrate, having acknowledged the positions of the Parties with regard to the additional documents requested by the expert, ordered the latter to reply to the questions based on the documents in the records, setting a term for the expert until April 30, 2016 to forward a draft to the parties, and to the parties a term until May 30, 2016 to make any observations and, again, a term for the expert until June 30, 2016 to file the definitive report. The case was postponed to the hearing of September 14, 2016 to examine the appraisal.

- Alitalia under extraordinary administration has taken out legal proceedings at the Civil Tribunal of Milan again some oil companies to force them to return the amounts paid from time to time as royalties on fuel in the period 2000 – 2009, due to the alleged mismatch between these amounts and the management costs for the specific service. In these proceedings, the oil company executives invoked ADR, as third parties, and other airport operators in consideration of the fact that the royalties on fuel were requested by the latter. In some proceedings underway, with partial judgment, the Court of Milan, after deciding on the preliminary exceptions raised by the parties, such as, for example, the limitation of Alitalia's right before May 2000, submitted the case to preliminary inquiry in order to carry out an economic and accounting appraisal "*that may determine a mismatch between the consideration in question and the actual costs incurred for the service, stating the amount of the possible difference between the costs and the consideration paid as airport fees, also in order to ascertain whether and to what extent the plaintiff carried out a passing on operation for the mentioned consideration towards its passengers*". Within the framework of these appraisals - which were started in April 2016 and are planned to end next Fall at different dates depending on the proceedings (as for the hearings for the relevant examination), ADR appointed its own technical consultant.

Noise abatement measures

- In relation to Ministerial Decree of November 29, 2000 regarding the criteria to draw up noise reduction and abatement plans and to make provisions in line with forecast penalties if such limits should be exceeded, all the airport operators filed appeals before the Council of State to obtain an annulment of Lazio Regional Administrative Court's sentence of 2002.

  With sentence of 2004, the appeals were partially rejected. In particular the Council of State deemed that the reduction obligation arises on the occurrence of two conditions: i) identification of the boundaries of the areas concerned; ii) verification, according to a precise schedule, of instances when noise pollution limits are exceeded outside the areas covered by the regulations with reference to be made to the limits established in municipal zoning bylaws or, in their absence, by art. 6, paragraph 1, of the Prime Ministerial Decree of 1 March 1991. Within the areas covered by the regulations, on the other hand, emission limits are only applicable "for all noise sources other than airport infrastructures". The limits established by the Italian Ministerial Decree of October 31, 1997 remain in force. These limits "provide for three areas (zones A, B and C) with various levels of LVA (the indicator used to measure airport noise emissions and different from the "Noise Equivalent level"). The obligation to make financial provisions to cover the cost of adopting noise reduction and abatement measures, regardless of whether or not the above limits have been exceeded, derives from Framework Law no. 447/95 and not the Ministerial Decree to which the appeal judge's sentence refers, as the latter is merely a repetition of the legal provisions referred to. The Ministry of the Environment "assumes that the obligation to make provisions is valid regardless of whether or not the noise emission limits have been exceeded; at the same time "all issues regarding the reasonableness of such obligation, even where limits have not been exceeded, are beyond the scope of this action, by which the appellants have appealed a regulation that merely requires communication of the provisions made". The above sentence, moreover, does not exclude the possibility that the issue of "the reasonableness" (or otherwise) of the above regulation establishing the obligation to make provisions may be appealed by airport operators before the relevant courts.

- ADR appealed to the Lazio Regional Administrative Court requesting cancellation of the proceedings of July 1, 2010 by which the Services Conference, convened to define and approve acoustic zoning for said airport, with which the mentioned Service Conference approved acoustic zoning Proposal no. 2 for Ciampino airport. No request for suspensive relief was made and a date for the relevant hearing has yet to be fixed.

IRESA

- In July and December 2014 six appeals were filed before the Lazio Regional Administrative Court (with request for precautionary measures) by Alitalia Cai (2), AirOne (2), Alitalia Cityliner and CAI First. The plaintiffs demand the cancellation of the charge notification letters issued by ADR for the period January – September 2014 regarding the payment of the Regional tax on aircraft noise (IRESA), which ADR is currently collecting in compliance with the provisions of the agreement in force with the Lazio Regional Authority, after Regional Law no. 2 of April 29, 2013 came into force. To date no hearing has been set.
- In February, May and September 2015 three appeals were filed before the Lazio Regional Administrative Court (with request for precautionary measures) by Alitalia SAI for the period January-September 2015 regarding the payment of IRESA. To date no hearing has been set.

Building plan

- In March 2012, the Lazio Regional Administrative Court accepted the appeal with which, in 2003, ADR had appealed against the deeds of the municipal office of Fiumicino that modified the existing Building plan with the possibility of building in the area near the airport ("Quadrante Ovest" and "Fiumicino Nord"). With this decision, ADR's interest was recognized, together with its active authorization to safeguard the suitable and necessary conditions of the territory for air traffic development. The owners of the land concerned and the municipal office of Fiumicino appealed to the Council of State. With sentence of February 22, 2013, the Council of State accepted the appeals substantially on procedural grounds.

Bankruptcy proceedings involving clients

- A series of sentences passed by the Bankruptcy Court in Rome have declared the following companies bankrupt: Alitalia S.p.A. under special administration, Volare S.p.A. under special administration, Alitalia Express S.p.A. under special administration, Alitalia Servizi S.p.A. under special administration, Alitalia Airport S.p.A. under special administration, between the end of 2011 and 2013 initially insolvencies and subsequently some distribution plans were filed following which, on March 20, 2014, 10.3 million euros were collected as "insolvency claim" secured by a lien. 0.1 million euros were collected on March 19, 2014, in accordance with the distribution plan regarding Alitalia Express under special administration.
- In 2009 Volare Airlines S.p.A. under special administration and Air Europe S.p.A. in special administration entered into civil proceedings in order to obtain cancellation of payments made to ADR during the year prior to the carrier's entry into bankruptcy and an order requiring ADR to pay back a sum of 6.7 million euros and 1.8 million euros. With sentence of June 2011, the Court ordered ADR to pay the requested amounts; the Company lodged an appeal. Regarding the ruling for Volare Airlines in special administration, with sentence filed on July 2012, the Appeal Court of Milan rejected ADR's appeal. In order to avoid the enforceable proceeding, ADR paid 7.4 million euros (including interests and expenses). Regarding the ruling for Air Europe in special

administration, with sentence filed on July 18, 2014, the Appeal Court of Milan rejected ADR's appeal. In order to avoid the enforceable proceeding, ADR paid about 2 million euros (including interests and expenses). ADR has proposed the appeal to the Supreme Court in both cases. An announcement of the date of a hearing is awaited.

Labor disputes

- A group of 12 plaintiffs, previously employed by ADR and transferred to the company Ligabue Air Catering S.p.A. (subsequently Ligabue Gate Gourmet Roma S.p.A.) at the time of the sale of the West end catering business unit, filed a case against ADR and Lazio Regional Authority. The plaintiffs claim compensation for not having been hired by other companies at the same economic conditions applied by Ligabue Gate Gourmet Roma S.p.A., based on a ministerial award signed by ADR together with other companies and local bodies, including the Lazio Regional Authority, when the company went bankrupt. The compensation claimed by the plaintiffs amounts to about 9.1 million euros. The case, which was deemed mature for the decision without requiring preparatory activity, was referred for discussion to September 21, 2016.

Tenders

- ATI Alpine Bau, which was awarded the contract for works relating to the upgrading of Runway 3 at Fiumicino airport, appealed sentence of 2006 handed down by Rome's Civil Court. This sentence ordered ADR to pay 1.2 million euros, plus legal interest from the time of the claim. The appeal reiterates the claims for damages made in first instance (66 million euros, including legal interest accrued from the time of the claim). With sentence filed on July 14, 2014 the Court of Appeal of Rome, in the substance, rejected the appeal on the proposals of the ATI Alpine Bau, accepting the arguments put forward by ADR and declared the contract stipulated on December 30, 1997 terminated, due to the fault of the ATI contractor. On June 19, 2015 bankrupt Alpine Bau lodged an appeal with the Supreme Court regarding the sentence of the Appeal Court. An announcement of the date of a hearing to discuss the matter is awaited.
- In 2005 Fondedile Costruzioni S.r.l. lodged an appeal against sentence of 2004 of the Civil Court of Rome. This appeal reiterates the claim submitted in first instance for 3.6 million euros, as well as legal and overdue interest and revaluation, regarding higher charges and damages incurred during the execution of construction works on a service tunnel at Fiumicino airport. With sentence of June 4, 2014 the second section of the Appeal Court of Rome fully rejected the claims of Fondedile Costruzioni S.r.l. In October 2014, the counterparty put forward an appeal with the Supreme Court. An announcement of the date of a hearing to discuss the matter is awaited.
- ATI NECSO Entrecanales – Lamaro Appalti has appealed to the Supreme Court against the sentence of the Court of Appeal, which in 2011 fully rejected the claim for damages for 9.8 million euros, plus interest, revaluation and costs, in relation to claims posted in the contract accounts relating to the contract for work on the extension and restructuring of Satellite Ovest (Satellite West) at Fiumicino airport. A hearing to discuss the case has not been scheduled yet.
- With reference to the evolution of the negotiations with ATI Cimolai, which was awarded with the construction works at departure area F (formerly Pier C), it is noted that, with the signature of the Planning Agreement, the main assumption is met to entirely restart all the works previously slowed down in connection with the failed finalization of the tariff agreement. The full resumption was formalized with the agreement entered into between ADR and ATI on August 7, 2013. This agreement also states the new contractual terms to finalize the work. However, since the volumes and characteristics of the work have significantly changed in the meantime, in order to more effectively meet the operating and commercial requirements, it was necessary to renegotiate with the counterparty both the scheduling and financial terms, also aiming to encourage the conclusion

of the works within 2016. This negotiation led to signing, on August 7, 2014, of the Deed of submission to the technical variation and supplementary appraisal no. 3 phase 3 and 4 that absorbed the revision of the project regarding the works for the completion of the Pier and Front Building and the works regarding BHS/HBS. This appraisal was approved by ENAC on August 6, 2015.

By signing the work progress report no. 96 (works until April 30, 2016), A.T.I. Cimolai updated the lodged reserves, which were all formally rejected. The total currently equals about 144 million euros. In consideration of this amount having been reached (exceeding the contractual amount by 10%), the procedure under art. 240 of the Procurement Code (amicable agreement) was activated, based on which the Works supervisor has currently predisposed a first confidential report, as requested by paragraph 3 of the mentioned provision, not allowing for an update of the valuation of the potential and probable liabilities for ADR.

The Commission for the amicable agreement will meet again on August 2, 2016 before concluding its mandate, through a proposal to be sent to the Parties and on which these are invited to express an opinion within thirty days from receipt. Should this proposal be rejected, the Parties may refer to the ordinary judge to settle the dispute.

Claims for damages

- In 2011 ADR received a claim for damages for 27 million dollars for direct damages (the indirect ones are still being defined) from AXA Assicurazioni, who insures Ryanair, for the damage suffered by aircraft B737-800 E-IDYG as a consequence of the emergency landing due to a bird strike taking place on November 10, 2008 at Ciampino airport. ADR declines any responsibility for the event. Should the survey being conducted by the competent authorities reveal ADR's clear responsibility, the compensation would be covered by the third-party liability insurance policy of the airport operator.
- About 160 claims have been received from third parties (mainly sub-concessionaires, handlers and passengers) with reference to the fire, only a portion of which, however, is concerned by a clear quantification of the damages (about 105 million euros). To face these claims, posted in the provisions there still is a prudent valuation, made on the basis of the best current information, of the liabilities other than those covered by the insurance policies in force, which the Company is likely to be called to account for in case of definitively ascertained liability.

Reserves on works posted by the contractors

Reserves posted by the contractors amount to about 144 million euros as of June 30, 2016 (68 million euros as of December 31, 2015) towards the ADR Group. Based on past evidence, only a small percentage of the reserves posted is actually due to the contractors. If recognized, the reserves will be recorded as an increase in the cost of concession fees. If these refer to claims, they are posted under the provisions for risks and charges for the portion deemed probable.

In the Group's judgment, current litigation and other potential disputes should not give rise to liabilities greater than the amount that has already been provided for.

10. Transactions with related parties

The transactions performed by the ADR Group with related parties were carried out in the interest of the Group and are part of ordinary operations. Such transactions are regulated on a basis that is equivalent to those prevailing in transactions between independent parties.

During the period no significant transactions or transactions that significantly affected the Group's financial position or results took place.

Trade transactions and other transactions

(THOUSANDS OF EUROS)	06.30.2016		1st HALF 2016		12.31.2015		1st HALF 2015	
	ASSETS	LIABILITIES	REVENUES	COSTS	ASSETS	LIABILITIES	REVENUES	COSTS
PARENT COMPANIES								
Atlantia S.p.A.	7,989	6,439	13	(646)	11,405	18,221	77	(276)
TOTAL RELATIONS WITH PARENT COMPANIES	7,989	6,439	13	(646)	11,405	18,221	77	(276)
ASSOCIATED UNDERTAKINGS								
Pavimental S.p.A.	506	8,837	310	(8,413)	202	14,740	6	(32,604)
Spea Engineering S.p.A.	538	35,318	300	(16,229)	284	33,635	573	(19,023)
Ligabue Gate Gourmet S.p.A. (insolvent)	482	968	0	0	482	968	0	0
TOTAL RELATIONS WITH ASSOCIATED UNDERTAKINGS	1,526	45,123	610	(24,642)	968	49,343	579	(51,627)
RELATED PARTIES								
Leonardo Energia S.c.a.r.l.	307	3,152	167	(9,018)	238	3,375	178	(9,577)
Fiumicino Energia S.r.l.	28	0	85	0	68	0	84	0
Infoblu S.p.A.	0	6	0	(19)	0	26	0	0
Telepass S.p.A.	234	256	39	(126)	19	84	9	(166)
Autogrill S.p.A.	1,528	1,539	5,590	(269)	1,564	82	4,512	(321)
Autostrade per l'Italia S.p.A.	421	274	252	(221)	192	335	23	(170)
Autostrade Tech S.p.A.	0	163	0	(136)	0	156	0	(83)
Consorzio Autostrade Italiane Energia	0	1	0	(1)	0	0	0	0
Essediesse S.p.A.	0	0	0	0	0	0	0	(33)
Key Management Personnel	0	3,292	0	(2,385)	0	4,253	0	(3,107)
TOTAL RELATIONS WITH RELATED PARTIES	2,518	8,683	6,133	(12,175)	2,081	8,311	4,806	(13,457)
TOTAL	**12,033**	**60,245**	**6,756**	**(37,463)**	**14,454**	**75,875**	**5,462**	**(65,360)**

Relations with Atlantia refer mainly to the tax consolidation of some companies of the ADR Group and to charging back the cost for the seconded personnel.

The main relations with other related parties break down as follows:

- Pavimental: a company owned by Atlantia, it carries out maintenance and modernization work of the airport paving for the ADR Group;
- Spea Engineering: a company owned by Atlantia, carries out airport engineering services (work design and management) for the ADR Group;
- Fiumicino Energia S.r.l.: a company owned by Atlantia that manages the gas-fired co-generation plant at Fiumicino airport for the production of electricity. Via a business unit lease contract,

operation of the co-generation plant was entrusted to Leonardo Energia - Società consortile a r.l., which is owned by ADR and Fiumicino Energia S.r.l., with respective shareholdings of 10% and 90%. Based on the agreements existing between ADR and Fiumicino Energia in 2023 the co-generation plant will be transferred free of charge to the Parent Company. The limited liability consortium, which also operates the thermal energy plant at Fiumicino, under a sub-concession from ADR, provides electric and thermal energy to ADR;

- Autogrill S.p.A. (indirect subsidiary undertaking of Edizione S.r.l. which, indirectly, holds a sufficient interest in Atlantia): revenues from retail sub-concessions, royalties, utilities, car parks and sundry services;
- Telepass (a subsidiary undertaking of Atlantia): costs related to the Telepass system used in the car parks managed by ADR Mobility.

The remuneration due to the parties in charge of planning, managing and controlling the company and thus the executive directors and not the managers with strategic responsibilities (so-called key management personnel) in office at June 30, 2016 amount to 2,385 thousand euros and include the amount pertaining to remuneration, employment compensation, non-monetary benefits, bonuses and other incentives for assignments at ADR (the remuneration is indicated regarding the directors that in the period covered the position, also for a portion of the year).

Financial relations

(THOUSANDS OF EUROS)	06.30.2016		1st HALF 2016		12.31.2015		1st HALF 2015	
	ASSETS	LIABILITIES	INCOME	EXPENSE	ASSETS	LIABILITIES	INCOME	EXPENSE
PARENT COMPANIES								
Atlantia S.p.A.	0	266,679	0	(7,336)	0	293,458	0	(6,869)
TOTAL RELATIONS WITH PARENT COMPANIES	0	266,679	0	(7,336)	0	293,458	0	(6,869)
RELATED PARTIES								
Spea Engineering S.p.A.	1,148	0	0	0	0	0	9	0
TOTAL RELATIONS WITH RELATED PARTIES	0	0	0	0	0	0	9	0
TOTAL	**1,148**	**266,679**	**0**	**(7,336)**	**0**	**293,458**	**9**	**(6,869)**

The financial assets to Spea Engineering include the receivable regarding the dividends resolved in the six-month period and only partly paid.

The financial liability to Atlantia, as well as the related financial expense, concern the A4 bonds, 99.87% of which is held by the parent company upon the conclusion of the Tender Offer procedure launched by the same during January 2015 towards the holders of the outstanding A4 bonds.

11. Other information

11.1 Information on the fire on May 6-7, 2015 at Fiumicino airport

The Public Prosecutor of Civitavecchia opened two criminal proceedings in relation to the fire that, on the night between May 6 and 7, 2015 concerned a large area of Terminal 3 (hereafter also "T3"):

- the first proceeding regards the offences under articles 113 and 449 of the criminal code (participation in arson), in relation to which, on November 25, 2015, the proceeding under art. 415 bis of the Criminal Procedure Code was issued, notifying the conclusion of the preliminary investigation against: (i) five employees from the contractor of the ordinary maintenance of the air-conditioning systems and two ADR employees, all investigated also with regard to the offence under art. 590 of the criminal code (personal injury through negligence), (ii) the then Managing Director of ADR in the capacity as "employer" of the Company, (iii) the Head of the Fire Corps Contingent and (iv) the Director of the Lazio Airport System (ENAC); this case is pending before the Public Prosecutor at the Court of Civitavecchia;
- the second crime-related proceeding concerns the safety in the workplace violations under Italian Legislative Decree 81/2008 that the then Managing Director of ADR is charged with, in his capacity as employer of the company, and two managers of the ADR Group with the same role and function in the two subsidiary undertakings (ADR Security and Airport Cleaning), for which the investigated subjects were all admitted to pay fines. Having complied with all the set provisions, the conditions were met to declare the contested charges settled.

From an insurance point of view, in the six months experts continued with their activity aimed at analyzing the costs incurred by the Group consequently to the accident. The early results, also when comparing the assumptions used for the internal estimates, do not currently provide factual elements that are such to allow for a definitive updated estimate of insurance reimbursements recorded in the Financial Statements of December 31, 2015.

The appraisals concerning the compensation claims received from third parties are also still in progress.

For an analysis of the accounting treatment in these Condensed consolidated interim financial statements as of June 30, 2016, reference is made to the following explanatory notes: Note 6.9 Other current assets, Note 6.14 Other allowances for risks and charges, Note 7.1 Revenues, Note 7.3 Service costs and Note 9.5 Litigation.

11.2 Information on remuneration plans based on shares

With the aim of creating an incentive and loyalty system dedicated to directors and employees of the Atlantia Group covering positions entailing a higher level of responsibility in Atlantia or Group companies and to promote and spread the culture of creating value in all the strategic and operating decisions, as well as encourage the valorization of the Group, in addition to the managerial efficiency of management, in the Atlantia Group there are incentive plans in place that imply the commitment of assigning rights on Atlantia shares, subject to achieving preset corporate goals.

The table below shows the chief elements of the incentive plans as of June 30, 2016, highlighting the rights attributed to directors and employees of the ADR Group. In addition, the unitary fair values of the assigned rights are shown, determined by a purposefully entrusted expert, using the Monte Carlo model and the parameters shown below.

	NO. OF RIGHTS ASSIGNED	NO. OF RIGHTS REVOKED	NO. OF RIGHTS AT 06.30.2016	VESTING EXPIRY	EX. EXP./ ASSIGN.	EXERCISE PRICE (EURO)	UNIT FAIR VALUE ON THE ASSIGN. DATE	EXPECTED EXPIRY ON THE ASSIGN. DATE (YEARS)	RISK-FREE INTEREST RATE	EXP. VOLATILITY (=HISTORICAL)	DIVIDENDS EXPECTED ON THE ASSIGN. DATE
STOCK OPTION PLANS 2011 OF ATLANTIA EXTENDED TO ADR	494,903	(158,719)	336,184	11.08.2016	11.09.2019	16.02	2.65	6	0.86%	29.5%	5.62%
STOCK GRANT PLANS 2011 OF ATLANTIA EXTENDED TO ADR	62,880	(16,662)	46,218	11.08.2016	11.09.2018	na	11.87	4 -5	0.69%	28.5%	5.62%
PHANTOM STOCK OPTION PLANS 2014 OF ATLANTIA EXTENDED TO ADR	766,032	(255,618)	510,414	05.09.2017	05.09.2020	na	2.88	3 -6	1.10%	28.9%	5.47%
PHANTOM STOCK OPTION PLANS 2014 OF ATLANTIA EXTENDED TO ADR	758,751	(240,271)	518,480	05.08.2018	05.08.2021	na	2.59	3 -6	1.01%	25.8%	5.32%
PHANTOM STOCK OPTION PLANS 2014 OF ATLANTIA EXTENDED TO ADR	591,618	0	591,618	06.10.2019	06.10.2022	na	1.89	3 -6	0.61%	25.3%	4.94%

11.3 Events and non-recurring, atypical or unusual transactions

During the first half of 2016, no non-recurring, atypical or unusual transactions were performed with third parties or related parties.

No significant non-recurrent events occurred in the six months under review.

12. Subsequent events

- On July 11, 2016, a new revolving line of credit (RCF) was started for 250 million euros, which is the same as the pre-existing one signed in 2013, though benefitting from a prolonged three-year maturity (2021), with two additional optional years. The agreement on the new RCF was reached with the same syndicate of banks as in 2013. In addition to including updates aimed at simplifying the arrangement, such as, for example, simpler financial covenants previously maintained to ensure the necessary alignment with the complex contractual structure of the so-called "*Romulus*" debt, it also envisages a tangible improvement of the economic conditions, obtained by strengthening ADR's creditworthiness and a more favorable market context than in the recent past.

- With regard to the Plan for the reduction and abatement of noise at Ciampino airport presented by ADR, on July 13, 2016 a first meeting was held at the Ministry of the Environment, attended by the representatives of the department, ISPRA (a technical organization entrusted by the Ministry with the technical assessment of the Plan) and ADR. On July 18, 2016, the Ministry sent ADR a letter containing all the requests and observations made by ISPRA as regards the Plan, giving ADR sixty days to reply and make any addition.

- With sentence handed down on June 23, 2016 and filed on July 14, 2016, the Provincial Tax Commission for Rome rejected the appeal regarding the ICI assessment for the Hilton Hotel in the tax period 2011, stating the same points already contained in the rulings issued for the dispute regarding the previous years. As done for other unfavorable 1st instance disputes, ADR will file an appeal before the Regional Tax Commission.

The Board of Directors

ANNEXES

Annex 1 - List of equity investments

NAME	REGISTERED OFFICE	ACTIVITY	CURRENCY	SHARE CAPITAL (EURO)	SHAREHOLDERS	% HELD	% ADR GROUP INTEREST	CONSOLIDATION METHOD OR VALUATION CRITERION
PARENT COMPANY								
Aeroporti di Roma S.p.A.	Fiumicino (Rome)	Airport management	Euros	62,224,743				
SUBSIDIARY UNDERTAKINGS								
ADR Tel S.p.A.	Fiumicino (Rome)	Telephony	Euros	600,000	Aeroporti di Roma S.p.A. ADR Sviluppo S.r.l.	99 1	100	Line-by-line
ADR Assistance S.r.l.	Fiumicino (Rome)	Assistance to passengers with reduced mobility (PRM)	Euros	4,000,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Sviluppo S.r.l.	Fiumicino (Rome)	Real estate management	Euros	100,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Mobility S.r.l.	Fiumicino (Rome)	Management of parking and car parks	Euros	1,500,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Security S.r.l.	Fiumicino (Rome)	Security and control services	Euros	400,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
Airport Cleaning S.r.l.	Fiumicino (Rome)	Cleaning services	Euros	1,500,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
SPECIAL PURPOSE ENTITY								
Romulus Finance S.r.l.	Conegliano (Treviso)	Credit securitization	Euros	10,000	n/a	-		Line-by-line
ASSOCIATED UNDERTAKINGS								
Pavimental S.p.A.	Rome	Building	Euros	10,116,452.45	Aeroporti di Roma S.p.A.	20		Measured using the equity method
Spea Engineering S.p.A.	Rome	Engineering and design services	Euros	6,966,000	Aeroporti di Roma S.p.A.	20		Measured using the equity method
Consorzio E.T.L. - European Transport Law (in liquidation)	Rome	Study on European transport rules	Euros	82,633	Aeroporti di Roma S.p.A.	25		Valued at cost
Ligabue Gate Gourmet Roma S.p.A. (insolvent)	Tessera (Venice)	Airport catering	Euros	103,200	Aeroporti di Roma S.p.A.	20		Valued at cost
OTHER INVESTMENTS								
S.A.CAL. S.p.A.	Lamezia Terme (Catanzaro)	Airport management	Euros	7,755,000	Aeroporti di Roma S.p.A.	16.57		Valued at cost
Aeroporto di Genova S.p.A.	Genova Sestri	Airport management	Euros	7,746,900	Aeroporti di Roma S.p.A.	15		Valued at cost
Leonardo Energia - Società Consortile a r.l.	Fiumicino (Rome)	Electricity production	Euros	10,000	Aeroporti di Roma S.p.A.	10		Valued at cost
Consorzio Autostrade Italiane Energia	Rome	Supply on the electricity market	Euros	107,112.35	Aeroporti di Roma S.p.A.	1		Valued at cost

REPORT OF THE INDEPENDENT AUDITORS

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Building a better working world

Review report on the interim condensed consolidated financial statements
(Translation from the original Italian text)

To the Shareholders of
Aeroporti di Roma S.p.A.

Introduction

We have reviewed the interim condensed consolidated financial statements, comprising the statement of financial position as of June 30, 2016, the statements of income, the statement of comprehensive income, the statement of changes in equity and cash flows for the period then ended and the related explanatory notes of Aeroporti di Roma S.p.A. and its subsidiaries (the "Aeroporti di Roma Group"). The Directors are responsible for the preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of 31 July 1997. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements of Aeroporti di Roma Group as of June 30, 2016 are not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Emphasis of Matters

We draw attention to the Note 11.1 of the interim condensed consolidated financial statements, which describes the developments that occurred during the period in relation to the fire that took place at the Terminal 3 of Fiumicino's Airport, in the night between May 6 and 7, 2015. Our conclusions do not contain exceptions with reference to this matter.

Rome, August 2, 2016

EY S.p.A.
Signed by: Luigi Facci, Partner

This report has been translated into the English language solely for the convenience of international readers

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