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# H1- 2016 RESULTS

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# Highlights

## Financials, Traffic, Tariff Increase and Regulatory Framework

### FINANCIALS

		SIAS Group	ASTM Group
H1 2016 (€mln)	Revenues	518 (+0.6%)	524 (=)
	EBITDA	315.6 (+3.1%)	312.0 (+1.6%)
	Group Net Income	77 (+4.3%)	49.9 (+1.8%)
	Investments	83.8	83.8
	Net Financial Indebtedness	1,771	1,731

### TRAFFIC

H1 2016: **+2.03%**

### TARIFF INCREASE

FY 2016:

- SATAP S.p.A. A4: **+6.50%**

- OTHER MOTORWAYS: temporary suspended<sup>(1)</sup>

### REGULATORY FRAMEWORK

**Interlocutions with MIT and with the EU** in order to find a solution and an economic and financial balance for the financial plans **based on extensions** in line with the French model and framework.

Recently **CIPE** gave the greenlight – with some provisions – to MIT in order to release the **approval** on the SATAP A-21, ADF, SALT, SAV, ATS, CISA and SITAF **Financial Plans**.

(1) The recovery of the toll adjustment for the period of suspension from 1 January 2016 to the issue date of the Decrees approving the Economic-Financial Plans will be recognised on approval of the toll adjustment for 2017.



## **Highlights**

### Business Development

21 September 2016

The ratings agency **Moody's** changed SIAS's outlook from "negative" to "**stable**", confirming the "**Baa2**" rating on the senior secured debt.<sup>(1)</sup>

31 August 2016

**Contractual Termination of ATIVA <sup>(2)</sup> Concession** - Ongoing management of the Concession till entering of a new Coincessionaire and cash in of the Terminal Value

1 July 2016

Effective entering of **Itinera (constructions) under ASTM Group** perimeter

4 May 2016

Closing of the acquisition of **joint control of Ecorodovias** with **price reduction**

16 May 2015

**Inauguration and Traffic opening** of the 32 km-long motorway route managed under concession by **T.E. S.p.A.**

13 May 2015

**Awarding** of the concession concerning the "**A21 Piacenza - Cremona - Brescia**" motorway

(1) Senior secured debt Fitch Rating BBB+ - stable outlook

(2) SIAS equity interest: 41.2% - Not consolidated in accordance to line by line method (consolidated in accordance to equity method)



## **Highlights**

### ASTM/SIAS short and medium term strategic targets

#### **EFFICIENCY**

**Improvement and rationalization** of the Group organizational structure

#### **SIMPLIFICATION**

**Mergers** among (some of) the Group's operational companies managing toll roads concessions

#### **ITALIAN MARKET DEVELOPMENT**

Commitment to find a **solution** to the current regulatory framework issues by means of the concessions' **maturity extension** ..... being in any case ready and competitive to evaluate potential **tender processes**

#### **STRATEGIC SINERGIES**

Exploitation of **strategic and operational synergies** between concession and construction businesses in the toll road sector

#### **STRATEGIC PARTNERSHIPS**

Evaluation on potential **strategic partnerships** with pension/infrastructural funds leveraging on the Group unique skills and operational knowledge limited to some specific geographies and/or assets

#### **INTERNATIONALIZATION**

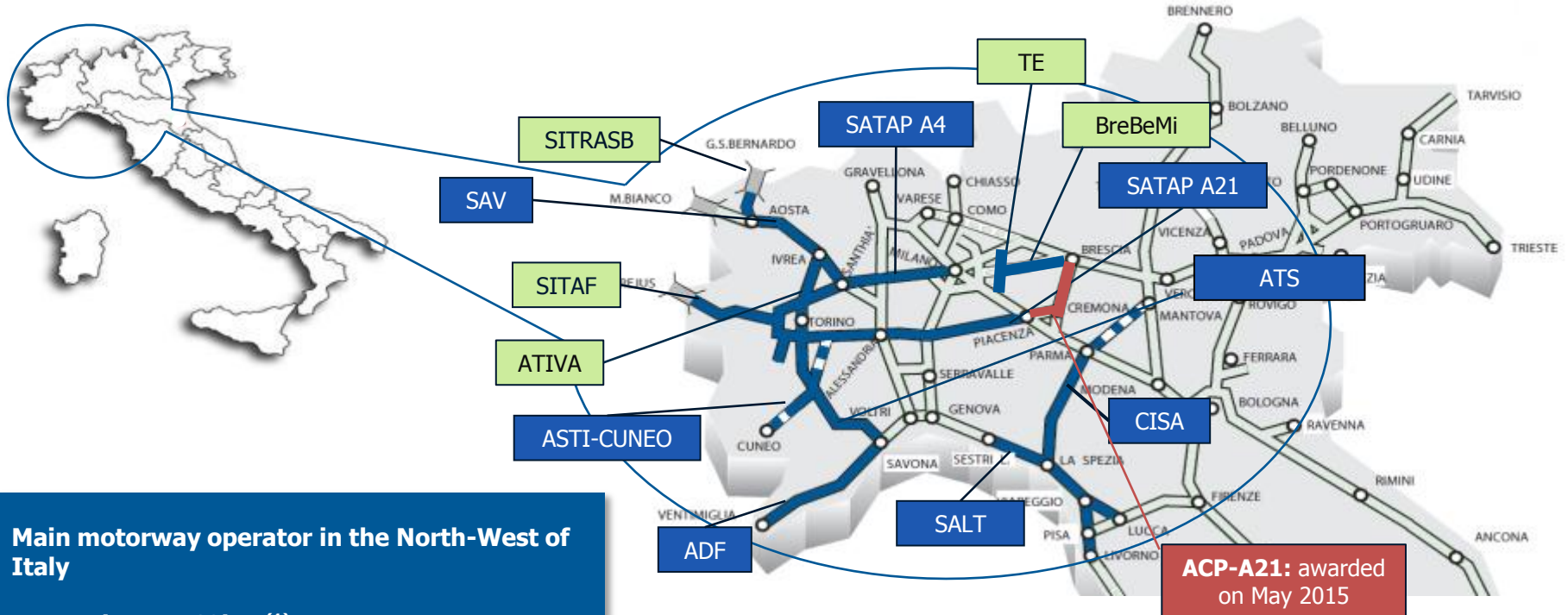
Carry on the **internationalization program**, already started with Ecorodovias acquisition, targetting in particular the US market



# Highlights

## Italian network

- Subsidiaries consolidated with the line-by-line method
- Equity investment



**Main motorway operator in the North-West of Italy**

**Network: ~1,460km<sup>(1)</sup>**  
 (of which ~104 under construction) equal to approximately 22% of the national grid

Average remaining duration of the concessions:  
 ~ **10.5 years**

(1) Including the stretch ACP-A21 recently awarded.



# Highlights

## Italian network<sup>(\*\*)</sup> – cont.

	Concessionaire	Link	% owned (direct stake)	Km	Concession Expiry	FY 2015 net motorway revenues (€m)	FY 2015 EBITDA (€m)	EBITDA margin	% Group EBITDA	
Subsidiaries	SATAP	A4 Turin – Milan	99.87%	130.3	2026	211.2	151.5	68%	24.8%	43.3%
		A21 Turin – Piacenza		167.7	2017	164.1	113.6	63%	18.5%	
	SALT	Sestri Levante - Livorno, Viareggio - Lucca e Fornola - La Spezia	95.23%	154.9	2019	179.1	121.8	63%	19.9%	
	CISA	La Spezia - Parma (and junction to Brennero motorway)	99.34%	182 <sup>(1)</sup>	2031	94.2	56.1	54%	9.1%	
	ADF	Savona – Ventimiglia	68.30%	113.2	2021	149.9	92.7	57%	14.8%	
	SAV	Quincinetto – Aosta	65.08%	59.5	2032	65.9	45.6	61%	7.4%	
	ATS	Turin – Savona	99.98%	130.9	2038	64.2	32.3	46%	5.3%	
	ASTI-CUNEO	Partly under construction	60.00%	78 <sup>(2)</sup>	<sup>(3)</sup>	17.7	1.3	Nm	0.2%	
Equity investments	ATIVA	Turin ringroad, Turin-Quincinetto, Ivrea - Santhià & Turin – Pinerolo	41.17%	155.8	Expired 31/08/2016 <sup>(9)</sup>	120.9	72.1	-	-	
	SITAF	Frejus tunnel, Turin – Bardonecchia	36.53%	94	2050	122.4	75.9	-	-	
	SITRASB	Gran San Bernardo tunnel	36.50%	12.8	2034	11.1	4.9	-	-	
	TE <sup>(4)</sup>	Milan external ringroad	8.4% <sup>(5)</sup>	32 <sup>(6)</sup>	2065	24.2	9.8	-	-	
	BreBeMi <sup>(4)</sup>	Brescia – Bergamo - Milan	<sup>(7)</sup>	62	2039 <sup>(8)</sup>	-	-	-	-	

(1) Inclusive of the planned 81km stretch linking Parma to Brennero motorway

(2) Inclusive of 23km under construction

(3) 23.5 years starting from completion of the infrastructure

(4) Joint control with Intesa Sanpaolo

(5) Plus indirect stake of 47.7% held through TEM in which the group own a 40% stake (plus 7.2% held directly by Itinera)

(6) Full opening to traffic on 16 May 2015. The first section (so called Arco TEEM of 7km) opened in July 2014

(7) Indirect stake of 79% held through Autostrade Lombarde in which the group own a 13.3% stake (plus 2.2% held directly by Itinera)

(8) Original expiry 2033 - Ongoing extension

(9) Concession managed on behalf of MIT

(\*\*) Centropadane recently awarded non included

A vertical list of six items, each preceded by a number inside a circle. The items are connected by a thin line that starts at the top left of the first item and descends to the bottom left of the last item. The first item, '1 Financial Results', is highlighted with a light beige background, while the others have a dark blue background.

1	Financial Results
2	SIAS Group Financial Structure
3	Operating Activities
4	Regulatory framework
5	Business development
6	Appendix



# Financial Results

## ASTM and SIAS Group – H1 2016 Delivering sound growth

### ASTM Group H1 2013 – H1 2016

(€mIn)	H1 2013	H1 2014	H1 2015	H1 2016	CAGR
<b>Revenues</b>	455	502	524	524	4.8%
of which net toll revenues	401	431	446	464	5.0%
<b>EBITDA (recurring)</b>	<b>253</b>	<b>290</b>	<b>307</b>	<b>312</b>	<b>7.3%</b>
Net debt adjusted				(1,731)	
<b>Capex</b>	<b>132</b>	<b>103</b>	<b>103</b>	<b>84</b>	

### SIAS Group H1 2013 – H1 2016

(€mIn)	H1 2013	H1 2014	H1 2015	H1 2016	CAGR
<b>Revenues</b>	447	495	515	518	5.0%
of which net toll revenues	401	431	446	464	5.0%
<b>EBITDA (recurring)</b>	<b>251</b>	<b>289</b>	<b>306</b>	<b>316</b>	<b>8.0%</b>
Net debt adjusted				(1,771)	
<b>Capex</b>	<b>132</b>	<b>103</b>	<b>103</b>	<b>84</b>	

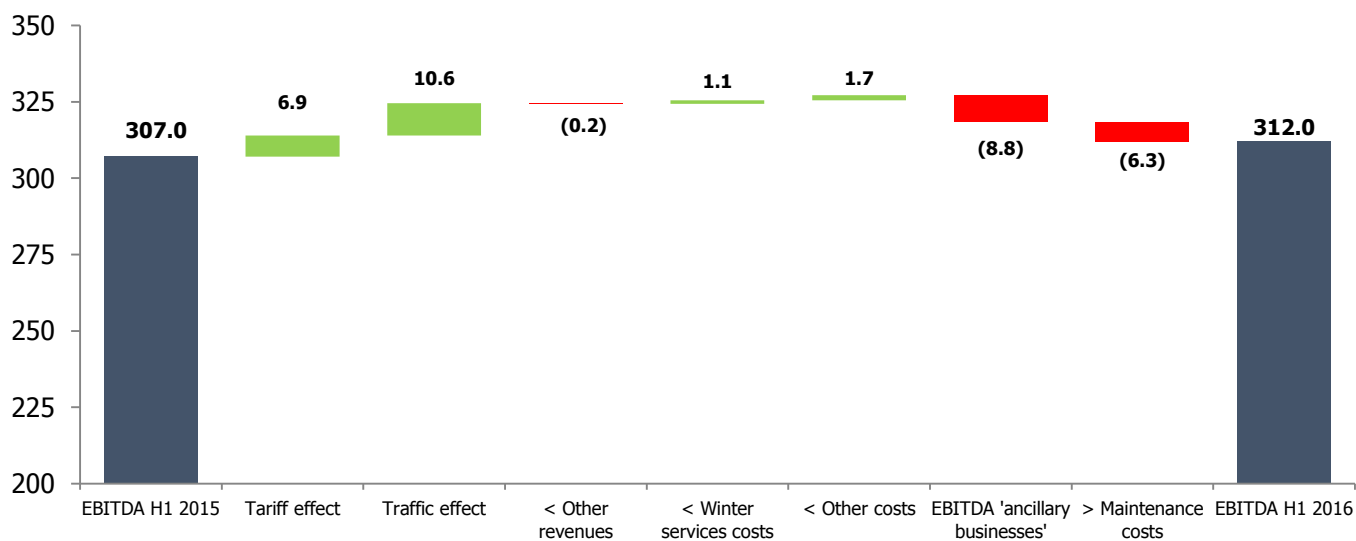




# Financial Results

## ASTM Group – H1 2016 EBITDA

(€mln)	H1 2016	H1 2015	Change	Change %
Motorway sector	304.5	290.7	13.8	4.7%
Construction/Engineering sector	3.7	5.0	(1.3)	(26.0%)
Technology sector	10.1	14.8	(4.7)	(31.8%)
Car Parks sector	0.7	0.7	-	-
Services (holdings)	(7.0)	(4.2)	(2.8)	(66.7%)
<b>EBITDA</b>	<b>312.0</b>	<b>307.0</b>	<b>5.0</b>	<b>1.35%</b>
<i>Ebitda margin motorway sector</i>	60%	55%		

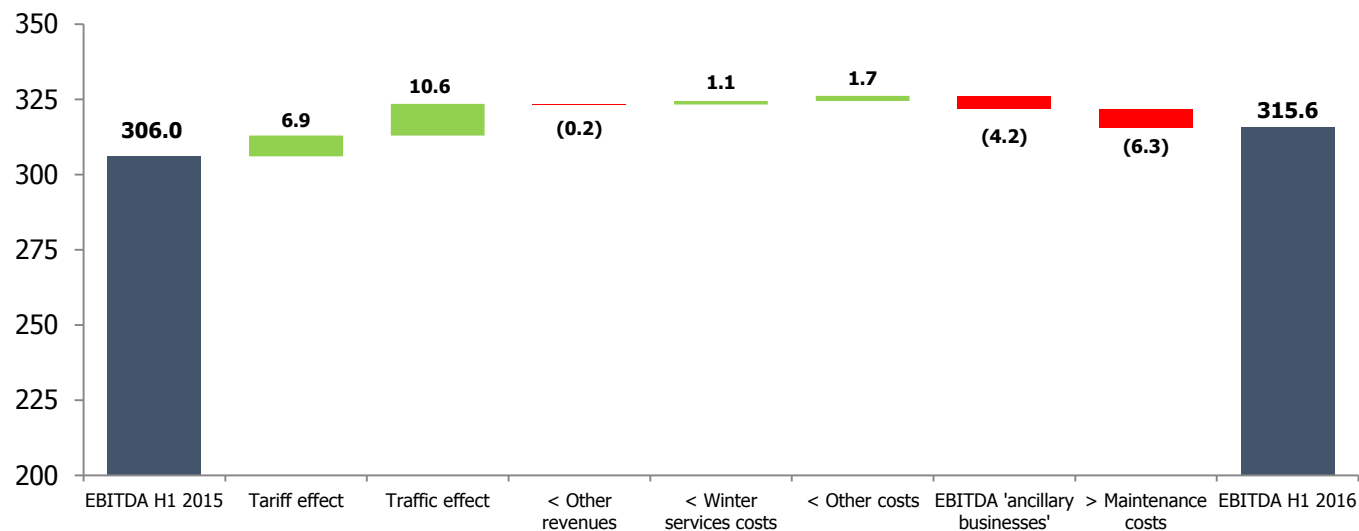




# Financial Results

## SIAS Group – H1 2016 EBITDA

(€mln)	H1 2016	H1 2015	Change	Change %
Motorway sector	304.5	290.7	13.8	4.7 %
Construction/Engineering sector	3.8	2.3	1.5	65.2%
Technology sector	10.1	14.8	(4.7)	(31.8%)
Car Parks sector	0.7	0.7	-	-
Services (holdings)	(3.5)	(2.5)	(1.0)	(40.0%)
<b>EBITDA</b>	<b>315.6</b>	<b>306.0</b>	<b>9.6</b>	<b>3.14%</b>
<i>Ebitda margin motorway sector</i>	58%	56%		

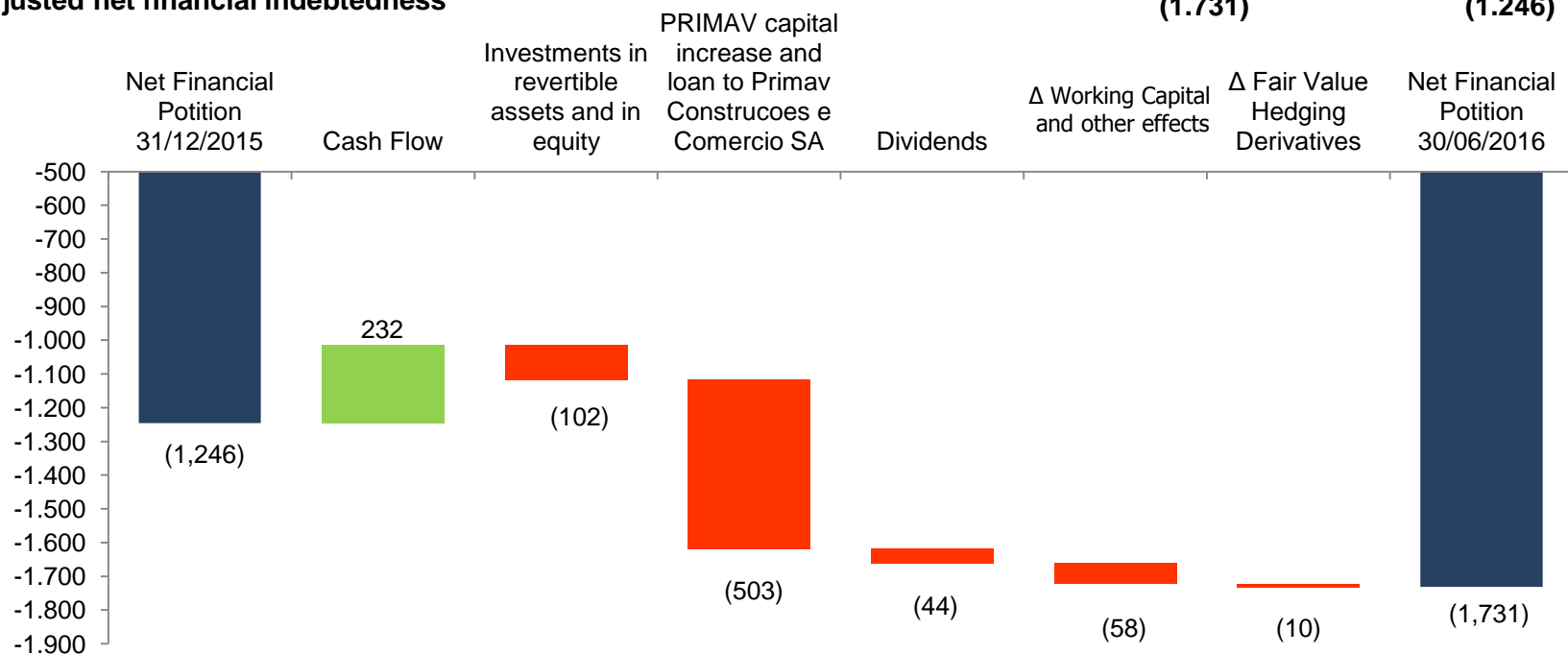




# Financial Results

## ASTM Group – Net Financial Position

(€mln)	30.06.2016	31.12.2015
Liquidity	825	1.177
Financial receivables	472	480
Current net financial indebtness	(566)	(238)
<b>Current net cash</b>	<b>730</b>	<b>1.419</b>
<b>Non current net financial indebtness</b>	<b>(2.328)</b>	<b>(2.535)</b>
<b>Net financial indebtedness</b>	<b>(1.597)</b>	<b>(1.116)</b>
Non current financial receivables	50	49
Discounted value of the payable due to ANAS - Central Insurance Fund	(184)	(178)
<b>Adjusted net financial indebtedness</b>	<b>(1.731)</b>	<b>(1.246)</b>

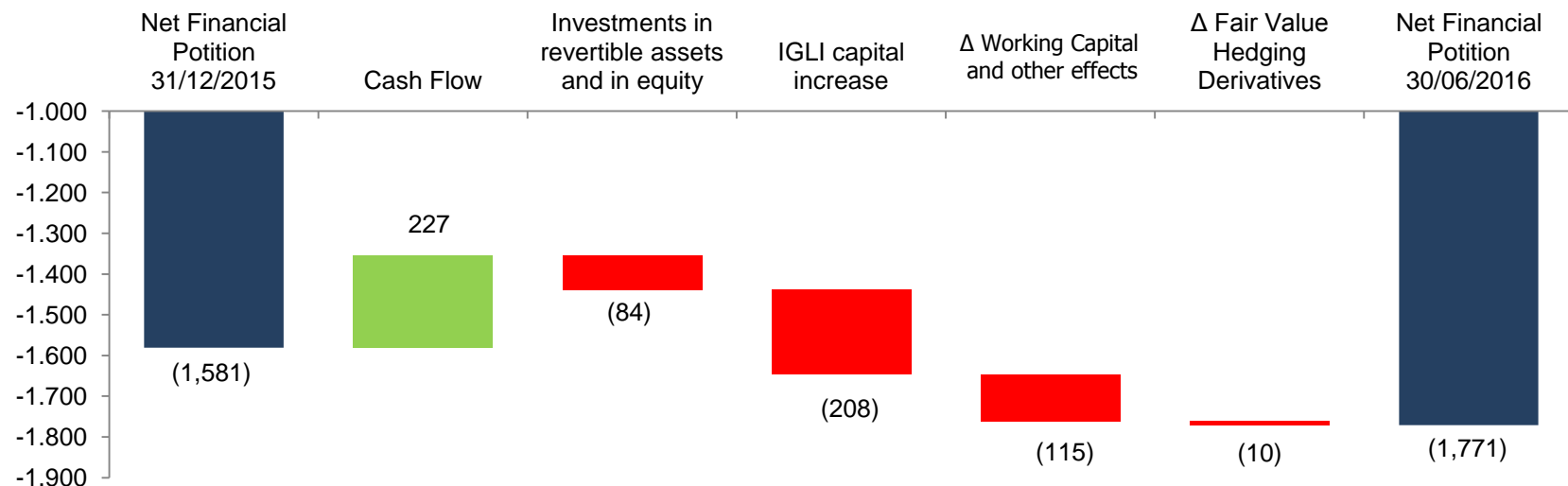




# Financial Results

## SIAS Group – Net Financial Position

(€mln)	30.06.2016	31.12.2015
Liquidity	739	954
Financial receivables	471	470
Current net financial indebtness	(669)	(241)
<b>Current net cash</b>	<b>541</b>	<b>1,183</b>
<b>Non current net financial indebtness</b>	<b>(2,178)</b>	<b>(2,635)</b>
<b>Net financial indebtedness</b>	<b>(1,637)</b>	<b>(1,452)</b>
Non current financial receivables	50	49
Discounted value of the payable due to ANAS - Central Insurance Fund	(184)	(178)
<b>Adjusted net financial indebtedness</b>	<b>(1,771)</b>	<b>(1,581)</b>



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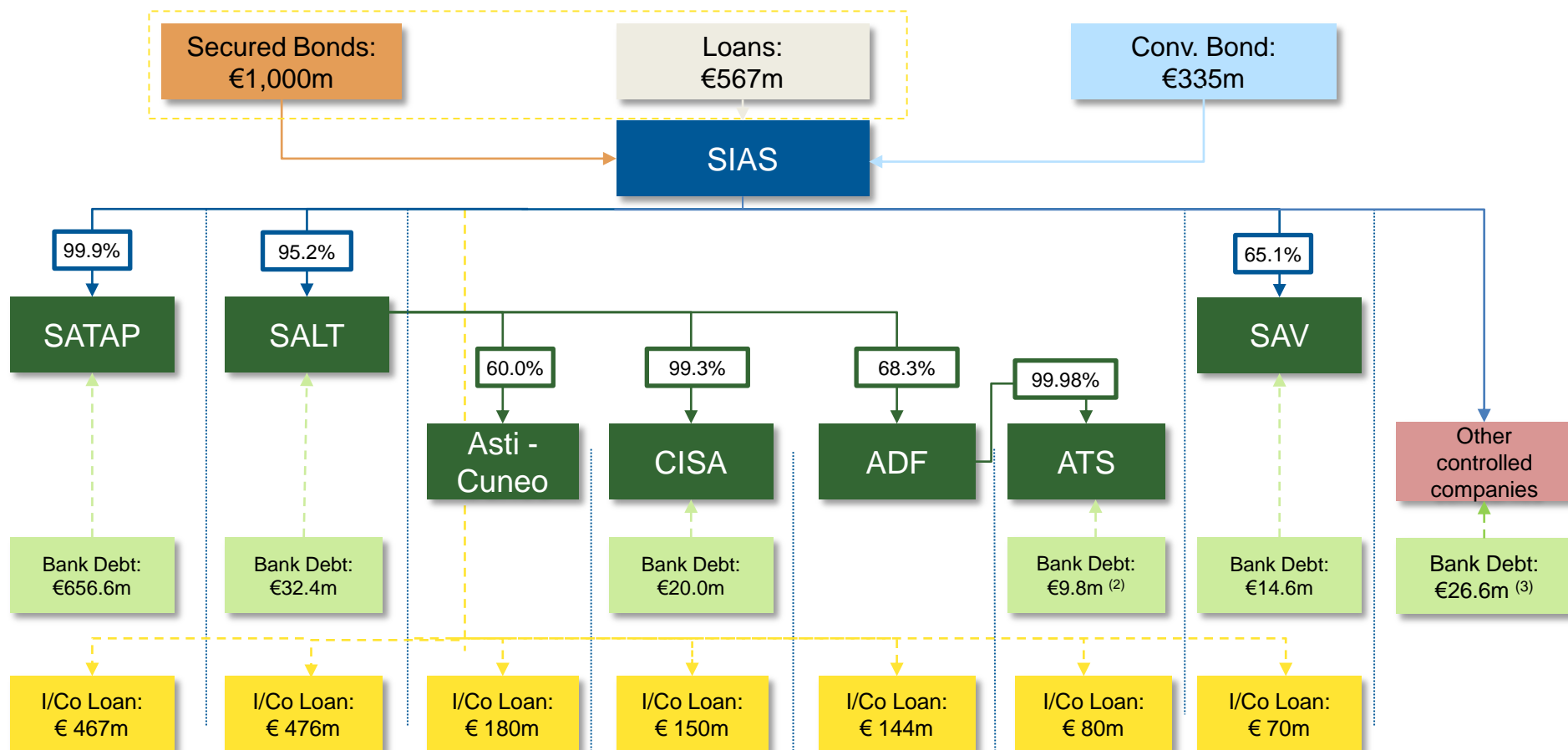
# SIAS Group financial structure

Group's Financial Debt <sup>(1)</sup> allocation as of 30 June 2016

**SIAS** is the **main funding entity** of the Group.

The **proceeds** arising from corporate loans/bond issues are **allocated – through intercompany loans –** to SIAS' operating subsidiaries

A **security interest (pledge)** over the intercompany loans is granted to avoid structural subordination issue.



(1) Excluding (i) non financial debt vs. FCG (€183.8m), (ii) fair value of derivatives (€117.3m) and (iii) bank overdrafts (€29m).

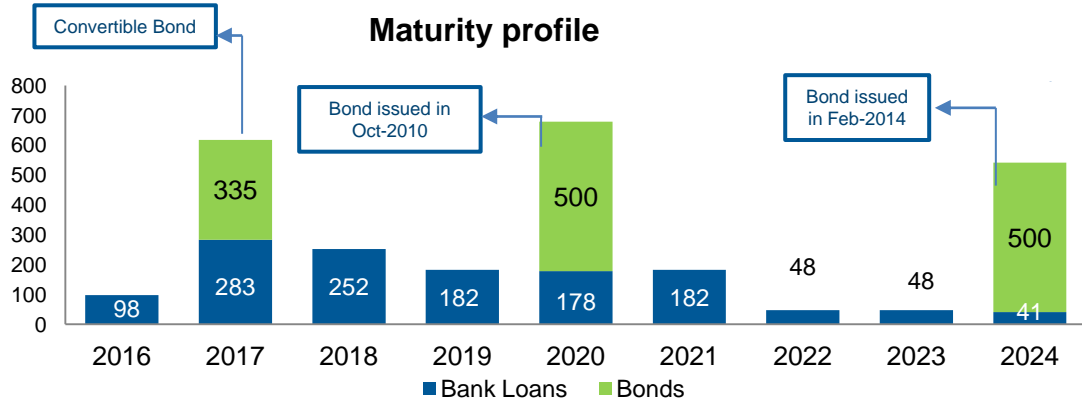
(2) The repayment is born by ANAS (principal + interest). It is a State contribution granted to ATS to fund some investments and therefore not real debt.

(3) Including Fiera Parking project financing for €25.5m.

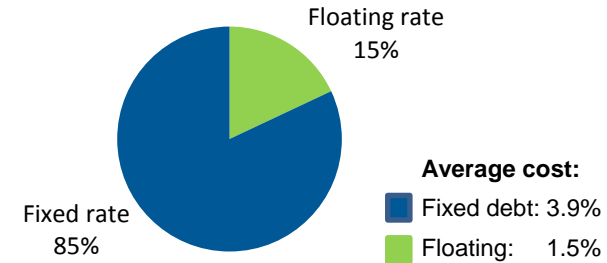


# SIAS Group financial structure

Group's Financial Debt <sup>(1)</sup> details as of 30 June 2016

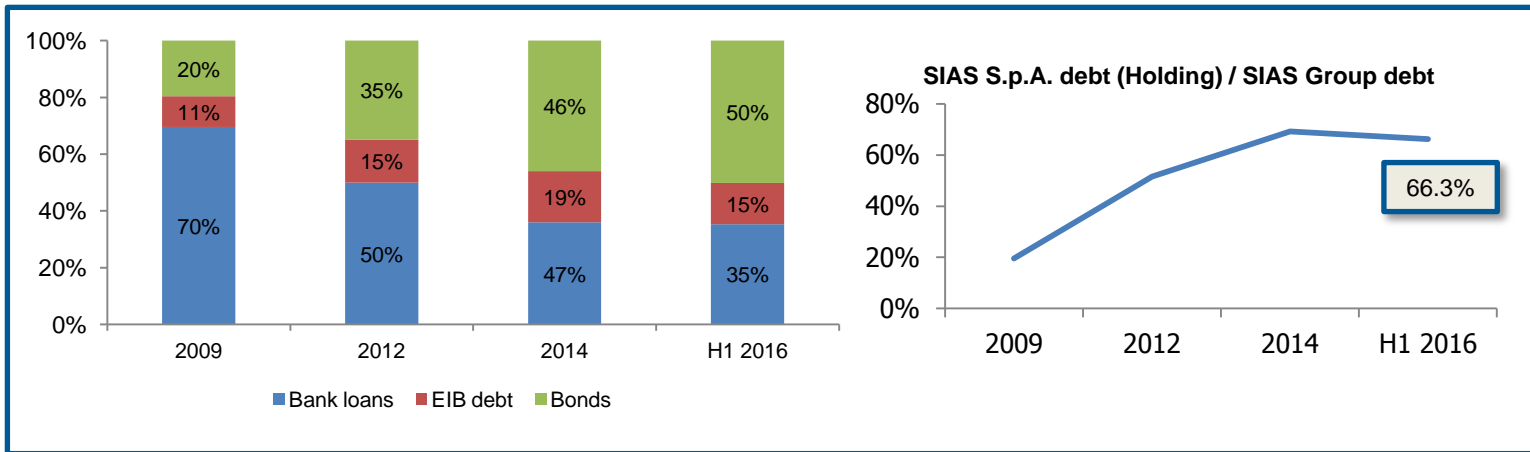


### Breakdown by interest rate



**SIAS Group average cost of debt: 3.5%**

**Total long term financial debt: € 2.7bn with an average maturity of some 3.8 years**



**SOLID CREDIT RATING :**

- Baa2 rating** (stable outlook) by **Moody's** (from 2010, confirmed on September 2016)
- BBB+ rating** (stable outlook) by **Fitch** (from 2014, confirmed on April 2016)

**ASTM Group average cost of debt: 3.35%**

(1) Excluding (i) non financial debt vs. FCG (€ 183.8m), (ii) fair value of derivatives (€ 117.3m) and (iii) bank overdrafts (€ 28.9m).



# SIAS Group financial structure

Available sources of funding as at 30 June 2016

€ million

## CASH AND CASH EQUIVALENTS (a)

1,209 <sup>(1)</sup>

Lender	Total Amount	Borrower	Main Terms
CDP financing	350	SATAP	Maturity Dec. 2025, availability period until 30 June 2018 with low commitment fees
Pool Loans related to Società di Progetto Autovia Padana	270	SIAS	Maturity Dec. 2031, availability period 60 days after the Legislative Decree approving the Concession; availability period line B until December 2020
VAT Pool Loan related to Società di Progetto Autovia Padana	66	AUTOVIA PADANA	Maturity Dec. 2020, availability period: 60 days after the Legislative Decree approving the Concession
Uncommitted bank credit lines	315	SIAS and consolidated companies	
<b>TOTAL UNDRAWN CREDIT LINES (b)</b>	<b>1,001</b>		
<b>TOTAL AVAILABLE SOURCES OF FUNDING (a + b)</b>	<b>2,210</b>		

<sup>(1)</sup> Cash available	739
Financial Receivables	470
<b>Cash and Cash equivalents</b>	<b>1,209</b>

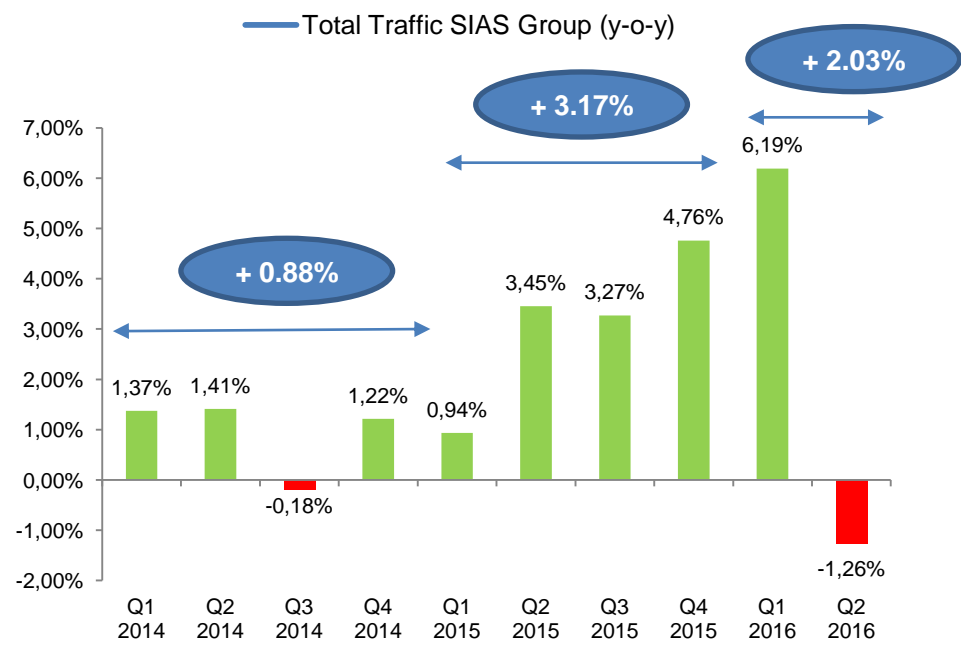
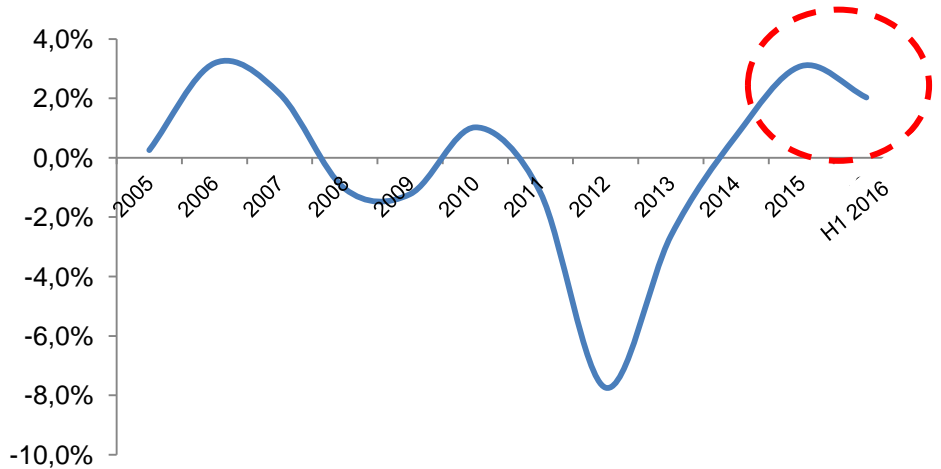


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# Operating Activities

## Traffic performance



**GENERAL TREND:**

The first half saw a growth in traffic volumes of +2.03%, also benefitting from the extra day in February as it is a leap year confirming the positive trend.

**SPECIFIC EFFECTS:**

- Consistent growth in traffic of "heavy vehicles" (+3.25%).
- "Light vehicles" overall growth 1.62%, but with differing performances in the first and second quarters due to (i) Easter being held in March (compared to April in 2015); (ii) adverse weather conditions affecting north-western regions in May and June 2016; (iii) important events held in 2015, including the display of the Turin Shroud (Turin, 19 April – 24 June) and EXPO 2015 (Milan, 1 May – 31 October).

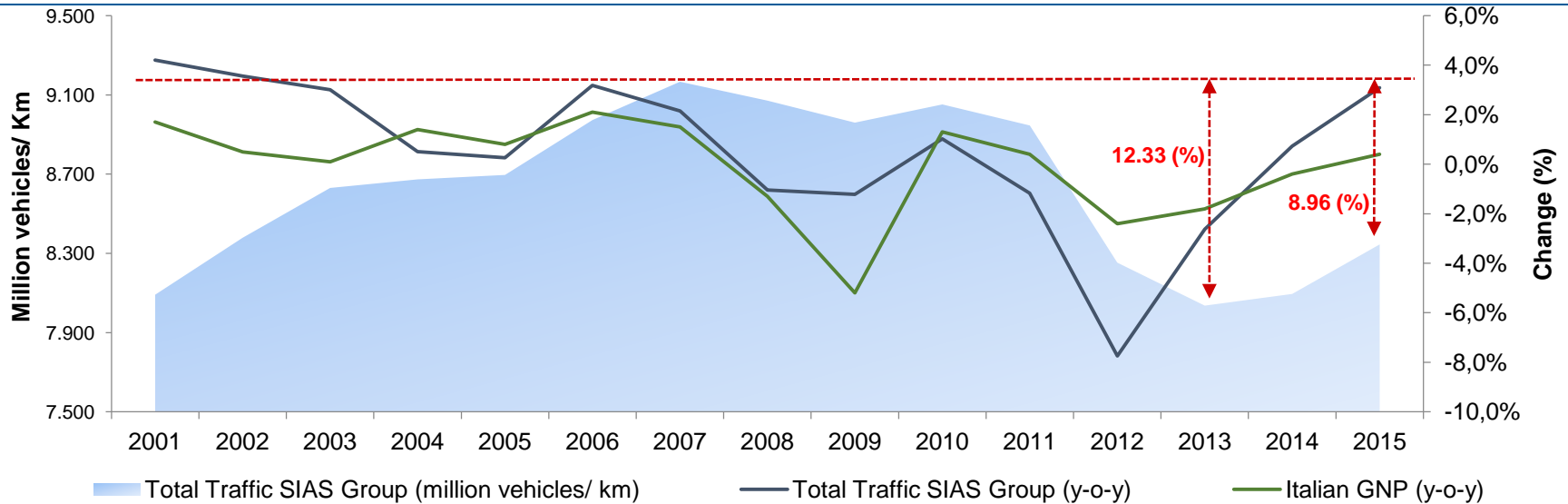
**COMPANY 2016 BUDGETED TRAFFIC GROWTH: + 0.6%**

**COMPANY 2016 FORECASTED TRAFFIC GROWTH: + 1.5%**

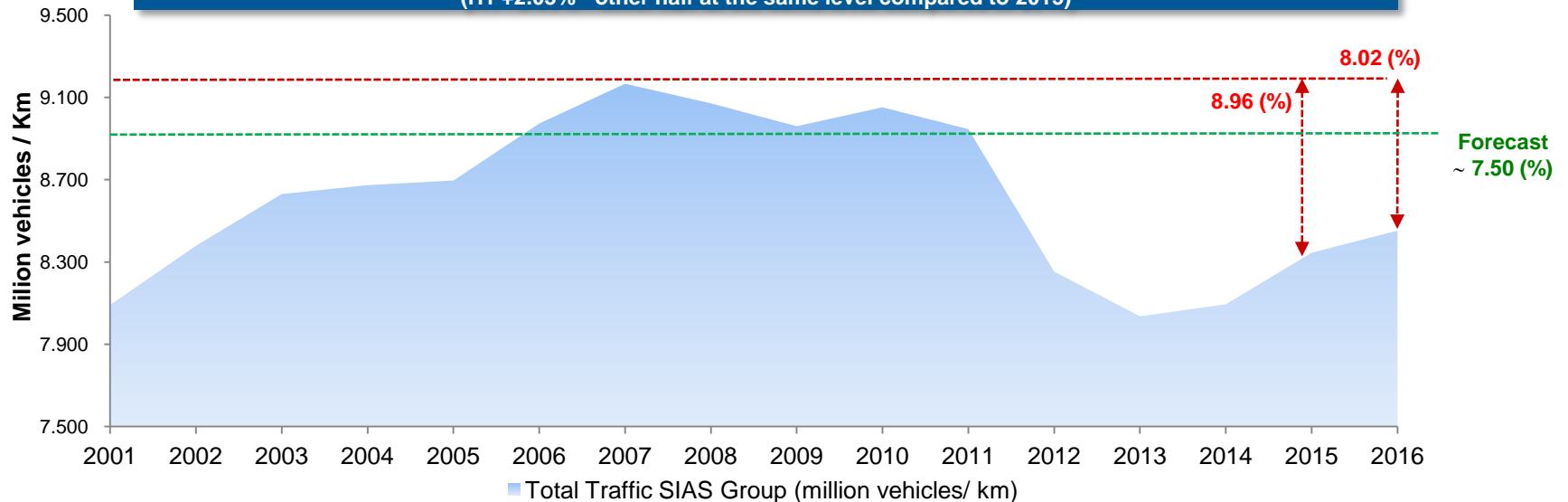


# Operating Activities

## Traffic performance – cont.



**Hp – Traffic increase year on year: +1.0%**  
 (H1 +2.03% - other half at the same level compared to 2015)





# Operating Activities

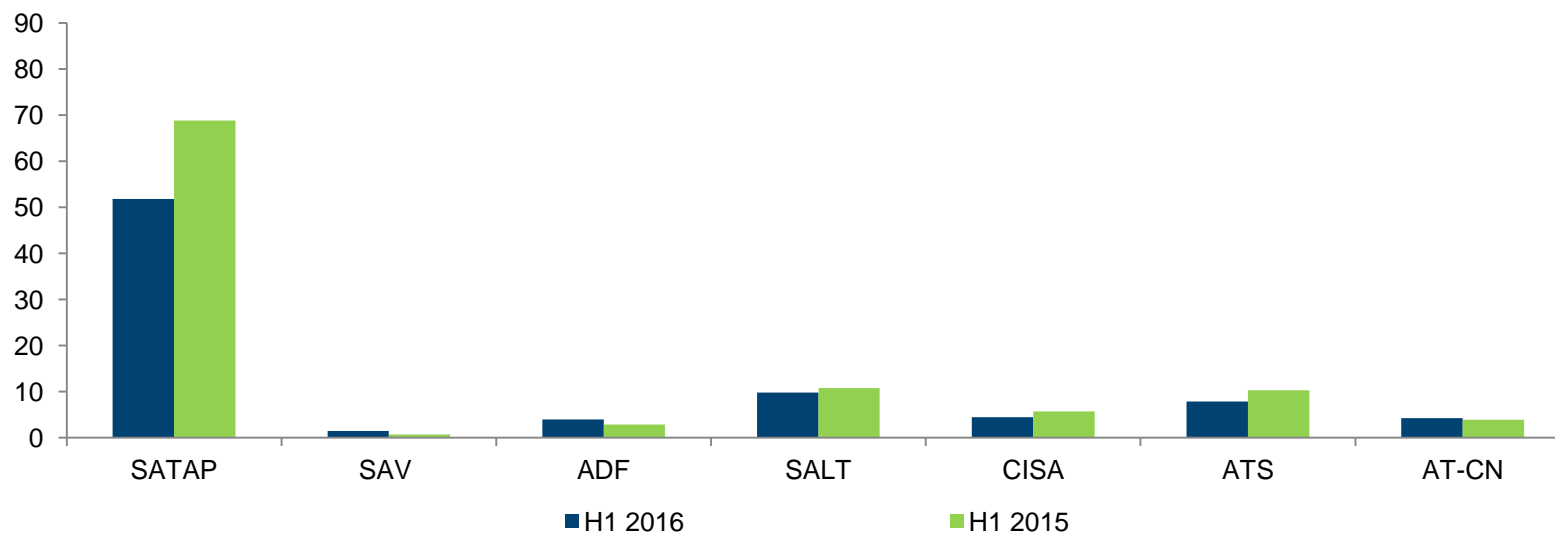
## Traffic performance – cont.

(million veicles/ Km)	H I 2016			H I 2015			Change		
	Light Vehicles	Heavy Vehicles	Total	Light Vehicles	Heavy Vehicles	Total	Light Vehicles	Heavy Vehicles	Total
<b>Concessionaries</b>									
SATAP S.p.A. – A4 Stretch	816	274	<b>1,090</b>	803	265	<b>1,068</b>	1.67%	3.32%	<b>2.08%</b>
SATAP S.p.A. – A21 Stretch	640	322	<b>962</b>	623	309	<b>932</b>	2.81%	3.97%	<b>3.19%</b>
SAV S.p.A.	125	36	<b>161</b>	121	36	<b>157</b>	3.77%	0.77%	<b>3.09%</b>
Autostrada dei Fiori S.p.A.	432	143	<b>575</b>	430	136	<b>566</b>	0.53%	5.12%	<b>1.63%</b>
SALT S.p.A.	672	178	<b>850</b>	656	175	<b>831</b>	2.32%	1.84%	<b>2.22%</b>
Autocamionale della Cisa S.p.A.	266	91	<b>357</b>	265	90	<b>355</b>	0.56%	1.41%	<b>0.78%</b>
Autostrada Torino-Savona S.p.A.	343	79	<b>422</b>	346	77	<b>423</b>	-0.95%	7.03%	<b>(0.31%)</b>
Autostrada Asti-Cuneo S.p.A.	51	16	<b>67</b>	48	15	<b>63</b>	4.51%	2.59%	<b>5.11%</b>
<b>Total</b>	<b>3,345</b>	<b>1,139</b>	<b>4,484</b>	<b>3,292</b>	<b>1,103</b>	<b>4,395</b>	<b>1.62%</b>	<b>3.25%</b>	<b>2.03%</b>

# Operating Activities

## SIAS Group – H1 2015/H1 2016 CAPEX

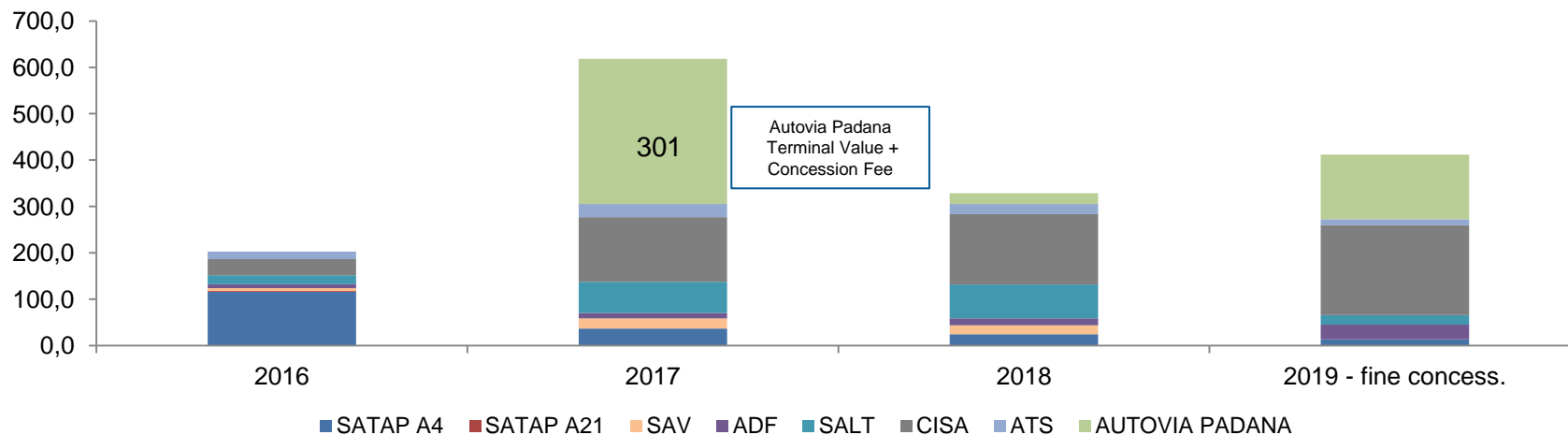
(€mln)	H1 2016	H1 2015
SATAP	51,8	68,8
SAV	1,5	0,7
ADF	4,0	2,9
SALT	9,8	10,8
CISA	4,5	5,7
ATS	7,9	10,3
AT-CN	4,3	3,9
<b>Total</b>	<b>83,8</b>	<b>103,1</b>



# Operating Activities

## SIAS Group – Capex plan

2016 - 2018 CAPEX: € 1.2 mld



(€mIn)	2016	2017	2018	2019 - expiry of concession
SATAP A4	116.3	36.9	24.5	13.8
SATAP A21	1.1	-	-	-
SAV	6.2	21.6	19.2	-
ADF	8.9	12.0	15.2	31.2
SALT	19.0	67.3	72.7	20.7
CISA	34.9	139.5	151.8	193.6
ATS	16.3	28.4	22.1	13.4
AUTOVIA PADANA		312.6	23.0	139.3
<b>Totale</b>	<b>202.8</b>	<b>618.2</b>	<b>328.5</b>	<b>412.0</b>

(1) Terminal Value € 260 mln + Concession Fee € 41 mln + CAPEX (lotto 1) € 11.6 mln

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# Regulatory Framework

## Key dates

August 2014	<p>Italian Government filed a plan with the competent EU Authorities aimed at supporting compensation measures against an infrastructure investment programme involving the licensees of the SIAS Group.</p> <p>The plan set out the consolidation of concession relations, the concession expiry in 2043, the control of tariffs (1.5% per year) and an investment plan equal to approximately EUR 7 billion (increase of € 5.2 billion compared to original plans.).</p>
30/12/2014	<p>SIAS Group concessionaries signed a specific "memorandums of understanding" with the MIT, according to which a toll increase equal to 1.5% will be applied for 2015, and if the implementation agreement of the "aggregate" Plan was not signed and approved by 30 June 2015, the updates of the financial plans of each "single" Group licensee would need to be approved by the same date and, as a consequence and as part of the said updates, lower revenues achieved in 2015 (due to the lower toll increase applied) would be recovered, with no change in the financial effects.</p>
30/06/2015	<p>Original due date for:</p> <ul style="list-style-type: none"> <li>- the signing of the agreement implementing the Plan submitted by the Italian Government at EU level (and in compliance with the documents submitted by the SIAS Group on 31 December 2014), or</li> <li>- the approval of the updates of the single Economic Financial Plans for the regulatory period 2014 2018.</li> </ul>
June 2015	SAV, ADF, ATS, CISA, SALT submitted, after MIT's request, an update of the single Economic Financial Plans for the regulatory period 2014 2018.
October 2015	Formal request to MIT to immediately approve, in any event no later than 15 October 2015, the pending financial plans.
15/10/2015	Formal request of toll increase sent for FY 2016
31/12/2015	<p>Toll increase approved from 1 January 2016: SATAP - Turin Milan stretch (+6,50%), ATIVA (+0,03%) e TE (+2,10%)</p> <p>For all other motorway stretches managed by subsidiaries the toll adjustments were provisionally suspended considering that the related Economic Financial Plans are currently in the inquiry phase with the competent Ministries.</p>
01/02/2016	Due date for the submission of the Economic Financial Plans from MIT to CIPE
29/02/2016	Appeals were lodged with the Regional Administrative Court over the MIT's decisions of (i) toll increase suspension and (ii) SATAP -Turin Milan stretch toll increase

**LAST EVOLUTION** **Interlocutions with MIT and with the EU in order to find a solution and an economic and financial balance for the financial plans based on extensions in line with the French model and framework.**

**Recently** CIPE gave the greenlight – with some provisions – to MIT in order to release the approval on the SATAP A-21, ADF, SALT, SAV, ATS, CISA and SITAF Financial Plans. The Group is waiting for the full disclosure of the CIPE deliberation and to be summoned at MIT for the negotiation and signing of the formal amendments.





# Regulatory Framework

## Tariff increase and next key dates

### 2016 EVOLUTION

Based on that set out in the Interministerial Decrees issued on **31 December 2015** by the Ministry of Infrastructure and Transport ("MIT") in concert with the Ministry of Economy and Finance ("MEF"), from 1 January 2016 **the following toll increases were approved for the licensees that the SIAS Group holds investments in and, specifically:**

- +6.50% for SATAP S.p.A. (A4 Turin-Milan stretch);
- +0.03% for ATIVA S.p.A.(Equity Investment);
- +2.10% for Tangenziale Esterna S.p.A. (Equity Investment).

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

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



# Regulatory Framework

## Tariff increase and next key dates

All concessionaires, in the meantime, to protect its rights have undertaken the most appropriate forms of appeal against both the suspension of tariff adjustments required caused by the delay in the new Financial Plans (not depending on the concessionaries themselves) both, regarding SATAP S.p.A. - A4 Turin-Milan, the size of the increase granted.

The concessionaire SATAP S.p.A. A21 - Torino-Piacenza, even before the year-end rates decrees, appealed to the Lazio Regional Administrative Court against the silence of the government because, two years after the expiry of the five years regulatory plan, has not yet approved the new Financial Plan.

As concerns Autostrada Asti-Cuneo, an appeal was lodged with the Regional Administrative Court over the MIT's failure to approve the executive plan for the Verduno tunnel. At the same time, negotiations continued with the MIT in an effort to identify solutions to ensure operation of the stretch of motorway, within the limits of the Economic-Financial Plan.

Interlocutions with MIT and with the EU in order to find a solution and an economic and financial balance for the financial plans based on extensions in line with the French model and framework.

- 
- 1 Financial Results
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# Business Development

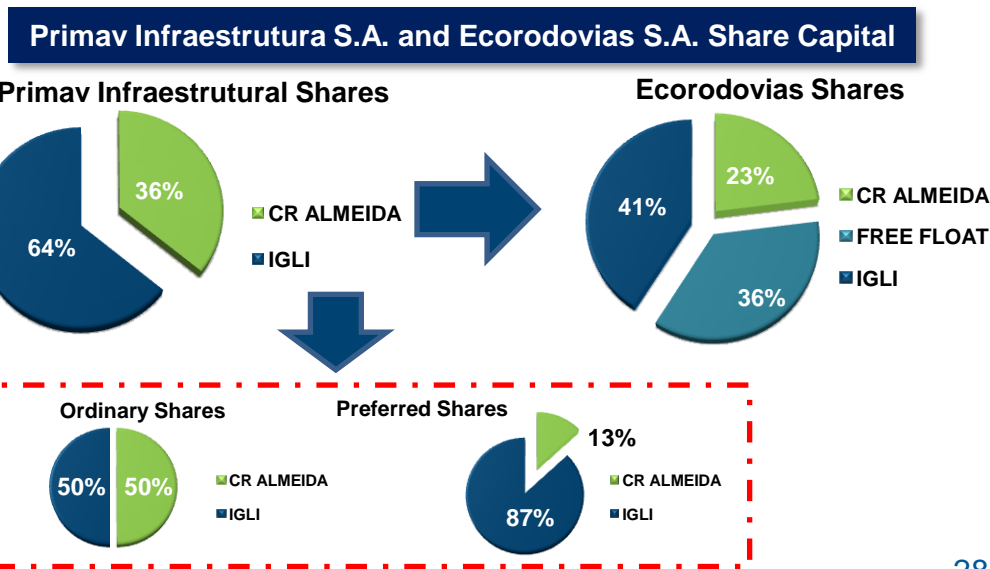
## Acquisition of joint control of Ecorodovias

On **4 May 2016** ASTM and SIAS **closed the transaction** with CR Almeida S.A. Engenharia e Construcoes for the acquisition by IGLI of joint control, together with Primav Construcoes e Comercio S.A., of the Brazilian law spv Primav Infraestrutura S.A. which holds (i) **64%** of capital stock of **Ecorodovias Infraestrutura e Logistica S.A.**, (ii) **55%** of the capital stock of **VEM ABC** (iii) as well as a debt of approximately R \$ 878 million. The deal was closed after obtaining the permission of government authorities and both Primav both Ecorodovias' lending banks consent. **By virtue of the agreements reached between the parties, the original investment for the capital increase subscribed by Igli, was reduced by 120 million reais.**

By completing such transaction ASTM and SIAS now manage a **portfolio of toll road concessions of around 3,320 km (1,462 in Italy and 1,858 in Brazil)** in prosperous and highly industrialized areas, thus becoming the **fourth largest player among European and South American motorways operators** and materially increasing their capability to take part to international tenders.

The transaction represents a significant step in the **process of growth and geographical diversification** undertaken by ASTM and SIAS fostering the implementation of the Group strategy of joint development of concession and construction businesses.

Ecorodovias assets are located in the highest populated and richest areas of Brazil. Toll roads will benefit from **favorable traffic dynamics** (historical traffic growth well above GDP and low car ownership) coupled with a **stable and flexible regulatory framework** (potential contractual amendments, i.e. extension of concessions duration in exchange of additional capex).



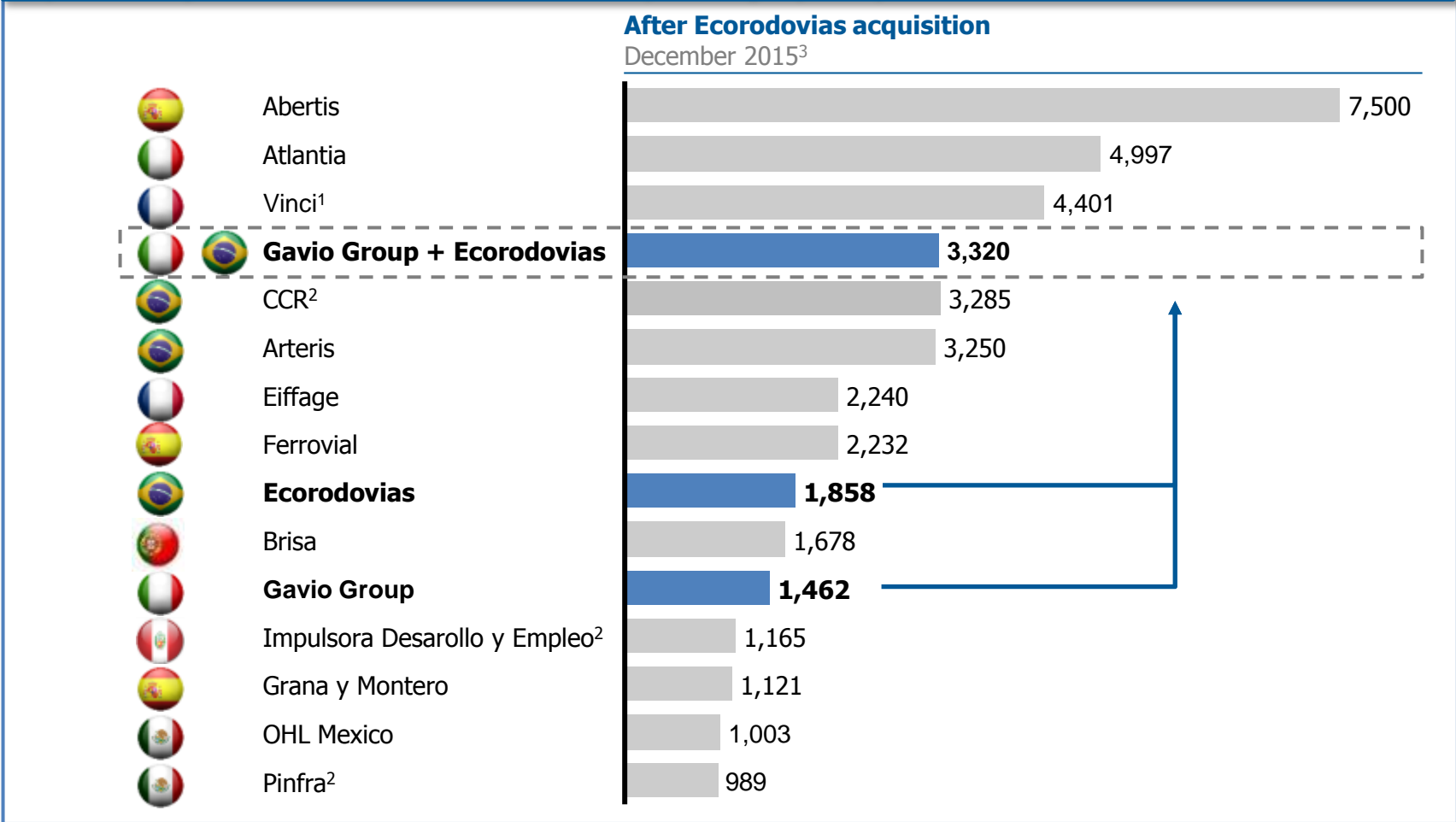


# Business Development

## Acquisition of joint control of Ecorodovias

The transaction will turn Gavio Group into the fourth biggest player among European and South American motorway operators

### Top motorway networks under concession of European origin (in km)



<sup>1</sup> Vinci Autoroutes includes: ASF, Cofiroute, Escota, Arcour; <sup>2</sup> 2014 data

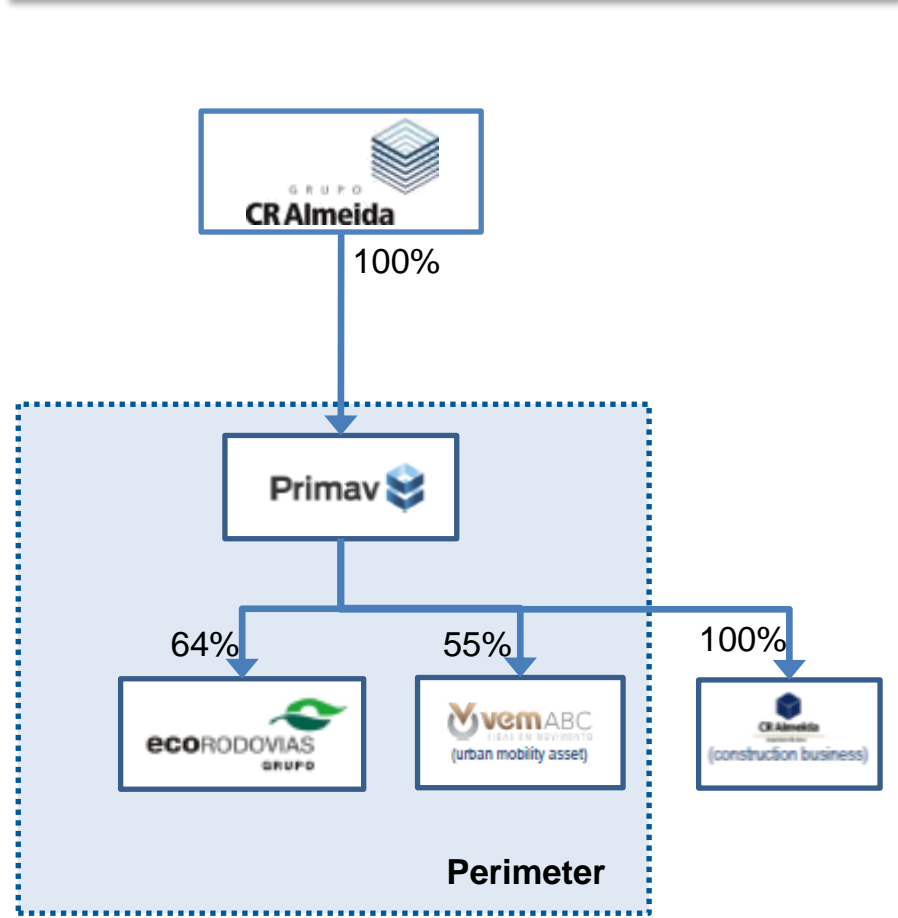
SOURCE: Bloomberg; Company presentations; McKinsey Research



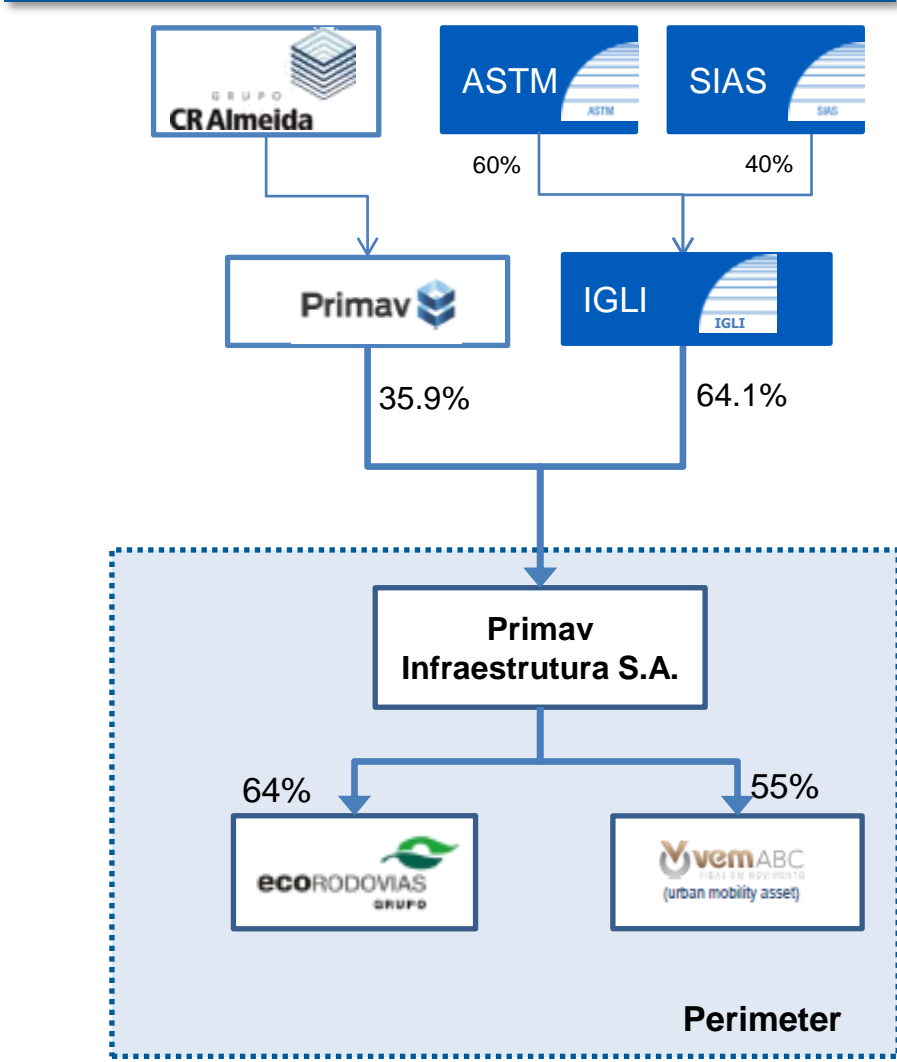
# Business Development

## Acquisition of joint control of Ecorodovias

### Pre-deal



### Post-deal





# Business Development

## Price adjustment and main changes pre/post closing

### SIGNING 18/12/2015

**Primav Infraestrutura S.A. Share Capital** divided into ordinary shares (72%) and preferred shares, without voting right (28%)

**Ordinary Shares** owned by IGLI S.p.A (50%) and by CR Almeida (50%)

**Preferred Shares** entirely owned by IGLI S.p.A.

**Share Capital Increase** in PRIMAV to be subscribed by IGLI S.p.A. for BRL 2,224 million (€ 529 million)

#### EcoRodovias S.A. equity value

Price/Share: 5,40 BRL

Market Cap: BRL 3,017 million (€ 757 million – exchange rate as at 18/12/2015)

### CLOSING 04/05/2016

**Primav Infraestrutura S.A. Share Capital** divided into ordinary shares (62%) and preferred shares, without voting right (38%)

**Ordinary Shares** owned by IGLI S.p.A (50%) and by CR Almeida (50%)

**Preferred Shares** owned by IGLI S.p.A. (87%) and by CR Almeida (13%)

**Share Capital Increase** in PRIMAV subscribed by IGLI S.p.A. for BRL 2,104 million (€476 million)

**Price adjustment** for BRL 120 milioni (€ 27 million)

**Loan from IGLI to Primav Construcoes e Comercio S.A.** for an amount of BRL 120 million (interest rate based on CDI) guaranteed by a pledge over preferred shares owned by CR Almeida (13%). The amortisation of this loan will start from 2018 with annual payments during the next 5 years

#### EcoRodovias S.A. equity value

Price/Share: 7,67 BRL

Market Cap: BRL 4,285 million (€ 1,074 million – exchange rate as at 04/05/2016)

EcoRodovias Infraestrutura e Logística S.A. (ECOR3.SA) - Sao Paulo Code: RACNRRSSIN BRECORACNDRS

**8,90** closing price as of 28th September



EUR/BRL (EURBRL=X) CCY

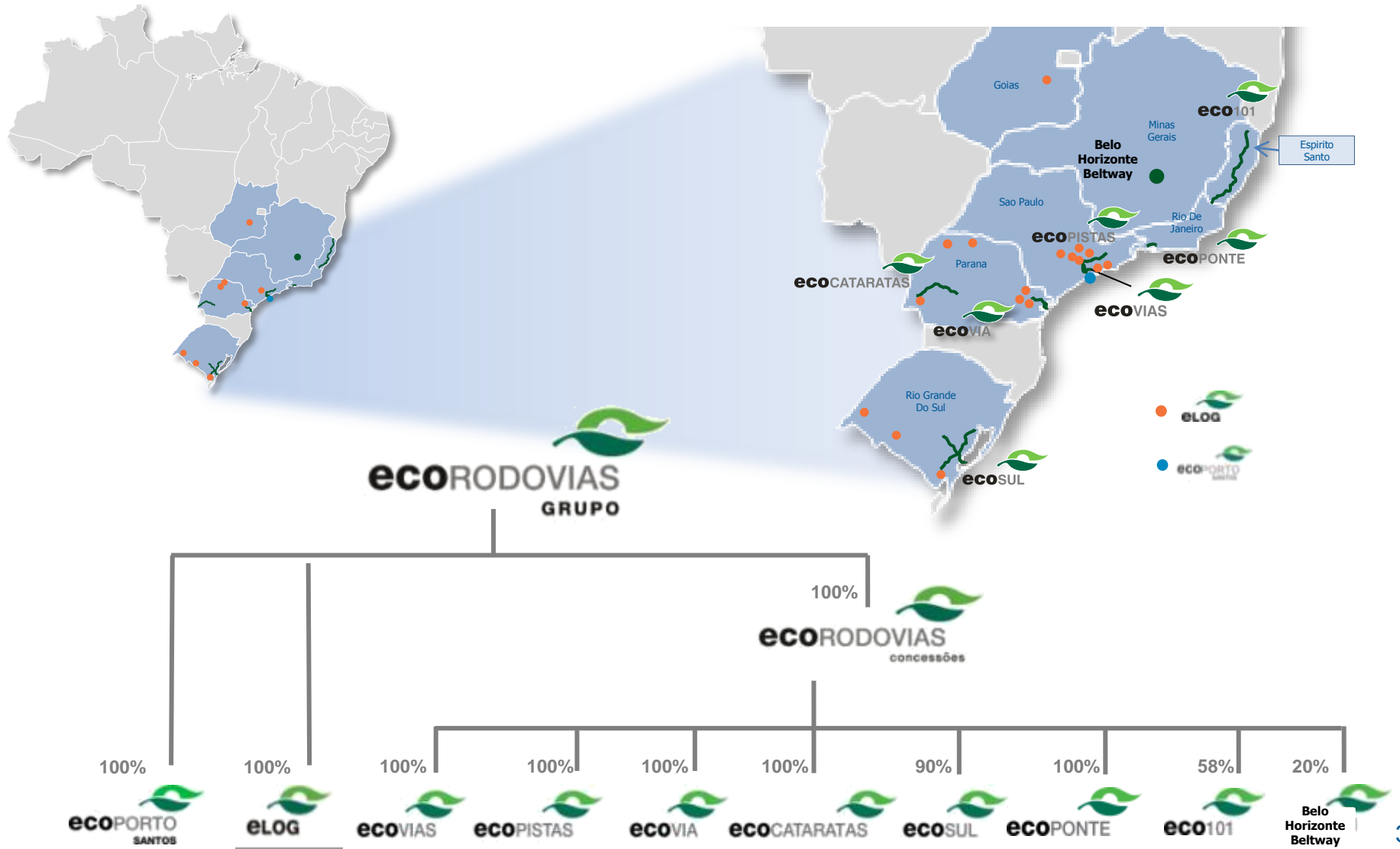
**3,6300** closing exchange rate as of 28th September





# Business Development

## EcoRodovias' Geographic Footprint







# Business Development

## EcoRodovias' assets

Diversified portfolio of assets with long remaining duration: 17 years and 2 months without taking into consideration potential extensions

### EcoRodovias Group - Concessionaries

Concessionaires	Stake (%)	Km	Expiry	Remaining duration	State	EBITDA '15 R\$ million	EBITDA margin	EBITDA '14 R\$ million	EBITDA margin	2015/2016 Tariff adj.	Last Tariff adj.
<b>Ecovias dos Imigrantes</b>	100%	177	Oct-25	9.1	SP	676	78.1%	639	77,6%	4.1%	Jun-15
<b>Ecopistas</b>	100%	135	Jun-39	22.1	SP	150	61.0%	139	59,6%	8.5%	Jun-15
<b>Ecovia Comiho do Mar</b>	100%	137	nov-21	5.2	PR	152	70.5%	137	66,8%	7.2%	Dec-15
<b>Ecocataratas</b>	100%	387	nov-21	5.2	PR	165	65.8%	164	65,7%	9.4%	Dec-15
<b>Ecosul</b>	90%	457	mar-26	9.7	RS	119	65.0%	114	68,1%	36.2%	Jan-16
<b>ECO101</b>	58%	476	May-38	21.9	ES	73	42.1%	17	16,1%	18.6%	May-15
<b>Ecoponte</b>	100%	23	May-45	28.9	RJ	30	51.1%			12.3%	Jun-15
<b>Belo Horizonte Beltway</b>	20%	66	Dec-46	31	MG	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>		<b>1,858</b>		<b>16y 8m</b>		<b>1,365</b>	<b>68.5%</b>	<b>1,210</b>	<b>67.9%</b>		



# Business Development

## EcoRodovias – Financials

- Amongst the highest profitability of toll roads in the sector
- Leverage broadly in line with SIAS Group

(€mln) <sup>(1)</sup>	2013	2014	2015	H1 2015	H1 2016 <sup>(2)</sup>
Comparable Pro-Forma Net Revenues	649	669	705	308	318
Comparable Pro-Forma EBITDA	343	352	390	183	206
<i>Comparable Pro-Forma EBITDA margin</i>	53%	53%	55%	59%	65%
<i>Toll roads EBITDA margin</i>	70%	68%	69%	69%	71%
Comparable Net Income	103	71	30	18	31
Pro-Forma Capex	225	284	195	87	63
Pro-Forma Net Debt	734	1,022	1,221	1,106	1,004
Net Debt/EBITDA - LTM	2.0x	2.4x	3.1x	3.1x	2.7x

(1) Exchange rate as at 29/09/2016 (3.6300 €/R\$)

(2) Excludes construction revenue and costs, provisions for maintenance, assets held for sale (Elog), non recurring items and non cash caused by the Ecoporto impairment (R\$301 million)



# Business Development

## EcoRodovias – Traffic performance

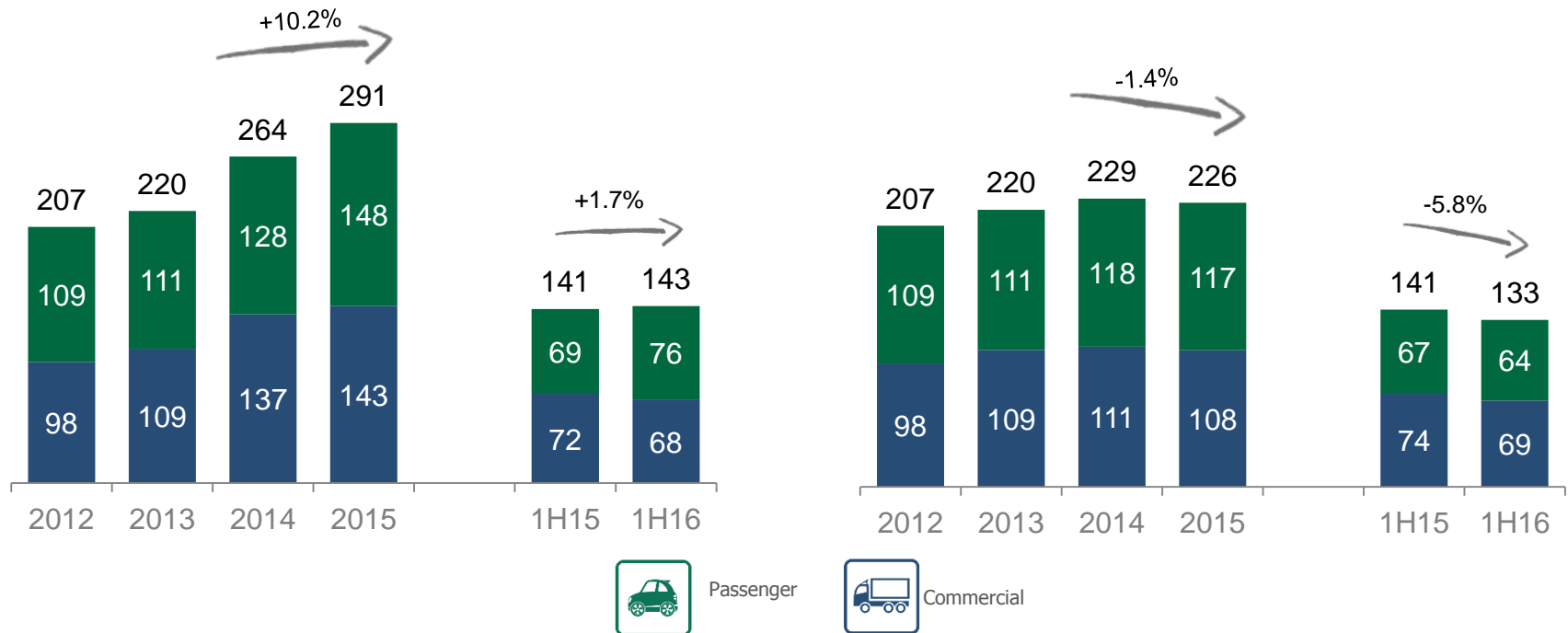
Traffic impacted by the negative performance of the economy and adverse weather conditions

### Traffic Volume (equivalent paying vehicles x million)

CAGR12-15: +12.0%

### Comparable Traffic Volume<sup>1</sup>(equivalent paying vehicles x million)

CAGR12-15: +2.8%



<sup>1</sup> Excludes the impact from the exemption of tolls for suspended axles; for 2014 and 2015, excludes traffic at ECO101 and Ecofonte; for 1H15 and 1H16, excludes traffic at Ecofonte

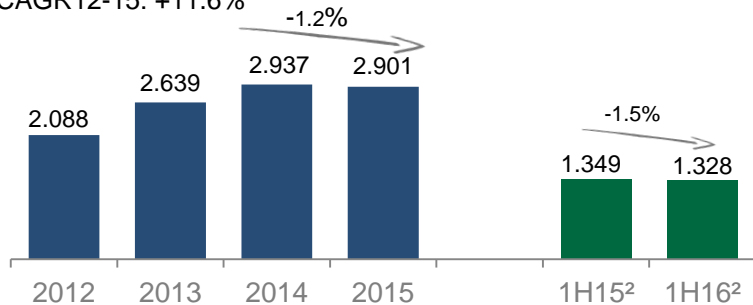


# Business Development

## EcoRodovias – Financials

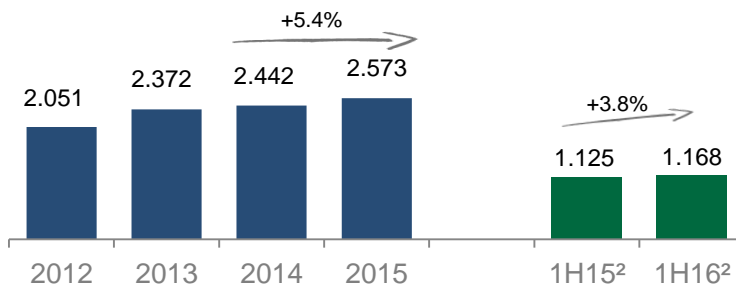
### Net Revenue (R\$ million)

CAGR12-15: +11.6%



### Pro Forma - Net Revenue (R\$ million)

CAGR12-15: +7.9%

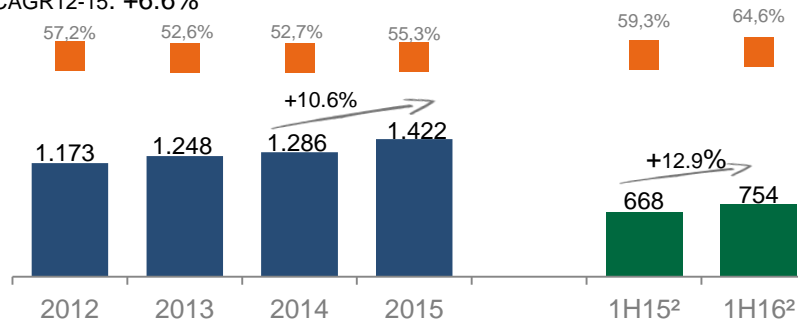


<sup>1</sup> Excludes construction revenue and revenue for STP, for 2012 to 2015 considers 80% of Elog until June, 30, 2015, and 100% since July 1, 2015.

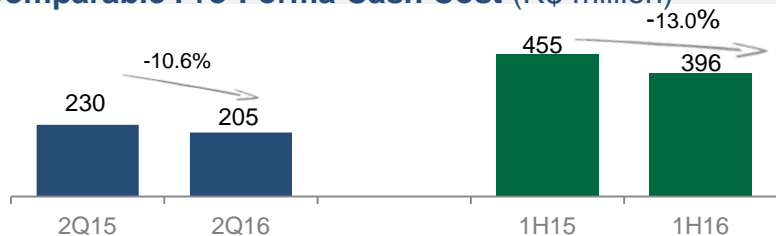
<sup>2</sup> For 1H15 and 1H16: Assets held for sale (Elog) aren't consolidated.

### Comparable Pro-forma EBITDA<sup>1</sup> (R\$ million and %)

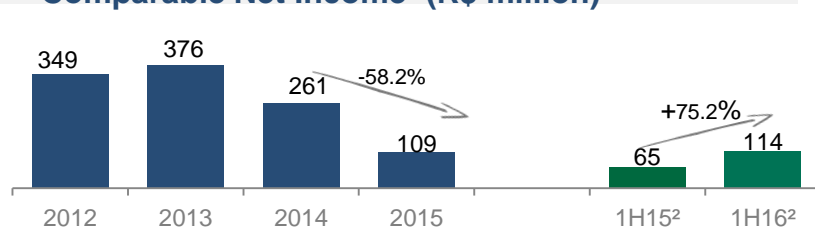
CAGR12-15: +6.6%



### Comparable Pro-Forma Cash Cost (R\$ million)<sup>1</sup>



### Comparable Net Income<sup>1</sup> (R\$ million)



<sup>1</sup> Don't consolidate costs and expenses from assets held for sale (Elog), excludes depreciation and amortization, construction costs, provision for maintenance, cash costs at Ecofonte.



# Business Development

## EcoRodovias – Strategy

### Short term – 1 year

- ✓ Negotiate contractual amendments
- ✓ Focus on reducing costs & Capex optimization
- ✓ Divestment of Elog

### Medium term – 3 years

- ✓ Deleveraging
- ✓ Divestment of Ecoporto
- ✓ Explore the potential of contractual amendments
- ✓ Participation in public bids for toll road according to financial capacity
- ✓ Opportunities in secondary market

### Long term – 5 years

- ✓ Capture profitable growth with the new round of privatization of toll road concessions
- ✓ Explore contractual amendments
- ✓ Opportunities in secondary market





# Business Development

## EcoRodovias – Value Creation through Amendments in Existing Contracts

EcoRodovias has already mapped several value creation opportunities within the existing portfolio through contract amendments

### Overview of Contract Amendments Under Discussion with Granting Authorities

#### Key Rationale for Contract Amendments

- Significant value creation for the concessionaire, and opportunity to make viable, important improvements for users and Granting Authority
- Solution for current or future capacity bottlenecks in a scenario with high pressure for infrastructure development
- New investments compensated by concession extension and / or tariff increase
- Attractive returns given the lower risk profile of new investments
- Reinvestment in already known assets with mitigated risks

Risks	Mitigation
<b>Traffic</b>	• No risk. Traffic variations are subject to new contract rebalances
<b>CAPEX</b>	• Ability to develop a detailed engineering project for an asset already known
<b>OPEX</b>	• Low additional OPEX, considering the asset is already operational and there are economies of scale

Note: (1) Three-year validity from 21-out-2015 for federal and Paraná state concessions.  
SP state concessions usually use a negotiated marginal cash flow IRR

#### Examples of Projects Already Under Analysis



• Santos *Binário*



• Access to Port and others



• Duplication of BR-277



• Duplication and others

#### Current Project IRR (real terms, unlevered)<sup>(1)</sup>

Stage	IRR	Toll Roads
1 <sup>st</sup> Stage	9.43%	Ecoponte and ECO-101
2 <sup>nd</sup> Stage	9.77%	n.a.
3 <sup>rd</sup> Stage	9.95%	Ecovia, Ecocataratas and Ecosul
SP State	~9.8%	Ecovias and Ecopistas



## Business Development

### EcoRodovias – Financial Performance Non-recurring and non-cash effects

- ✓ **Elog:** recognized under assets and liabilities from discontinued operations held for sale, given the expectation of the sale occurring within 12 months. <sup>(1)</sup>
- ✓ **Ecoporto:** write-off of impairment and deferred taxes, given the recession and the intense competition, which led to a drop-off in operating volumes at this services.

**These accounting practices will:** (i) the lower future amortization of goodwill from the acquisition of Ecoporto due to the impairment test conducted; (ii) allow the recording of tax credits arising from possible future economic losses at Ecoporto Santos; (iii) the absence of any impact of the discontinued operations, if the amount expected from the sale of Elog S.A. and Copátio Cubatão is maintained.; and (iv) not affect the Company's future capacity to participate in auctions of highway concessions, while always adopting capital discipline and considering its financial capacity and the return from each project.

- ✓ **Capital reduction to absorb accumulated losses.**

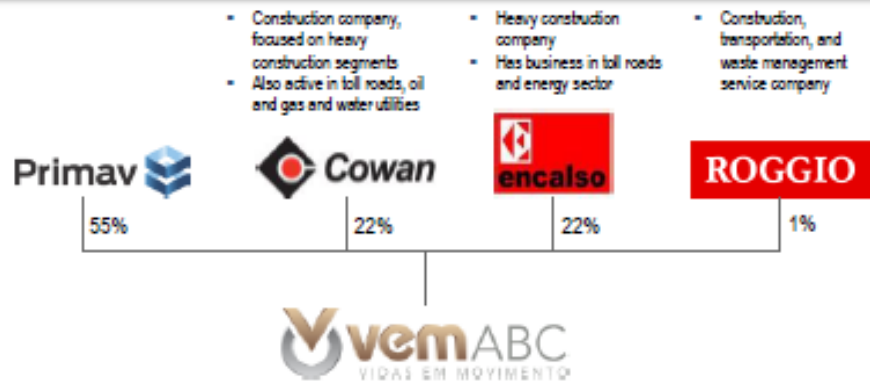
**The reduction would generate benefits for shareholders:** enabling the future payment of dividends from the profits earned in subsequent periods, always in keeping with the strategy of maximizing value for shareholders.



# Business Development

## VEM

### Shareholdings



**VEM ABC**  
is a greenfield project to build and operate a 14.9-km monorail system linking the São Paulo rail network with the ABC region

<b>Object</b>	Construction, concession and operation of 14.9 km monorail in São Paulo metropolitan region with 13 stations
<b>Demand</b>	443 thousand passengers per day
<b>Implementation deadline</b>	4 years
<b>Concession model</b>	PPP (sponsored concession) with minimum level of revenues guaranteed.
<b>Contract signing date</b>	August 22, 2014
<b>Contract starting date</b>	2017
<b>Term</b>	25 years
<b>Total CAPEX</b>	6bn R\$ of which 3bnR\$ of public grants
<b>PPP structure</b>	Government subvention for CAPEX and pecuniary consideration paid by the government to the consortium
<b>Operating starting date</b>	Expected for 1H-2019





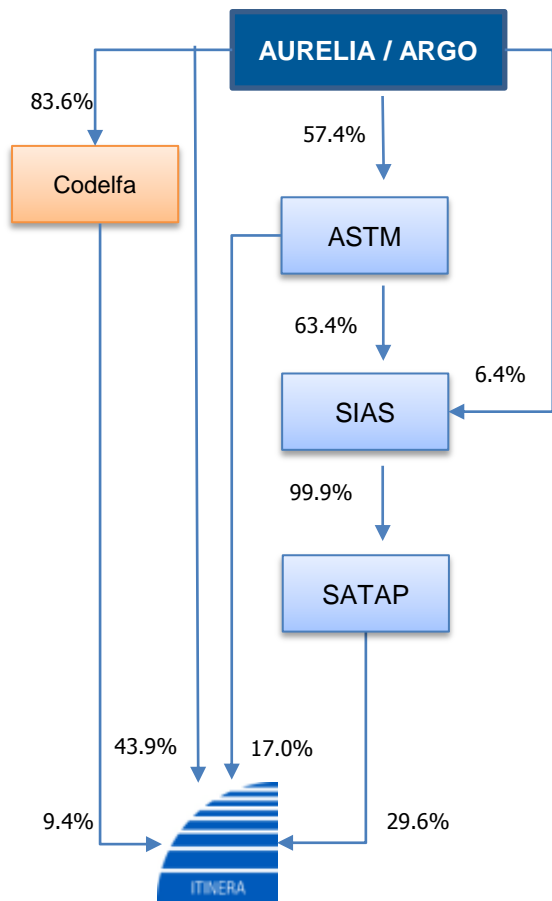


# Business Development

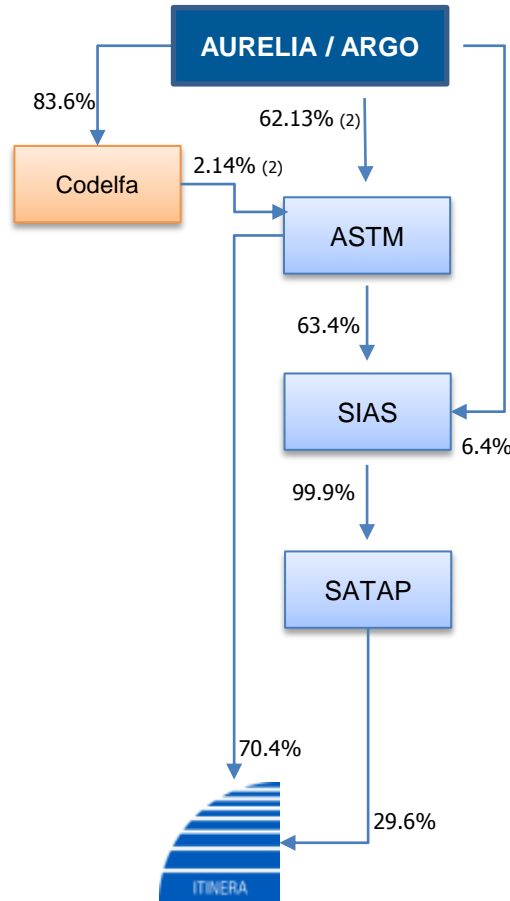
## Itinera - Reallocation of the Construction Business

On **28 April 2016** ASTM's General Meeting of Shareholders approved an increase in the share capital of ASTM S.p.A. that finalizes the **transfer of the controlling interest in Itinera (construction sector) to ASTM**.<sup>(1)</sup>

**Before ASTM Share Capital Increase**



**After ASTM Share Capital Increase**



The contribution strengthens the **strategic focus on developing the greenfield concessions business** and will enable fuller exploitation of all opportunities that could arise in **domestic and international market**, especially in South America, in light of recent agreements with CR Almeida as part of the Ecorodovias deal.

(1) The transfer will be effective from 1st July 2016

(2) Net of Treasury Shares as at 28th September 2016

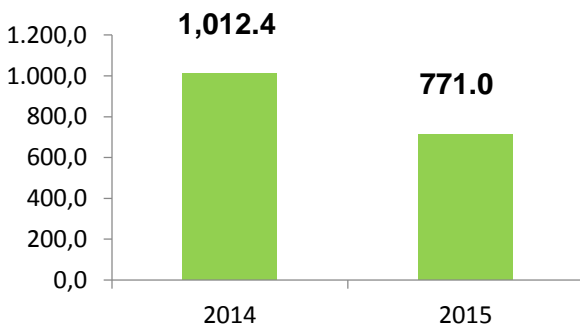


# Business Development

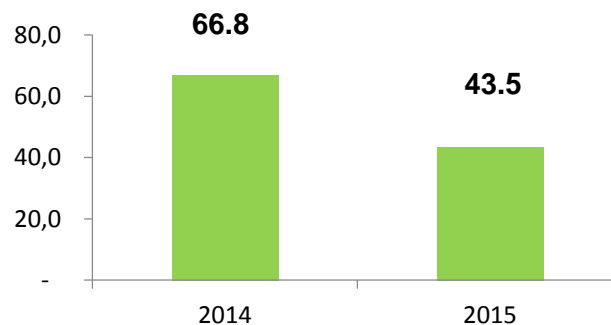
## Itinera – Consolidated Financials

(€mln)	2014	2015	H1 2016
Revenues	1,012.4	771.0	209.2
Operating Costs	(945.6)	(727.5)	(194.1)
<b>EBITDA</b>	<b>66.8</b>	<b>43.5</b>	<b>15.1</b>
<i>EBITDA (%)</i>	6.60%	5.64%	7,22%
<b>EBIT</b>	<b>48.5</b>	<b>24.5</b>	<b>11.4</b>
<i>EBIT (%)</i>	4.79%	3.18%	5,45%
Financial management results	0.9	(5.8)	(0.6)
<b>Earnings before taxes</b>	<b>49.4</b>	<b>18.7</b>	<b>10.8</b>
Taxes	(16.2)	(7.7)	(3.4)
<b>Consolidated results</b>	<b>33.2</b>	<b>11.0</b>	<b>7.4</b>
Results pertaining to minority shareholders	(0,0)	(0.0)	(0.0)
<b>Group results</b>	<b>33.2</b>	<b>11.1</b>	<b>7.4</b>

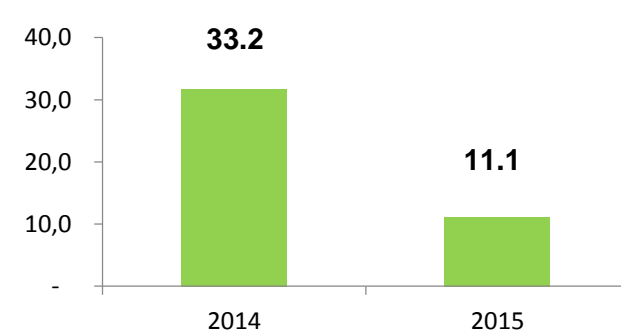
### Consolidated Revenues



### Consolidated EBITDA



### Group results



**H1 2016 results** are broadly in line with Itinera 2016 – 2020 Strategic Plan. The contraction of figures are mainly due to a shifting from a model oriented to italian and *in house* business to a model oriented to international market.

**H1 2016 results** show an **increase of the margins** compared to previous years.

# Business Development

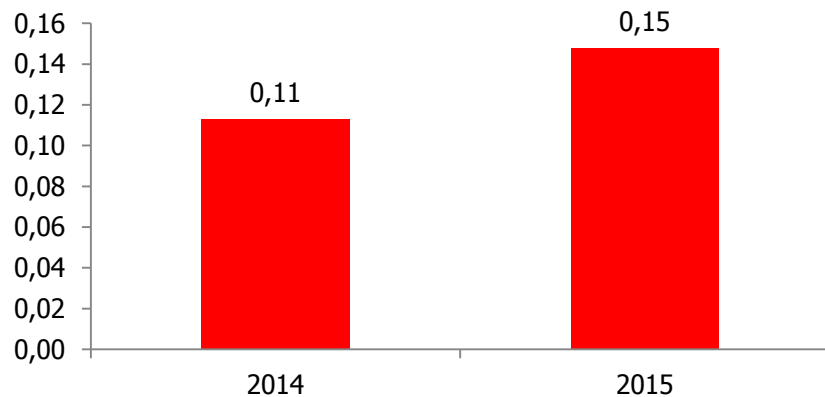
## Itinera – Consolidated Financials

(€mln)	2014	2015	30.06.2016
Shareholders' Equity	187.3	198.3	202.9
Net Financial Position	(21.1)	(29.3)	6.0
<b>Net Debt/Equity</b>	0.11	0.15	-

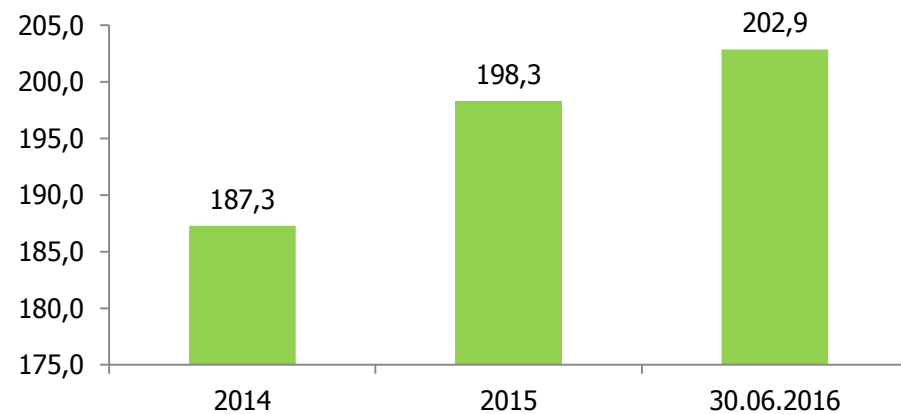
**Net Financial Position**



**Ratio Debt/Equity**



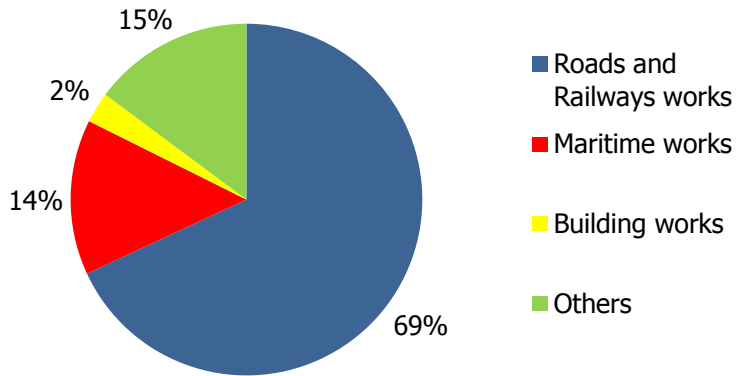
**Shareholders' Equity**



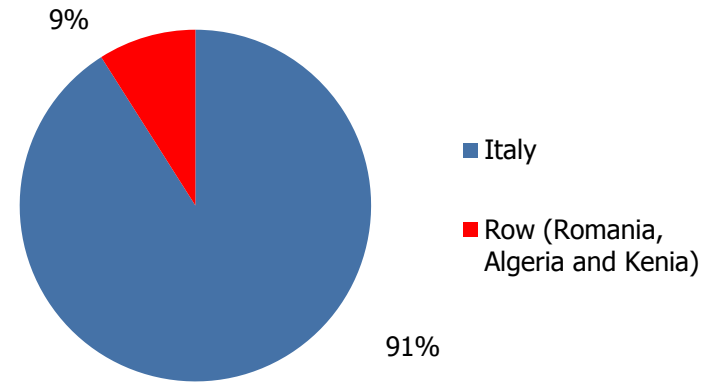
# Business Development

## Itinera – Backlog as at 30 June 2016

### Backlog: EUR 3.8 billion



### Geographical Breakdown



In relation to the **internationalization process** of Itinera during the first half were completed the procedures for initiation of **new branches in the USA and Brazil** in addition to the already opened by the first half 2016.

#### Foreign Countries Branches already open



ROMANIA  
ABU DAHBI  
DUBAI  
ANGOLA  
ZAMBIA  
SOUTH AFRICA  
ARMENIA  
ALGERIA  
KENYA  
SAUDI ARABIA



#### Foreign Countries Branches - implementation



USA  
BRAZIL





# Business Development

## Itinera – International Tenders

### International Tenders already awarded:

Assignor	Tender	Country	Contract Value (Itinera Share)
Compania Nationale de Autostrazi	Satu Mare Ring Road	Romania	37.8 €mln
Kerio Valley Development	Arros and Embobut Dams	Kenya	246.0 €mln
Kerio Valley Development	Kimwarer Dam	Kenya	89.7 €mln
Ministero Difesa – Algeria	Bachar Hospital	Algeria	42.5 €mln
Botswana Road Department	Botswana Road Department	Botswana	53.6 €mln



Moreover Itinera will **benefit from** the **construction works related to the Ecorodovias** investment still not included in the Backlog **and** the others **international bid process that were prepared/submitted:**

HUNGARY  
SWEDEN  
DENMARK  
IRAN





# Business Development

## Itinera – Strategic Targets 2016 - 2020

### INTERNATIONAL GROWTH

TARGET REVENUES 2018 onwards: 60% ROW and 40% ITALY

### FINANCIALS

Gradual Recovery of the Revenues – TARGET 2020: EUR 1 billion

GRADUAL INCREASE IN MARGINS

MAINTAINING A SOLID FINANCIAL POSITION

### NEW INTERNATIONAL ORDERS TAKE – OVER

TARGET 2017/2020: EUR1.5/2.0 billion

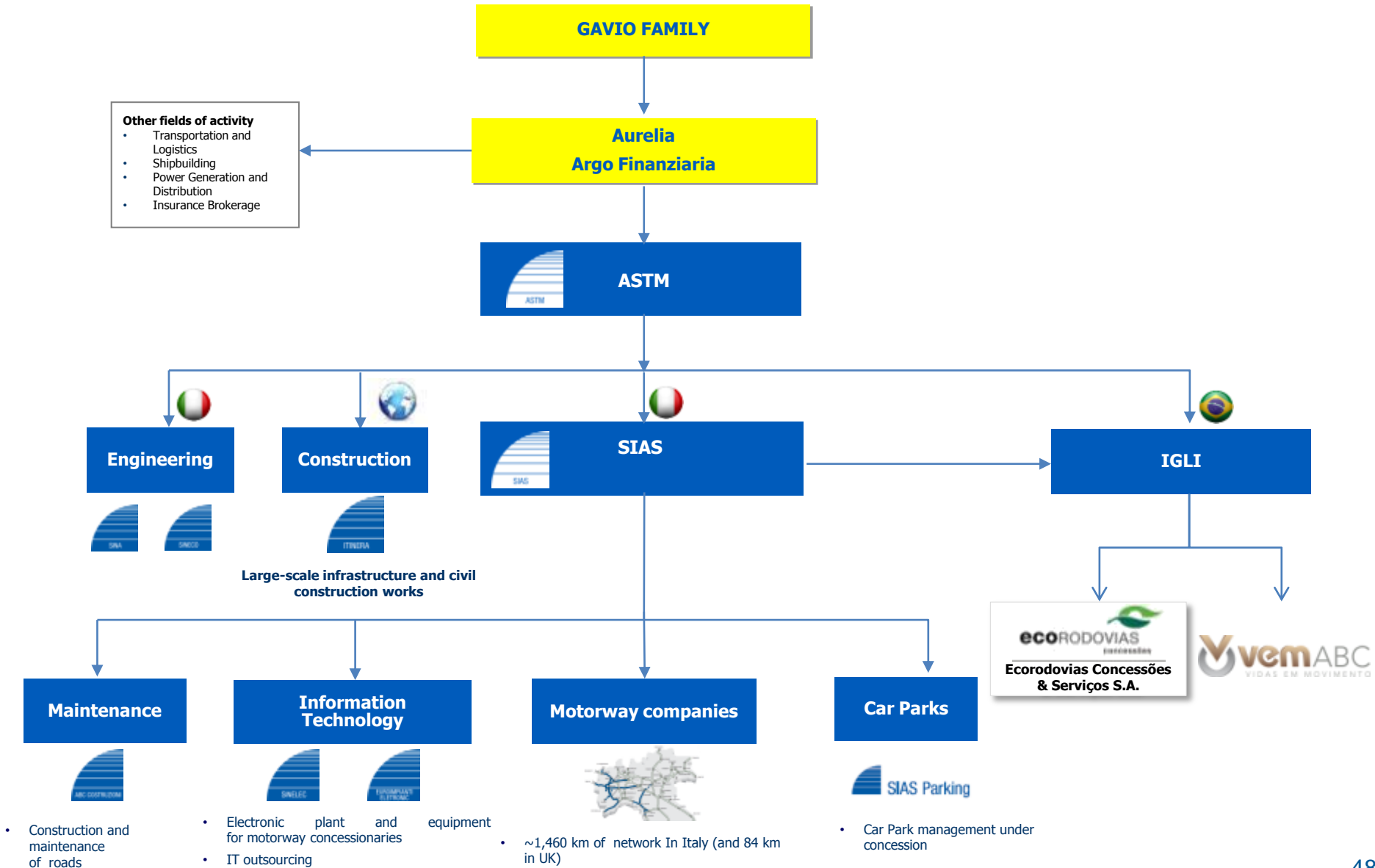
### OPPORTUNITIES

EVALUATION OF POTENTIAL OPPORTUNITIES FOR GROWTH THROUGH  
ACQUISITIONS

- 
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# Appendix Group Structure

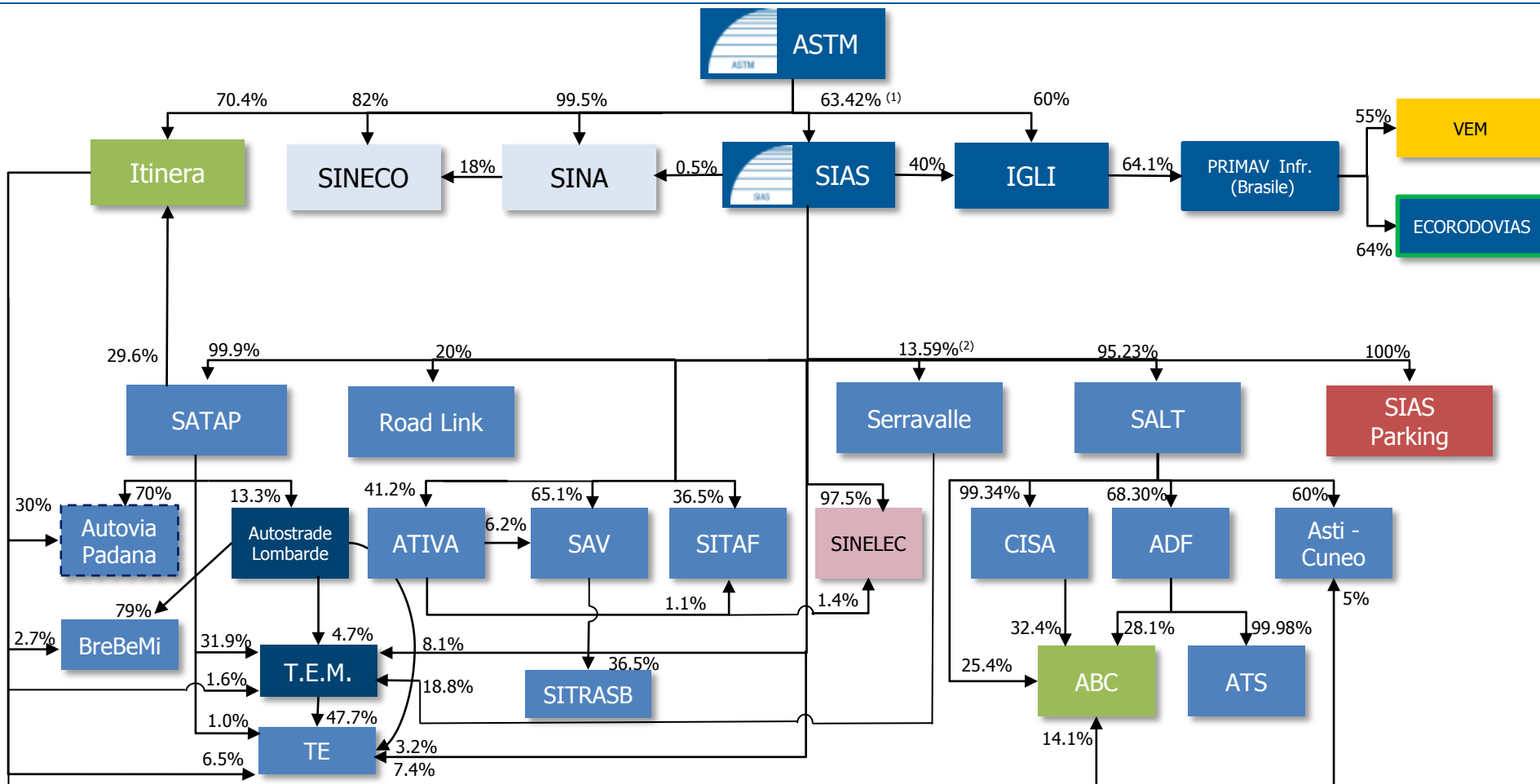






# Appendix

## Group Structure SIAS and ASTM



- Concessionarie Autostradali
- Holding
- Società di Costruzioni
- Società di Engineering
- Parcheggi
- Servizi tecnologici (IT)
- Convenzione di concessione in corso di sottoscrizione
- Concessionarie di mobilità urbana

1) SINA 1.72%  
 2) 2,8% owned by ADF

# Appendix

## REGULATORY FRAMEWORK: Key Regulatory Protections

### Early termination

- Contractual failures that can lead to revocation, withdrawal or termination of the concession agreements are expressly regulated

### Indemnity <sup>(1)</sup>

- In case of early termination of the concession agreements, the concessionaire is entitled to receive an amount (a) determined in accordance with the provision of the relevant concession agreement, (b) reduced by 10% by way of penalty plus damages (only in case of termination due to material breaches of their obligations by the concessionaires)

### “Re-alignment of the financial plan”

- The financial plan contained in the concessions agreements needs to be updated every five years (“regulatory period”). In addition, the Regulator or the concessionaires are entitled to request an “extraordinary review” of the financial plan in case of (i) force majeure and/or (ii) additional investments

### Penalties and sanctions

- The concessionaires may be required by the Regulator to pay penalties and sanctions in case of material breach or default of certain obligations arising from the concessions agreements

### Hand over requirements

- Upon the expiration date of each single concession, the relevant concessionaire is required to transfer the motorways and related infrastructure to the Regulator without any compensation due to it and in a good state of repair. In any event, each concessionaire shall continue to manage the motorway infrastructure up to selection of a new concessionaire

(1) ATIVA and SALT have the right to receive an indemnity as “terminal value” from the new concessionaires for any works executed and not yet amortized as of the expiry date of the relevant concession agreement (terminal value of €101m for ATIVA and €287m for SALT).

# Appendix

## REGULATORY FRAMEWORK: Toll Formulas

Concessionaire	Tariff formula	
<b>Companies which requested a "re-alignment" of the financial plan <sup>(1)</sup></b>		
SATAP (A4 and A21)	$\Delta T = \Delta P \pm X_r + K + \beta \Delta Q$	} 60% of motorways EBITDA
SAV <sup>(2)</sup>	$\Delta T = 70\% * CPI \pm X_r + K$	
CISA <sup>(2)</sup>	$\Delta T = 70\% * CPI \pm X_r + K$	
<b>Companies which requested a "confirmation" of the financial plan <sup>(3)</sup></b>		
SALT <sup>(2)</sup>	$\Delta T = 70\% * CPI + K$	} 40% of motorways EBITDA
ADF <sup>(2)</sup>	$\Delta T = 70\% * CPI + K$	
ATS <sup>(2)</sup>	$\Delta T = 70\% * CPI + K$	

*(1) These companies are allowed to a remuneration both for excess investments made in the previous 5-year regulatory period and for new investments*

*(2) These companies utilize the "simplified tariffs formula", which includes in the tariff a fixed percentage of the actual inflation (equal to 70%)*

*(3) These companies are allowed to a remuneration only for new investments*

**ΔT** is the annual tariff increase

**ΔP** is the annual projected inflation rate as reported in the Italian Budget

**X<sub>r</sub>** is determined every 5 years to remunerate the regulated invested capital at the end of each regulatory period

**K** is determined every year to remunerate the investments performed during the previous year

**X<sub>p</sub>** is the productivity (or efficiency) factor

**CPI** is the actual inflation rate for the previous 12 months as reported by ISTAT

**βΔQ** is the quality factor (related to the status of road surface and the accident rate)



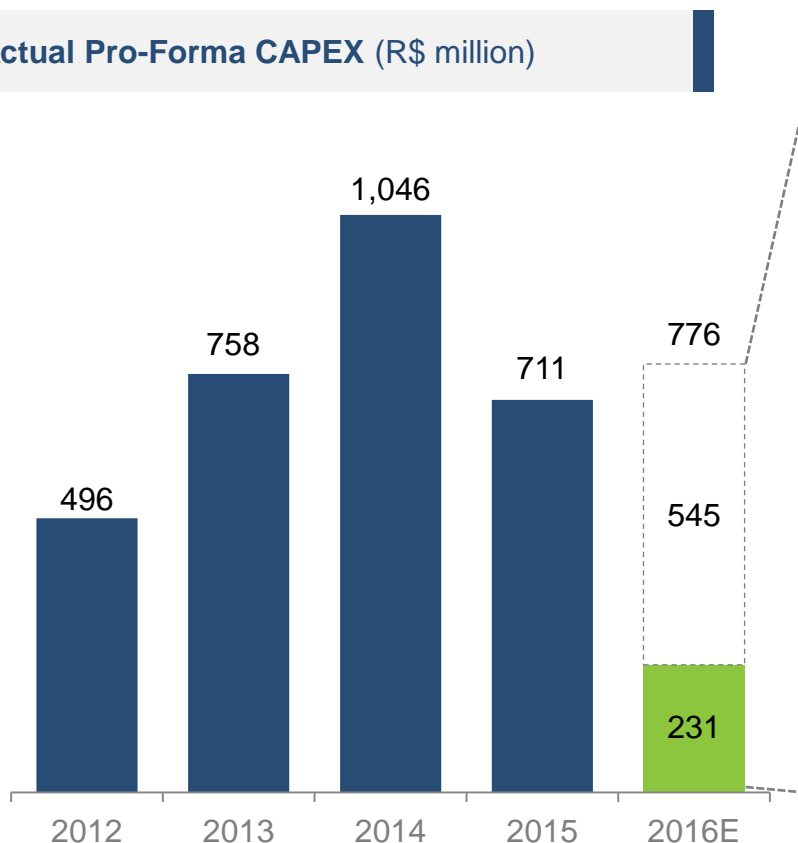
# Appendix

## EcoRodovias – CAPEX

### Reduction in Capex underscores financial discipline and pursuit of efficiency



Actual Pro-Forma CAPEX (R\$ million)



2016 Estimated CAPEX (R\$ million)

Company	Intangible Assets/ PP&E	Maintenance Costs	Total
Ecovias dos Imigrantes	77	64	141
Ecopistas	56	41	97
Ecovia Caminho do Mar	20	6	26
Ecocataratas	50	36	86
Ecosul (100%)	82	5	87
ECO101 (100%)	210	-	210
Ecoponte	113	1	114
Ecoporto Santos	5	-	5
Others <sup>1</sup>	10	-	10
<b>TOTAL<sup>2</sup></b>	<b>623</b>	<b>153</b>	<b>776</b>

<sup>1</sup> Includes Services and the Holding Company

<sup>2</sup> Includes 100% of interest in Ecosul and ECO101

■ CAPEX 2Q16  
 □ CAPEX 2H16  
 ■ Actual CAPEX

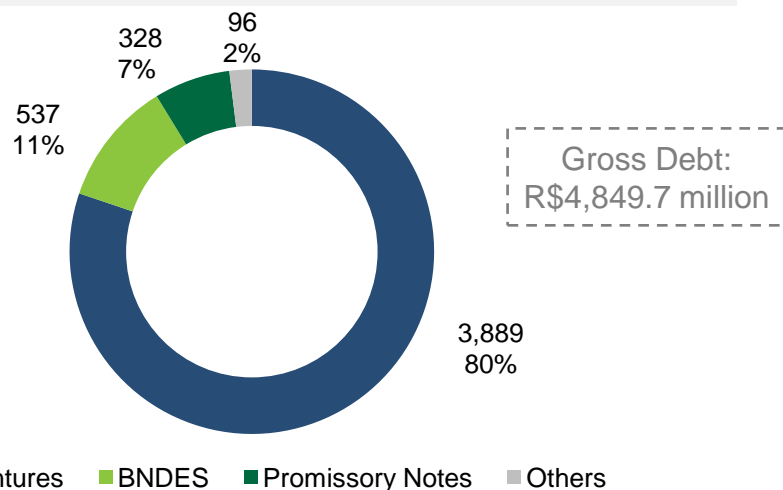
The proportional CAPEX to EcoRodovias' share, estimated for 2016 is approximately R\$680 million



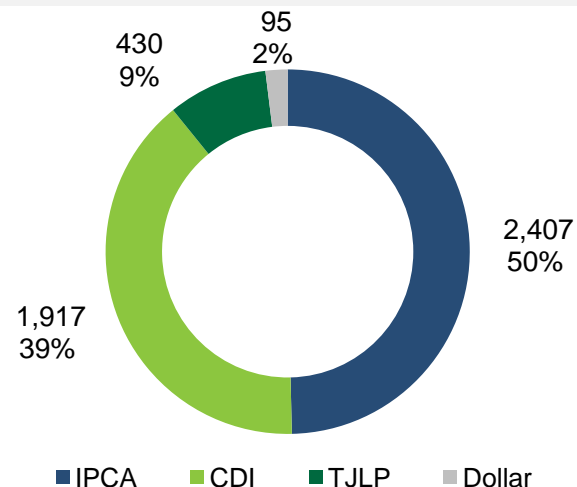
# Appendix

## EcoRodovias – Debt

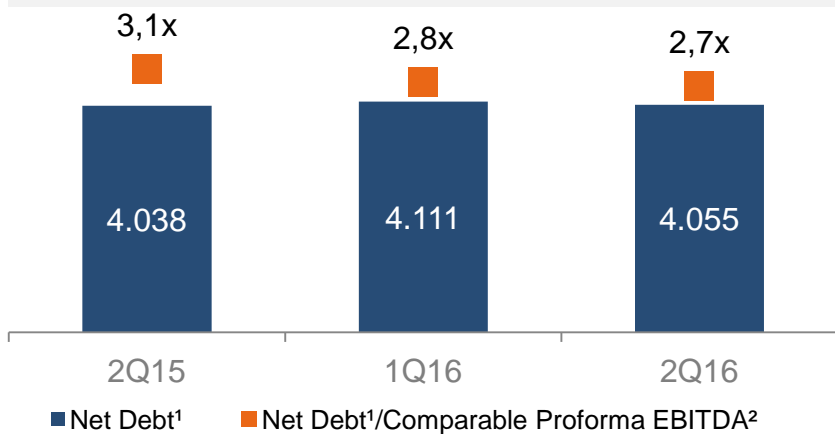
**Gross Debt by type** (R\$ million and % Jun/2016)



**Gross Debt by index** (R\$ million and % Jun/2016)



**Net Debt<sup>1</sup>** (R\$ million)



**Flexibility in capital allocation  
prioritize deleveraging**

<sup>1</sup> Assets held for sale (Elog) aren't consolidated;

<sup>2</sup> Excludes Provision for Maintenance, Elog results and Impairment at Ecoporto (non-recurring and non-cash).

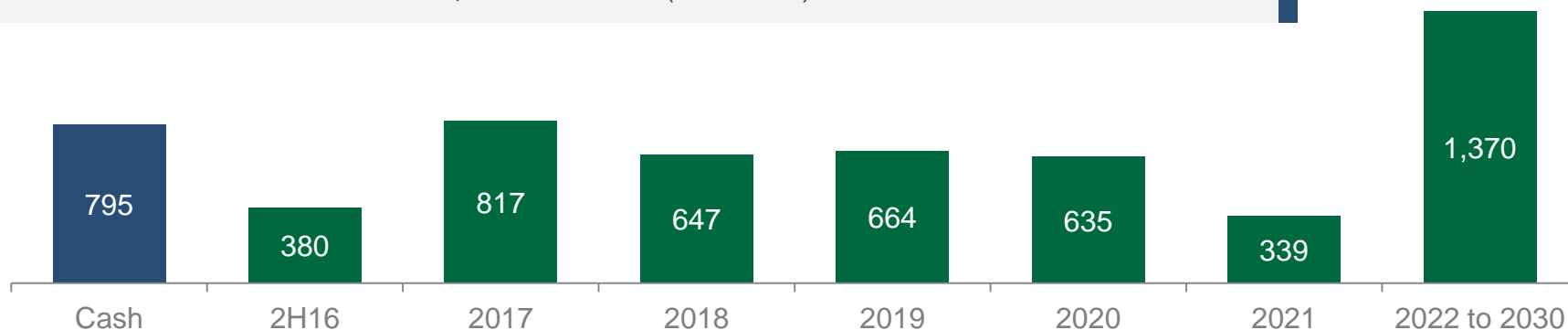


# Business Development

## EcoRodovias – Debt

### Lengthened debt profile strengthens financial health

Debt Amortization Schedule<sup>1</sup>: R\$4,849.7 million - (R\$ million)



Debt breakdown of 2016 - (06/31/2016)



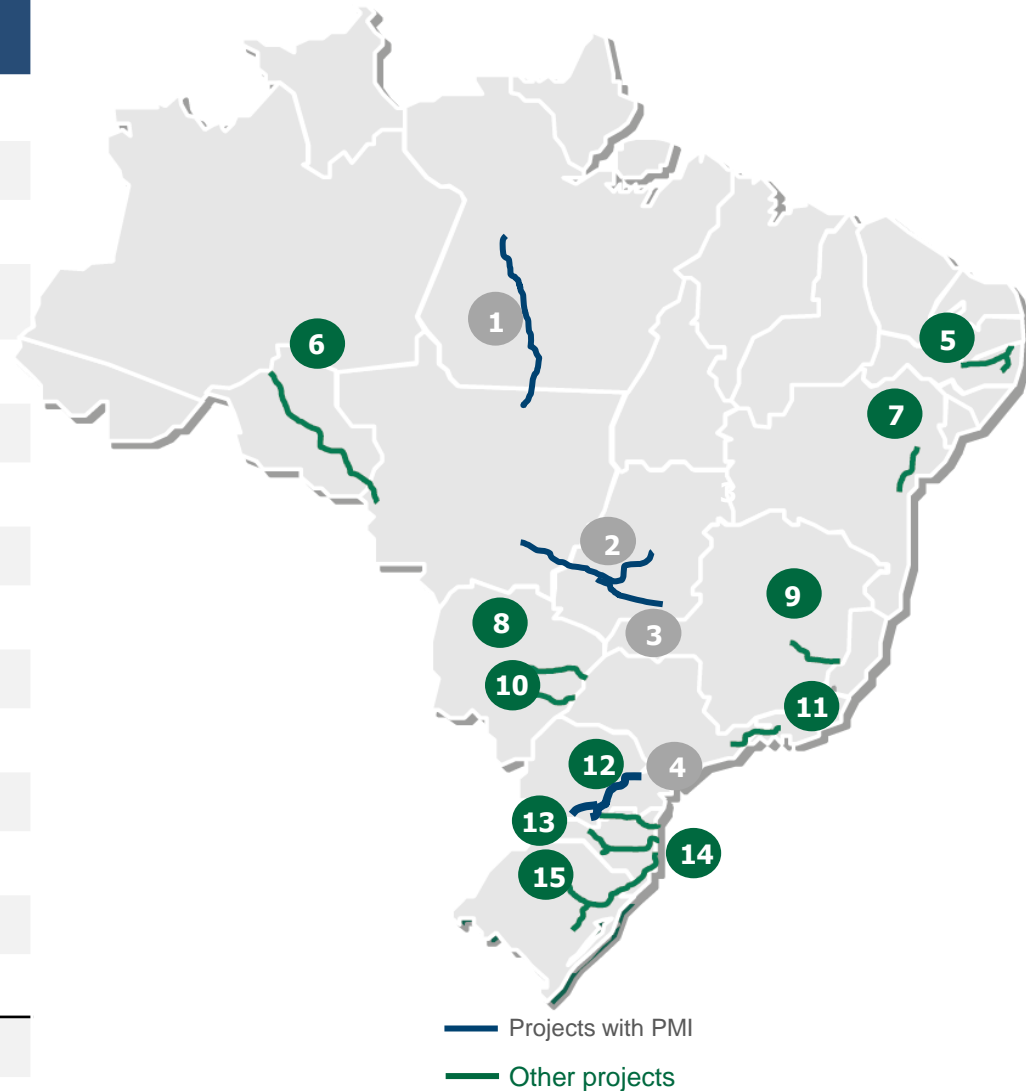
<sup>1</sup> Don't consolidate costs and expenses from assets held for sale (Elog).



# Business Development

## EcoRodovias – Opportunities for Growth

Nº	Highway	Total extension (km):	Estimated investments (R\$ billion)
1	BR-163/MT/PA	976	6.6
2	BR-364/060/MT/GO	704	4.1
3	BR-364/GO/MG	439	3.1
4	BR-476/153/282/480/PR/SC	460	4.5
5	BR-101/232/PE	564	4.2
6	BR-346/RO/MT	806	6.3
7	BR-101/BA	199	1.6
8	BR-262/281/MG	305	1.9
9	BR-262/MS	327	2.5
10	BR-267/MS	249	2.0
11	BR-101/493/465/RJ/SP	357	3.1
12	BR-280/SC	307	2.1
13	BR-470/282/SC	455	3.2
14	BR-101/SC	220	1.1
15	BR-101/116/290/386/RS	581	3.2
<b>Total</b>		<b>3,870</b>	<b>49.5</b>



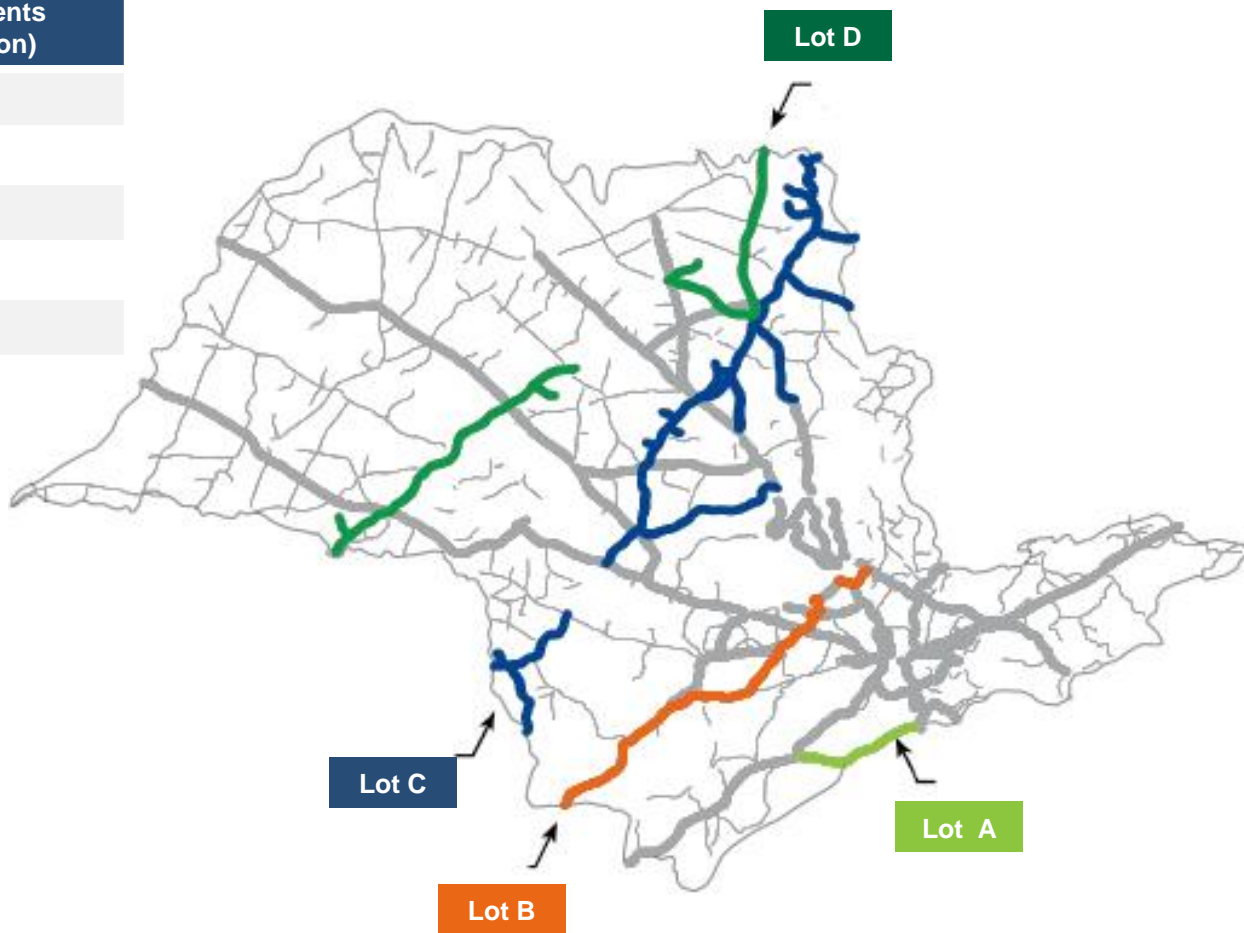
<sup>1</sup>Source: Ministry of Planning

# Business Development

## EcoRodovias – Opportunities for Growth – State of Sao Paulo

Concession of 2,266 km of state highways, divided into 4 lots of highways crossing the state of São Paulo transversally in the Paraná - Minas Gerais direction

Lot	Total extension (km):	Estimated investments (R\$ billion)
Lot A	116	1.2
Lot B	481	2.3
Lot C	1,097	4.6
Lot D	572	2.7
Total	2,266	10.8







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