



SPAFID CONNECT

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SERVIZI - SIAS

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Informazione
Regolamentata

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Diffusione presunta

Oggetto : The Board of Directors approves the
Separate Financial Statements and the
Consolidated Financial Statements as at 31
December 2017

Testo del comunicato

Si trasmette il comunicato stampa relativo all'oggetto.



PRESS RELEASE

The Board of Directors approves the Separate Financial Statements and the Consolidated Financial Statements as at 31 December 2017

INCREASE IN NET PROFIT (+48.8%), EBITDA (+7.3%), NET TOLL REVENUE (+3.9%)

Key highlights of consolidated economic and financial results

- **Net profit:** €237.8 million (+48.8% compared to €159.8 million in 2016)
- **EBITDA:** €703.8 million (+7.3% compared to €656.1 million in 2016)
- **Net toll revenue:** €1,017.3 million (+3.9% compared to 978.9 million in 2016)
- **Net financial indebtedness:** €1,307.9 million (down 21%)

Motorway concession sector

- **Italy:** +7.3% EBITDA motorway sector (€693 million)
+2.2% traffic on the motorway network controlled by Sias ("light vehicles" +1.69%, "heavy vehicles" +3.69%)
+8.5% motorway investments (€190 million)
- **Brazil¹:** +48.4% net profit Ecorodovias (BRL 400 million)
+15.0% EBITDA pro-forma Ecorodovias (BRL 1,749 million)
+3.8% traffic on the motorway network
+ 850 km of roads through the award/acquisition of new concessions in the first three months of 2018

**FINAL DIVIDEND OF €0.20 PER SHARE DECIDED
TOTAL DIVIDEND FOR 2017 €0.35 PER SHARE (+9.4%) FOR A TOTAL AMOUNT OF €79.6 MILLION**

Tortona, 14 March 2018. The SIAS Board of Directors, in today's meeting chaired by Prof. Stefania Bariatti, reviewed and approved the Separate Financial Statements and the Consolidated Financial Statements as at 31 December 2017.

¹ The group operates on the Brazil market through its joint subsidiary Ecorodovias Infraestrutura e Logística SA.

ANALYSIS OF ECONOMIC AND FINANCIAL HIGHLIGHTS

CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

In 2017, "**Net toll revenue**" exceeded EUR 1 billion, an increase of **3.92%** compared to the previous year.

The "*motorway sector revenue*" totalled EUR 1,047.4 million (EUR 1,007.1 million in 2016), broken down as follows:

- "*net toll revenue*" of EUR 1,017.3 million, up EUR 38.4 million (+3.92%) as a result of the rise in traffic volumes (EUR + 23.3 million) and the payment of toll adjustments (only and in part for the Turin-Milan, Turin – Piacenza, Parma – La Spezia and Turin - Savona sections) effective from 1 January 2017 (EUR 15.1 million);
- "*rental income - royalties from service areas*" in the amount of EUR 30.1 million.

"*Technology sector revenue*" totalled EUR 44.6 million, reflecting a decline in activities carried out with Group companies, offset by significant growth in production for third parties.

"**Operating costs**", in the amount of EUR 432.8 million, increased EUR 2.8 million, due to the increase in production for third parties of companies operating in the technology sector. This increase benefited from the saving and cost efficiency activities implemented by the Group in 2017.

In light of the foregoing, the "**gross operating margin (EBITDA)**" came to EUR 703.8 million, an increase of EUR 47.7 million (+7.3%), reflecting the changes occurred in the business segments in which the Group operates. In particular, this result reflects the increase in the gross operating margin of the "motorway sector" for EUR 693.2 million (EUR +47.7 million), and the "technology sector" for EUR 19.4 million (EUR +0.7 million), to which corresponds the substantially unchanged "engineering - construction sector" for EUR 0.6 million and a decline in the "services sector" with a negative result of EUR 9.4 million (EUR -0,7 million).

The entry "**non-recurring items**" negative EUR 11.2 million is the result of accrued expenses in the period for the reorganisation, optimisation of procedures and resource rationalisation.

The entry "**net amortisation/depreciation and provisions**" totalled EUR 324.2 million (vs. EUR 305.6 million in 2016); The change compared to the previous year is the result of the following: (i) higher amortisation of non-compensated revertible assets for EUR 10.4 million¹, (ii) the change in "provision for restoration, replacement and maintenance" of non-compensated revertible assets for EUR 4.4 million, (iii) higher depreciation and amortisation of tangible and intangible assets for EUR 0.1 million and (iv) higher provisions for risks and charges for EUR 3.7 million.

The entry "**financial income**" totalled EUR 51.2 million with a change of EUR 33.2 million due to higher capital gains resulting from the disposal of the equity investments in the parking sector (EUR 27.2 million), in FNM S.p.A. (EUR 6.2 million), in ATON s.r.l. (EUR 0.8 million) and in SINA S.p.A. (EUR 0.1 million), partially offset by the reduction of interest arising from the investment of cash.

"**Financial charges**" - including the charges for interest rate swap agreements – decreased due to (i) the reduction in the average financial indebtedness compared to the same period the previous year, mainly due to repayment of the SIAS 2005-2017 convertible bond loan on 30 June 2017, (ii) the process of improving the efficiency of financial resources and financing sources as well as (iii) the interest-rate trend on the variable-rate portion of net financial indebtedness.

The "**portion of profit for the period assigned to the Parent Company's Shareholders**"² amounted to EUR 237.8 million (vs. EUR 159.8 million in 2016).

¹ Please note that in calculating the amortisation of non-compensated revertible assets, the so-called "takeover" values set out in the economic-financial plans approved by the Granting Body in September 2017, and the agreements signed with them regarding the A21 section were taken into account.

² The portion of profit for the period assigned to the Parent Company's Shareholders does not take into account the portion attributable to "discontinued operations" which totalled EUR 0.5 million in 2017 and EUR 2.2 million in 2016.

Consolidated income data summary table

<i>(amounts in thousands of EUR)</i>	2017	2016¹	Changes
Motorway sector revenue – operating activities ¹	1.047.394	1.007.127	40.267
Construction and engineering sector revenue ^{2 3}	-	-	-
Technology sector revenue	44.605	38.989	5.616
Other revenues ⁴	44.653	40.024	4.629
Total turnover	1.136.652	1.086.140	50.512
Operating costs ^{1,2,4,5}	(432.839)	(429.993)	(2.846)
Gross operating margin (EBITDA)	703.813	656.147	47.666
Non-recurring items	(11.175)	3.856	(15.031)
"Reported" gross operating margin (EBITDA)	692.638	660.003	32.635
Net amortisation/depreciation and provisions	(324.248)	(305.586)	(18.662)
Operating income	368.390	354.417	13.973
Financial income	51.201	18.029	33.172
Financial charges	(102.025)	(115.970)	13.945
Capitalised financial charges	19.699	21.316	(1.617)
Write-down of equity investments	(799)	(5.162)	4.363
Profit (loss) of companies accounted for by the equity method	14.357	2.925	11.432
Net financial income	(17.567)	(78.862)	61.295
Profit before tax	350.823	275.555	75.268
Income taxes (current and deferred)	(89.459)	(93.357)	3.898
Profit (loss) for the period from ongoing activities (Continued operations)	261.364	182.198	79.166
Profit (loss) for the period of "assets held for sale net of taxes" (Discontinued Operations)	516	2.183	(1.667)
Profit (loss) for the period	261.880	184.381	77.499
• Profit assigned to minority interests (Continued operations)	23.603	22.402	1.201
• Profit assigned to the Parent Company's Shareholders (Continued operations)	237.761	159.796	77.965
• Profit assigned to minority interests (Discontinued Operations)	5	22	(17)
• Profit assigned to the Parent Company's Shareholders (Discontinued Operations)	511	2.161	(1.650)

(1) Amounts net of the fee/additional fee payable to ANAS (EUR 75.9 million in 2017 and EUR 74.1 million in 2016).

(2) With regard to motorway licensee companies, the IFRIC12 sets out full recognition in the Income Statement, of costs and revenues for "construction activity" concerning non-compensated revertible assets. In order to provide a clearer representation in the table above, these components (amounting to EUR 190 million in 2017 and EUR 175.2 million in 2016) were reversed for the same amount from the corresponding revenue/cost items.

(3) Net of the items regarding ABC Costruzioni S.p.A. which came to EUR 1 million in 2016.

(4) Amounts net of cost/revenues reversals of EUR 5.6 million in 2017 (EUR 5.6 million in 2016).

(5) 2016 amounts include the deconsolidation of ABC Costruzioni S.p.A (EUR 3 million).

¹ The comparative data of the previous year was restated (i) as a result of the classification pursuant to IFRS 5, of Fiera Parking S.p.A. as a result of the sale of the entire shareholding in November 2017 and (ii) to reflect - solely for the operating items - the effects of the deconsolidation of the subsidiary ABC Costruzioni S.p.A., which - as from 31 December 2016 - was merged into the associate Itinera S.p.A. Specifically, in reference to ABC Costruzioni S.p.A., their contribution was removed from the individual revenue and operating costs items of 2016 and the related gross operating margin was recognised in the item "non-recurring items".

CONSOLIDATED FINANCIAL DATA OF THE GROUP

"Adjusted" net financial indebtedness" amounted to EUR 1,307.9 million, an increase of about EUR 340.2 million compared to 31 December 2016.

The change in the financial year was mainly due to: (i) the payment of dividends (FY 2016 final and FY 2017 interim) by the Parent Company (EUR 75.1 million), (ii) the payment of dividends and reserves by Subsidiaries to minority Shareholders (EUR 11.1 million), (iii) the implementation of enhancement works on the Group's motorway infrastructure (EUR 190.1 million) and the realisation of other tangible and intangible assets (EUR 5.6 million), (iv) the acquisition of equity investments and minorities (EUR 55.4 million), (v) the payment of the instalment due with respect to the payable due to ANAS Central Insurance Fund (EUR 31.4 million), (vi) the loan granted to IGLI S.p.A. (EUR 18.4 million) and (vii) the change in net working capital and other minor changes (EUR 9.8 million), offset by (i) "operating cash flow" (EUR 517.2 million), (ii) the liquidity generated from the disposal of the equity investment in FNM S.p.A., SINA S.p.A., Aton S.r.l and in the "parking sector" (EUR 71.6 million), (iii) the lower net debt as a result of the sale of Fiera Parking S.p.A. (EUR 18 million), (iv) higher cash and cash equivalents as a result of the share of capital increase of the subsidiary Autovia Padana S.p.A. paid by Itinera S.p.A. (EUR 12.4 million).

The change in "non-current financial receivables" is the result of: (i) the accrual by the subsidiary SATAP S.p.A. of financial receivables in the amount of EUR 111.3 million regarding the so-called "takeover value" for the "A21 Turin – Piacenza" section, for which the concession expired on 30 June 2017 and (ii) the reversal of "receivables from guaranteed minimum amounts" for Fiera Parking S.p.A. following the sale thereof (EUR -47.5 million).

The change in the "discounted value of the payable due to ANAS – Central Insurance Fund" is due to above payment of the instalments due and the assessment of the charges for discounting the payable.

"Net financial indebtedness" also includes the positive difference accrued (EUR 32.4 million), for the fair value of IRS agreements (no cash item).

It is noted that the "net financial position" does not include units of "investment funds" for approximately EUR 11 million subscribed during the year in order to invest cash.

Summary table of consolidated financial data

<i>(amounts in thousands of EUR)</i>	31/12/2017	31/12/2016	Changes
A) Cash and cash equivalents	441.275	757.514	(316.239)
B) Securities held for trading	-	-	-
C) Liquidity (A) + (B)	441.275	757.514	(316.239)
D) Financial receivables	484.201	448.358	35.843
E) Bank short-term borrowings	(4.428)	(24.932)	20.504
F) Current portion of medium/long-term borrowings	(253.504)	(325.417)	71.913
G) Other current financial liabilities	(41.683)	(386.497)	344.814
H) Short-term borrowings (E) + (F) + (G)	(299.615)	(736.846)	437.231
I) Current net cash (C) + (D) + (H)	625.861	469.026	156.835
J) Bank long-term borrowings	(860.590)	(927.183)	66.593
K) Hedging derivatives	(55.092)	(87.466)	32.374
L) Bonds issued	(994.062)	(992.744)	(1.318)
M) Other long-term payables	(1.343)	(1.489)	146
N) Long-term borrowings (J) + (K) + (L) + (M)	(1.911.087)	(2.008.882)	97.795
O) Net financial indebtedness^(*) (I) + (N)	(1.285.226)	(1.539.856)	254.630
P) Non-current financial receivables	113.595	49.787	63.808
Q) Discounted value of the payable due to ANAS – Central Insurance Fund	(136.273)	(158.073)	21.800
R) "Adjusted" net financial indebtedness (O) + (P) + (Q)	(1.307.904)	(1.648.142)	340.238

^(*) Pursuant to ESMA Recommendation

RESULTS OF THE PARENT COMPANY – SIAS S.p.A.

The items contained in the Parent Company's income statement reflect the industrial holding activity carried out by it. More specifically, the item "income from equity investments" (amounting to EUR 110.4 million) was (i) due to the dividends paid during the financial year by SATAP S.p.A. (EUR 60.1 million), SALT S.p.A. (EUR 30.5 million), SAV S.p.A. (EUR 3.6 million), SIAS Parking S.r.l. sole shareholder (EUR 0.9 million), ATIVA S.p.A. (EUR 13.4 million), Road Link Holdings Ltd (EUR 1.2 million) and Assicurazioni Generali S.p.A. (for a total amount of EUR 0.3 million) and (ii) the capital gains resulting from the sale of the equity investment held in FNM S.p.A. (EUR 0.3 million) and in Sina S.p.A. (EUR 0.1 million). The profit for 2017 amounted to EUR 97.9 million (vs. EUR 90.7 million in 2016).

"Net financial indebtedness" as at 31 December 2017 showed a balance of EUR 1,699.7 million (vs. EUR 1,679.3 million as at 31 December 2016); This amount does not include receivables for "intercompany loans" granted, as part of the financial structure at holding level, to the investee companies SALT S.p.A., SATAP S.p.A., SAV S.p.A., Autostrada dei Fiori S.p.A., Autostrada Asti Cuneo S.p.A., Tangenziale Esterna S.p.A. and IGLI S.p.A. amounting to EUR 1,516¹ million (vs. EUR 1,516 million as at 31 December 2016).

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

<i>(amounts in thousands of EUR)</i>	2017	2016	Changes
Income from equity investments	110.361	107.489	2.872
Other financial income	65.928	67.487	(1.559)
Interest and other financial charges	(63.599)	(71.214)	7.615
Financial income and charges	112.690	103.762	8.928
Value adjustments of financial assets	(1.615)	(4.146)	2.531
Other operating income	6.154	6.154	-
Other operating costs	(20.439)	(15.093)	(5.346)
Amortisation/depreciation and provisions	(3)	(1.603)	1.600
Pre-tax profit	96.787	89.074	7.713
Income taxes	1.077	1.673	(596)
Profit (loss) for the period	97.864	90.747	7.117

MOTORWAY CONCESSION SECTOR

Motorway traffic performance and toll adjustments

Traffic in 2017, compared to 2016 **grew 2.17%**, further strengthening – with regard to both "light vehicles" (**+1.69%**) and "heavy vehicles" (**+3.69%**) – the positive trend already experienced in previous years.

As regards the toll adjustments for 2018, it should be noted that - based on provisions set out in the Italian Interministerial Decrees - the average adjustment for the motorway segments managed by the Group was **3.02%**.

Furthermore, in September 2017, subsidiaries SALT p.A., Autostrada dei Fiori S.p.A., Autocamionale della Cisa S.p.A.², Autostrada Torino Savona S.p.A.³ and SAV S.p.A. signed with the Ministry of Infrastructure and Transport ("MIT") riders to their existing agreements to implement the updated Financial Plans ("PEF"). The signing of the riders and the toll adjustments provided for therein ended the period of regulatory uncertainty, also providing for the recovery of lower toll income at licensees due - in previous years - to the late approval of the companies' updated Economic-Financial Plans by MIT.

Increase in the Group's Italian motorway network

The A21 Piacenza-Cremona-Brescia motorway concession came into effect on 1 March 2018; the 25-year concession was awarded by tender to the subsidiary Autovia Padana S.p.A. in 2015.

¹ Including the current portion of financial receivables due from the subsidiary Autostrada Asti Cuneo S.p.A.

² Note that Autocamionale della Cisa S.p.A. was merged into SALT p.A. as from 1 November 2017

³ Note that Autostrada Torino-Savona S.p.A. was merged into Autostrada dei Fiori S.p.A. as from 1 November 2017

Ecorodovias

As regards Ecorodovias Infraestrutura e Logística S.A., one of the largest players among Brazilian motorway operators on which the group has joint control and is listed on the Novo Mercado BOVESPA ("Ecorodovias"), the company reported in **2017**:

- a **net profit** of BRL 400.1 million, an **increase of 48.4%**
- pro-forma **EBITDA** of BRL 1,748.8 million, an **increase of 15.0%**
- an **increase in motorway sector revenue** of **12.2%** which totalled BRL 2,618.9 million (vs. BRL 2,334.3 million in 2016)
- an **increase** in traffic **volumes** of **3.8%**
- **new awards/acquisition** of an additional **850 km** of motorway sections in the first three months of 2018

In the first quarter of 2018, as part of its strategy to focus on the concessions sector and to extend the average duration of its highway concessions portfolio, Ecorodovias (i) was awarded concessions "**Rodoanel Norte**" (northern section of Brazil's São Paulo ring road) and **BR-135/MG** and acquired the licensee "**Rodovias Minas Gerais Goiás**" (MGO) (thereby increasing its motorway concession portfolio to a total of 850 km of roads), (ii) acquired all "minorities" relating to the subsidiaries Eco101 and Ecosul and (iii) divested 100% of Elog S.A., a logistics company.

BUSINESS OUTLOOK

The signs of pick up in traffic volumes and the efficiency policies implemented by the company - in the implementation of the regulatory framework which has stabilized and became effective as a result of the signing of the riders - should enable further consolidation of the Italian subsidiaries operating in the motorway sector results for the current year. The results for the year of the Group should also reflect, positively, the effects of management— starting from 1 March 2018 - the Piacenza-Cremona-Brescia section, of the Brazilian company in the Ecorodovias Group, as well as the effects of the agreements concerning the "Sistema Tangenziale Esterna-Brebeml".

PROPOSAL FOR ALLOCATION OF THE NET PROFIT

Regarding the allocation of the profit for the year, the proposal formulated by the Board of Directors entails the distribution of a final dividend of EUR 0.20 per share, totalling approximately EUR 45.5 million.

The total amount of the dividend for the year 2017, taking account of the distribution last November of an interim dividend of EUR 0.15 per share, comes to EUR 0.35 per share, for a total amount of around EUR 79.6 million (+9.4%).

Pursuant to the regulations issued by Borsa Italiana S.p.A., the dividend can be paid from 23 May 2018 (in such event, the shares shall be quoted ex-dividend from 21 May 2018, against detachment of coupon no. 33).

Entitlement to payment of said dividend will be determined by reference to the accounting records indicated in art. 83-quater, paragraph 3 of Italian Legislative Decree 58 of 24 February 1998, as at the end of the business day 22 May 2018 (the record date).

NOTICE OF ORDINARY SHAREHOLDERS' MEETING

[The Board of Directors, in today's meeting, resolved to convene on the Ordinary Shareholders' Meeting in **Single Call** on **19 April 2018**, to (i) approve the Separate Financial Statements as at 31 December 2017, (ii) approve the allocation of profit for the year and dividend distribution, (iii) the provisions pursuant to art. 2386 of the Italian Civil Code, and (iv) approve Section I of the Remuneration Report.

2017 CONSOLIDATED NON-FINANCIAL STATEMENT (2017 SUSTAINABILITY REPORT)

The Company's Board of Directors reviewed and approved, as part of the sustainability initiatives undertaken, the "Consolidated non-financial statement as at 31 December 2017". Approval gives a strong signal of the Board's commitment and awareness of the significance of full integrating social and environmental issues with financial issues.

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



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

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

On 15 March 2018, at 10:30 CET, the Company shall hold a Conference Call to present its economic and financial results for 2017 to the financial community. Shortly before the conference call, a presentation shall be available for download at www.grupposias.it/ in the section investor relations/presentations.

Ann.: - Separate Financial Statements
- Consolidated Financial Statements

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ALTERNATIVE PERFORMANCE MEASURES

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

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

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

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

- a) "Revenues": differs from "Total revenues" in the Consolidated Financial Statements as it does not include (i) revenue for planning and construction activities relating to non-compensated revertible assets, (ii) the toll/surcharge payable to ANAS, (iii) reversal of costs/revenues for consortia (iv) and "non-recurring" revenue items that the Company does not deem can be replicated.
- b) "Gross operating margin" (EBITDA): is the summary indicator of operating performance and is determined by subtracting from the "Total revenue" all recurring operating costs, excluding amortisation and depreciation, provisions and write-downs of intangible and tangible assets. The "Gross operating margin" does not include the balance of non-recurring items, the balance of financial items and taxes.
- c) "Reported" gross operating margin": is calculated by adding/subtracting "non-recurring" operating costs and revenue from the "gross operating margin".
- d) "Operating income": measures the profitability of total capital invested in the company and is determined by subtracting the amortisation and depreciation, provisions and write-downs of intangible and tangible assets from the "gross operating margin".
- e) "Net invested capital": shows the total amount of non-financial assets, net of non-financial liabilities.
- f) "Adjusted net financial indebtedness": is the indicator of the net invested capital portion covered by net financial liabilities and corresponds to "Current and non-current financial liabilities", net of "Current financial assets", "Insurance policies" and "Financial receivables from guaranteed minimum amounts (IFRIC 12)". Note that the "Adjusted net financial indebtedness" differs from the net financial position prepared in accordance with the ESMA recommendation of 20 March 2013, as it includes the "Present value of the amount due to ANAS – Central Insurance Fund" and "Non-current financial receivables". The adjusted net financial indebtedness statement contains an indication of the value of the net financial position prepared in accordance with the aforementioned ESMA recommendation.
- g) "Operating cash flow": is the indicator of the cash generated or absorbed by operations and was determined by adding to the profit for the year the amortisation and depreciation, the adjustment of the provision for restoration, replacement and maintenance of non-compensated revertible assets, the adjustment of the employee severance indemnity provision, the provisions for risks, the losses (profits) of companies accounted for by the equity method and the write-downs (revaluations) of financial assets, and by subtracting the capitalisation of financial charges.



SIAS S.p.A.
Separate Financial Statements
as at 31 December 2017

Balance Sheet

<i>(amounts in thousands of EUR)</i>	31 December 2017	31 December 2016
Assets		
Non-current assets		
Intangible assets	-	1
Tangible assets	4	6
Non-current financial assets		
equity investments in subsidiaries	1,700,914	1,700,059
equity investments in jointly controlled entities and associated companies	517,536	464,902
equity investments in other businesses – available for sale	57,028	64,949
receivables	1,465,931	1,395,673
other	11,135	130,309
Total non-current financial assets	3,752,544	3,755,892
Deferred tax credits	187	150
Total non-current assets	3,752,735	3,756,049
Current assets		
Inventories		
Trade receivables	3,507	2,856
Current tax credits	6,699	5,971
Other receivables	6,354	7,384
Financial receivables	127,744	203,962
Total current assets	144,304	220,173
Cash and cash equivalents	5,823	152,370
Total current assets	150,127	372,543
Total assets	3,902,862	4,128,592
Shareholders' equity and liabilities		
Shareholders' equity		
Shareholders' equity		
share capital	113,771	113,768
reserves and earnings	1,974,848	1,950,659
Total shareholders' equity	2,088,619	2,064,427
Liabilities		
Non-current liabilities		
Provisions for risks and charges and employee severance indemnity	772	12,082
Bank debt	383,296	341,094
Other financial liabilities	994,062	992,744
Deferred tax liabilities	280	126
Total non-current liabilities	1,378,410	1,346,046
Current liabilities		
Trade payables	6,662	3,985
Other payables	13,188	8,994
Bank debt	105,155	181,848
Other financial liabilities	300,388	519,611
Current tax liabilities	10,440	3,681
Total current liabilities	435,833	718,119
Total liabilities	1,814,243	2,064,165
Total shareholders' equity and liabilities	3,902,862	4,128,592

Income statement

(amounts in thousands of EUR)

	FY 2017	FY 2016
Financial income and charges		
Income from equity investments:		
from subsidiaries	95,083	99,800
from jointly controlled entities and associated companies	14,648	7,211
from other businesses	276	478
capital gains on disposal of equity investments	354	-
Total income from equity investments	110,361	107,489
Other financial income	65,928	67,487
Interest and other financial charges	(63,599)	(71,214)
Total financial income and charges (A)	112,690	103,762
Value adjustments of non-current financial assets		
Revaluations	-	-
Write-downs	(1,615)	(4,146)
Total value adjustments of financial assets (B)	(1,615)	(4,146)
Other operating income (C)	6,154	6,154
Other operating costs		
payroll costs	(1,808)	(1,027)
costs for services	(17,242)	(12,631)
costs for raw materials	(20)	-
other costs	(1,369)	(1,435)
amortisation, depreciation and write-downs	(3)	(3)
other provisions for risks and charges	-	(1,600)
Total other operating costs (D)	(20,442)	(16,696)
Profit (loss) before taxes (A+B+C+D)	96,787	89,074
Taxes		
Current taxes	1,047	-
Deferred taxes	30	(131)
Taxes related to prior years	-	54
Income from tax consolidation	-	1,750
Profit (loss) for the period	97,864	90,747

Note: To take into account the activity of SIAS S.p.A. as an "industrial holding company", we have used the format required by CONSOB Communication no. 94001437 of 23 February 1994 for that type of Company. For this reason, it differs from the one used for the SIAS Group.

Other comprehensive income

	FY 2017	FY 2016
Profit (loss) for the period (a)	97,864	90,747
Actuarial profit (loss) on employee benefits (Employee Severance Indemnity)	3	6
Tax effect on profit (loss) that will not be subsequently reclassified in the Income Statement		
Profit (loss) that will not be subsequently reclassified in the Income Statement (b)	3	6
Profit (loss) posted to "reserves for revaluation to fair value" (financial assets available for sale)	1,495	(549)
Tax effect on profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met	(147)	(65)
Profit (loss) which will be subsequently reclassified in the Income Statement when certain conditions are met (c)	1,348	(614)
Comprehensive income (a) + (b) + (c)	99,215	90,139

Cash flow statement

(amounts in thousands of EUR)

	FY 2017	FY 2016
Beginning cash and cash equivalents (a)	152,370	179,148
Business operations:		
Profit	97,864	90,747
Adjustments		
Updating Employee Severance Indemnity	13	16
Provisions	670	1,600
Other financial income/charges	(10,739)	(3,767)
Write-downs of financial assets	1,261	4,146
<i>Operating cash flow (I)</i>	<i>89,069</i>	<i>92,742</i>
Net change in deferred tax credits and liabilities	(30)	131
Change in net working capital	1,295	(380)
Other changes from operating activity	(2)	704
<i>Change in net working capital and other changes (II)</i>	<i>1,263</i>	<i>455</i>
Cash generated by operating activities (I+II) (b)	90,332	93,197
Investment activity:		
Investments in tangible and intangible assets	1	(2)
Sale of investments:		
- FNM and SINA	9,157	-
Purchase of Equity Investments:		
- TEM	(3,781)	-
- TE	(50,468)	-
- IGLI	-	(208,292)
- SALT	(855)	(45)
Cash generated (absorbed) by investment activity (c)	(45,946)	(208,339)
Financial activity:		
Change in bank debt	(31,168)	(71,183)
Change in current and non-current financial receivables	13,376	72,353
Investments in non-current financial assets	(158)	-
(Investments)/Divestiture of capitalisation policies	119,945	-
Change in financial assets held for trading	-	-
Change in other current and non-current financial liabilities	(217,840)	160,000
Dividend distribution	(75,088)	(72,806)
Cash generated (absorbed) by financial activity (d)	(190,933)	88,364
Ending cash and cash equivalents (e=a+b+c+d)	5,823	152,370



**SIAS Group
Consolidated Financial Statements
as at 31 December 2017**

Consolidated balance sheet

(amounts in thousands of EUR)

	31 December 2017	31 December 2016
Assets		
Non-current assets		
Intangible assets		
goodwill	36,414	36,414
other intangible assets	12,562	13,327
concessions – non-compensated revertible assets	2,875,433	3,099,800
Total intangible assets	2,924,409	3,149,541
Tangible assets		
property, plant, machinery and other assets	57,693	60,737
financial lease assets	2,567	2,157
Total tangible assets	60,260	62,894
Non-current financial assets		
investments accounted for by the equity method	680,251	691,042
unconsolidated investments – available for sale	93,849	101,647
receivables	117,228	159,049
other	363,755	226,648
Total non-current financial assets	1,255,083	1,178,386
Deferred tax credits	136,521	142,970
Total non-current assets	4,376,273	4,533,791
Current assets		
Inventories	23,847	22,007
Trade receivables	60,735	68,852
Current tax credits	18,202	16,884
Other receivables	37,832	34,576
Assets held for trading	-	-
Assets available for sale	-	-
Financial receivables	242,841	232,232
Total	383,457	374,551
Cash and cash equivalents	441,275	757,514
Subtotal current assets	824,732	1,132,065
Discontinued operations/Non-current assets held for sale	45,012	-
Total current assets	869,744	1,132,065
Total assets	5,246,017	5,665,856
Shareholders' equity and liabilities		
Shareholders' equity		
Shareholders' equity attributed to the parent company		
share capital	113,771	113,768
reserves and earnings	1,958,741	1,805,010
Total	2,072,512	1,918,778
Capital and reserves attributed to Non-Controlling Interests	260,512	236,402
Total shareholders' equity	2,333,024	2,155,180
Liabilities		
Non-current liabilities		
Provisions for risks and charges and Employee benefits	196,726	215,306
Trade payables	-	-
Other payables	192,804	213,336
Bank debt	860,590	927,183
Hedging derivatives	55,092	87,466
Other financial liabilities	995,405	994,233
Deferred tax liabilities	55,691	62,796
Total non-current liabilities	2,356,308	2,500,320
Current liabilities		
Trade payables	140,613	142,880
Other payables	96,745	111,187
Bank debt	257,932	350,349
Other financial liabilities	41,683	386,497
Current tax liabilities	19,712	19,443
Subtotal current liabilities	556,685	1,010,356
Liabilities directly related to Discontinued operations/Non-current assets held for sale	-	-
Total current liabilities	556,685	1,010,356
Total liabilities	2,912,993	3,510,676
Total shareholders' equity and liabilities	5,246,017	5,665,856

Consolidated income statement

<i>(amounts in thousands of EUR)</i>	FY 2017	FY 2016 Restated ^(*)
Revenues		
motorway sector – operating activities	1,123,298	1,081,205
motorway sector – planning and construction activities	190,032	175,222
construction and engineering sector	-	1,048
technology sector	44,605	38,989
other	50,145	46,756
Total revenue	1,408,080	1,343,220
Payroll costs	(164,084)	(162,658)
Costs for services	(400,364)	(362,830)
Costs for raw materials	(28,217)	(36,739)
Other costs	(123,492)	(122,109)
Capitalised costs on fixed assets	715	1,119
Amortisation, depreciation and write-downs	(328,144)	(317,653)
Adjustment of the provision for restoration, replacement and maintenance of non-compensated revertible assets	9,948	14,419
Other provisions for risks and charges	(6,052)	(2,352)
Financial income:		
from unconsolidated investments	34,639	585
other	16,562	17,444
Financial charges:		
interest expense	(78,688)	(90,595)
other	(3,638)	(4,059)
write-down of equity investments	(799)	(5,162)
Profit (loss) of companies accounted for by the equity method	14,357	2,925
Profit (loss) before taxes	350,823	275,555
Taxes		
Current taxes	(95,103)	(99,252)
Deferred taxes	5,644	5,895
Profit (loss) for the period for continued operation	261,364	182,198
<i>Profit (loss) for assets held for sale net of taxes (Discontinued Operation)</i>	516	2,183
Profit (loss) for the period	261,880	184,381
<ul style="list-style-type: none"> • portion assigned to Non-Controlling Interests (<i>Continued Operations</i>) 	23,603	22,402
<ul style="list-style-type: none"> • portion assigned to the Parent Company's Shareholders (<i>Continued Operations</i>) 	237,761	159,796
<ul style="list-style-type: none"> • portion assigned to Non-Controlling Interests (<i>Discontinued Operation</i>) 	5	22
<ul style="list-style-type: none"> • portion assigned to the Parent Company's Shareholders (<i>Discontinued Operations</i>) 	511	2,161
Earnings per share		
Earnings (euro per share) (<i>Continued Operation</i>)	1,045	0,702
Earnings (euro per share) (<i>Discontinued Operation</i>)	0,002	0,009
Diluted earnings per share diluito (euro per share) (<i>Continued Operation</i>)	0,999	0,656

Other comprehensive income

<i>(amounts in thousands of EUR)</i>	FY 2017	FY 2016 Restated ^(*)
Profit (loss) for the period (a)	261,880	184,381
Actuarial profit (loss) on employee benefits (Employee Severance Indemnity)	555	(1,446)
Actuarial profit (loss) on employee benefits (Employee Severance Indemnity) – companies accounted for by the equity method	(116)	22
Tax effect on profit (loss) that will not be subsequently reclassified in the Income Statement when certain conditions are met	(281)	372
Profit (loss) that will not be subsequently reclassified in the Income Statement (b)	158	(1,052)
Profit (loss) posted to "reserve for revaluation to fair value" (financial assets available for sale)	(2,504)	741
Profit (loss) posted to "reserve for cash flow hedge" (<i>interest rate swap</i>)	42,318	11,688
Profit (loss) posted to "reserve for cash flow hedge" (<i>foreign exchange hedge</i>)	(821)	14,963
Portion of other profit/(loss) of companies accounted for by the equity method (reserve for foreign exchange translations)	(38,490)	39,958
Tax effect on profit (loss) that will be subsequently reclassified in the Income Statement when certain conditions are met	(8,066)	(4,760)
Profit (loss) which will be subsequently reclassified in the Income Statement when certain conditions are met (c)	(7,563)	62,590
Comprehensive income (a) + (b) + (c)	254,475	245,919
<ul style="list-style-type: none"> • portion assigned to Non-Controlling Interests (<i>Continued operation</i>) 	24,116	22,433
<ul style="list-style-type: none"> • portion assigned to parent company's shareholders (<i>Continued operation</i>) 	227,006	220,821
<ul style="list-style-type: none"> • portion assigned to Non-Controlling Interests (<i>Discontinued operation</i>) 	33	27
<ul style="list-style-type: none"> • portion assigned to parent company's shareholders (<i>Discontinued operation</i>) 	3,320	2,638

^(*) The comparative data of the previous year have been restated as a result of the classification pursuant to IFRS 5 of Fiera Parking S.p.A. as at 31 December 2017 following the sale programme started in November 2017.

Consolidated cash flow statement

<i>(amounts in thousands of EUR)</i>	FY 2017	FY 2016
Beginning cash and cash equivalents	757,514	953,990
Changes to the scope of consolidation	(5,754)	(13,577)
Beginning cash and cash equivalents, adjusted (a)	751,760	940,413
Profit	261,880	184,381
Adjustments		
Amortisation and depreciation	328,144	317,847
Adjustment of the provision for restoration, replacement and maintenance of non-compensated revertible assets	(9,948)	(14,419)
Adjustment of the provision for employee severance indemnities	898	1,469
Other provisions	9,250	2,435
Other non-cash income/charges	(8,336)	-
Profit (loss) of companies accounted for by the equity method (net of dividends collected)	1,725	5,797
Other financial income/charges	(32,731)	-
(Revaluations) write-downs of financial assets	799	5,162
Other capitalised financial income/charges	(14,783)	(7,878)
Capitalisation of financial charges	(19,699)	(21,316)
<i>Operating cash flow (I)</i>	<u>517,199</u>	<u>473,478</u>
Net change in deferred tax credits and liabilities	(5,072)	(10,337)
Change in net working capital	(18,820)	(36,229)
Other changes from operating activity	(16,109)	(4,234)
<i>Change in net working capital and other changes (II)</i>	<u>(40,001)</u>	<u>(50,800)</u>
Cash generated (absorbed) by operating activity (I+II) (b)	477,198	422,678
Investments in revertible assets	(190,100)	(175,222)
Divestiture of revertible assets	5	245
Grants related to revertible assets	3,795	1,426
<i>Net investments in revertible assets (III)</i>	<u>(186,300)</u>	<u>(173,551)</u>
Investments in property, plant, machinery and other assets	(3,383)	(4,477)
Investments in intangible assets	(2,161)	(2,599)
Net divestiture of tangible and intangible assets	245	659
<i>Net investments in intangible and tangible assets (IV)</i>	<u>(5,299)</u>	<u>(6,417)</u>
(Investments)/divestiture in non-current financial assets	(14,487)	(731)
Divestiture of non-current financial assets – equity investments:		
<i>purchase of equity investments TE/TEM</i>	(54,249)	-
<i>sale of parking sector</i>	61,500	-
<i>sale of investments</i>	8,881	-
<i>Net investments in non-current financial assets (V)</i>	<u>1,645</u>	<u>(731)</u>
<i>Purchase of shares Igli S.p.A. capital increase (VI)</i>	-	(208,292)
Cash generated (absorbed) by investment activity (III+IV+V+VI) (c)	(189,954)	(388,991)
Net change in bank debt	(131,355)	(125,509)
Change in financial assets	(14,735)	9,895
(Investments)/Divestiture of capitalisation policies	(20,671)	16,768
Change in other financial liabilities (including Central Insurance Fund)	(356,183)	(15,844)
Changes in capital and reserves attributed to Non-Controlling Interests	11,403	(17,283)
Changes in shareholders' equity attributed to the Parent Company	-	-
Dividends (and interim dividends) distributed by the Parent Company	(75,088)	(72,806)
Dividends (and interim dividends) distributed by Subsidiaries to Non-Controlling Interests	(11,100)	(11,807)
Cash generated (absorbed) by financial activity (d)	(597,729)	(216,586)
Ending cash and cash equivalents (a+b+c+d)	441,275	757,514

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