EDIZIONE

2013 ANNUAL REPORT

EDIZIONE

ANNUAL REPORT AT DECEMBER 31, 2013

CONTENTS

GROUP KEY DATA

PARENT COMPANY OFFICERS

BOARD OF DIRECTORS

Gilberto Benetton	CHAIRMAN
Carlo Benetton	DEPUTY CHAIRMAN
Gianni Mion	
Giuliana Benetton	DIRECTORS
Luciano Benetton	
Alessandro Benetton	
Christian Benetton	
Sabrina Benetton	
Franca Bertagnin Benetton	
Fabio Cerchiai	
Giovanni Costa	

GENERAL MANAGER

Carlo Bertazzo

BOARD OF STATUTORY AUDITORS

Angelo Casò	CHAIRMAN
Giovanni Pietro Cunial	AUDITORS
Aldo Laghi	
Augusto Clerici Bagozzi	ALTERNATE AUDITORS
Andrea Amaduzzi	

INDEPENDENT AUDITORS

KPMG S.p.A.

GROUP STRUCTURE

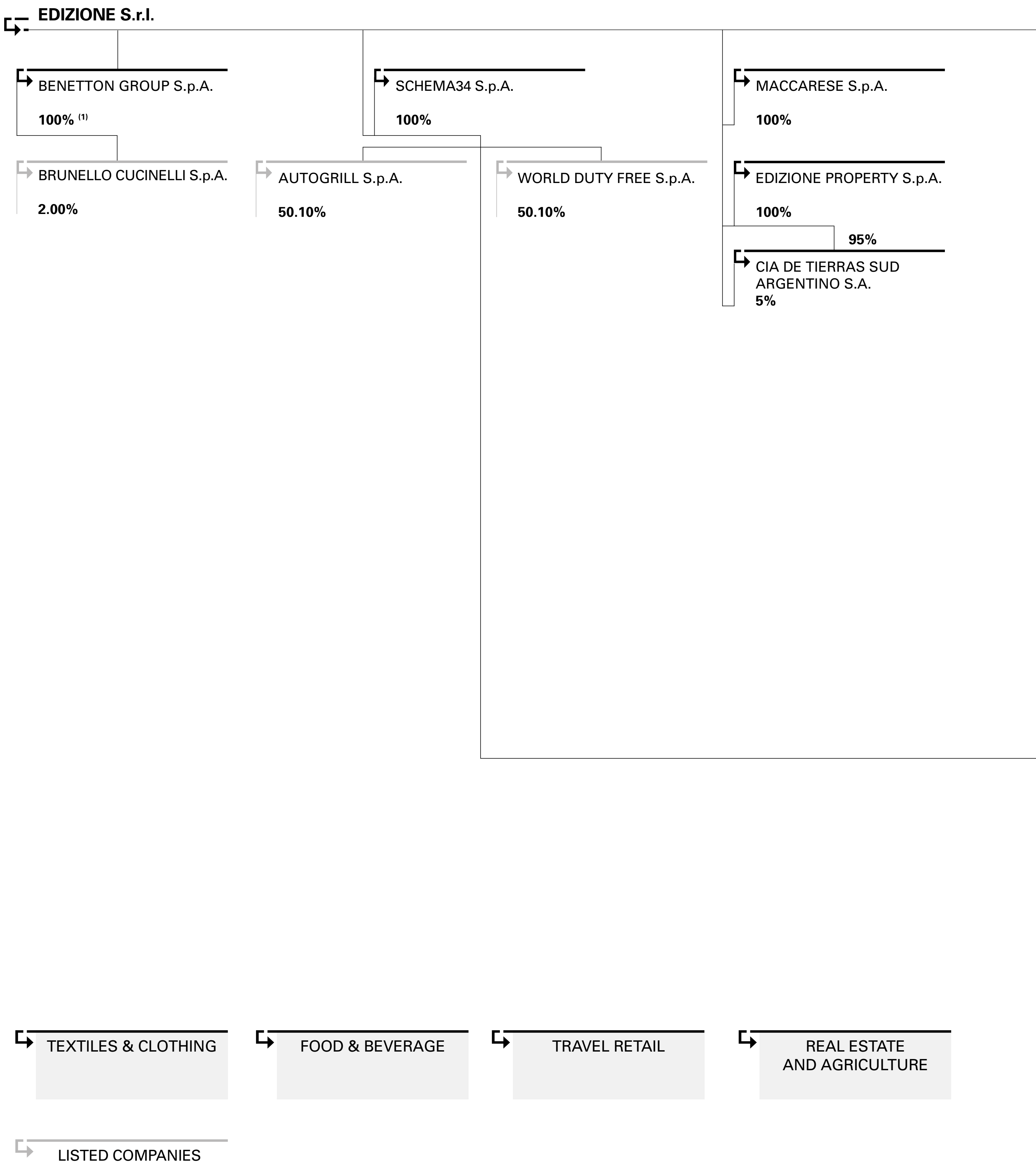
At December 31, 2013 Edizione S.r.l., a company under the full control of the Benetton family, held equity investments mainly in the following segments: Textiles & clothing, Food & beverage, Travel retail & duty free, Infrastructures & services for mobility and Real estate & agriculture.

INVESTMENT PHILOSOPHY

Edizione is an active investor that combines an entrepreneurial approach with solid financial discipline, putting finance at its companies' service in order to improve their competitive position and returns. It maintains an ongoing dialogue with the managers of its holdings, while fully respecting their autonomy.

ORGANIZATION CHART

The Group structure at December 31, 2013 was as follows:



In January 2014, Benetton Group sold its investment in Brunello Cucinelli and in March 2014 the Parent Company sold its remaining interest in RCS MediaGroup.

ASSICURAZIONI GENERALI S.p.A.
0.94%

MEDIOBANCA S.p.A.
2.16%

RCS MEDIAGROUP S.p.A.
1.07%

IL SOLE 24 ORE S.p.A.
2.00%

CALTAGIRONE EDITORE S.p.A.
2.24%

CLUB MEDITERRANEE S.A.
2.22%

GRUPPO BANCA LEONARDO S.p.A.
1.93%

PIRELLI & C. S.p.A.
1.58%
3.03%

EUROSTAZIONI S.p.A.
32.71%

GRANDI STAZIONI S.p.A.
40%

SINTONIA S.p.A.
66.40% (3)

ATLANTIA S.p.A.
45.56% (2)

AUTOSTRADE PER L'ITALIA S.p.A
100%

AEROPORTI DI ROMA S.p.A.
95.90%

OTHER

INFRASTRUCTURES AND SERVICES FOR MOBILITY

(1) Benetton Group holds 7.77% of treasury shares.
(2) Atlantia holds 1.55% of treasury shares.
(3) The other shareholders are: Goldman Sachs 9.98%, Mediobanca 5,94% and GIC 17.68%.

FINANCIAL HIGHLIGHTS

The Group's results in 2013 and 2012, stated according to the International Financial Reporting Standards (IAS/IFRS) and audited by KPMG S.p.A., are summarized below. Since December 1, 2013 the Aeroporti di Roma group has also been consolidated on a line-by-line basis.

(Millions of Euro)	2013	2012 (*)
Revenues	**12,277**	**12,355**
Ebitda (**)	3,489	3,251
Operating result	1,961	1,973
Net income, Group	**139**	**263**
Net working capital	**(832)**	**(468)**
Net assets held for sale	**17**	**18**
Intangible assets, property, plant and equipment	26,247	22,101
Non-current financial assets	927	1,529
Other non-current assets/(liabilities), net	(1,297)	(492)
Total non-current assets	**25,877**	**23,138**
Net capital employed	**25,062**	**22,688**
Shareholders' equity, Group	4,907	4,380
Non-controlling interests	6,890	4,945
Total shareholders' equity	**11,797**	**9,325**
Net financial indebtedness	**13,265**	**13,363**
Operating result/Revenues (ROS)	16.0%	16.0%
Operating result/Capital employed (ROI)	7.8%	8.7%
Net financial indebtedness/Total shareholders' equity (Gearing)	1.12	1.43
Net financial indebtedness/Ebitda	3.80	4.11

(*) Some 2012 figures have been restated as a result of the complete identification of the fair value of assets and liabilities of Atlantia's consolidated Chilean and Brazilian subsidiaries and the retroactive application of the new version of IAS 19.
(**) Calculated as Operating result plus Depreciation, amortization, impairments and provisions.

To fully appreciate the Group's results and financial situation, the variety of its business segments must be considered, as described in detail on the following pages.

DIRECTORS' REPORT

Dear Shareholders,

The Group's share of net income in 2013 comes to Euro 139 million, down from Euro 263 million the previous year. Despite the crisis that persists worldwide, the Group, thanks to its international scope and variety of business segments, reports stable revenues (-0.6%) and higher Ebitda (+7.3%).

At December 31, 2013, shareholders' equity stood at Euro 11,797 million and net financial indebtedness at Euro 13,265 million, a slight improvement on the previous year (Euro 13,363 million).

MAIN EVENTS IN 2013

The main events are described briefly below.

TEXTILES & CLOTHING

» On November 28, 2013, the board of directors of Benetton Group approved a three-year refocusing plan. The plan aims to make Benetton Group brands as competitive as possible by overhauling the corporate structure and refocusing the company's operations with that goal in mind. Starting on January 1, 2015, Benetton Group will be reconfigured through the demerger of its manufacturing activities (weaving, knitting, spinning, dyeing and sewing) and real estate holdings. Downstream from the reorganization, Edizione will directly control 100% of Benetton Group (focused on its core components: brands, merchandise, marketing, sales and retail), as well as 100% of the company that will run all manufacturing activities (with industrial platforms in the Mediterranean region) and 100% of the real estate company.

FOOD & BEVERAGE

» On October 1, 2013, the proportional partial demerger of Autogrill S.p.A. become effective; it involved the transfer in favor of World Duty Free S.p.A. of the entire share capital of World Duty Free Group SAU, the Spanish company that heads up the group's Travel retail & duty free operations. The purpose of the demerger is mainly industrial: the creation of two separate groups, focused respectively on Food & beverage and on Travel retail & duty free, will allow each of them to concentrate more closely on their own challenges and improve their results by playing on their different strengths. The move will also help the financial markets understand and thus independently evaluate each one's strategies, as well as facilitate any future mergers and acquisitions in their respective markets. On the date the demerger came into effect, World Duty Free shares were listed on the Milan Stock Exchange.

» On April 9, 2013 the Autogrill group, through the HMSHost International division, and the local Food & beverage operator, Vietnam Food & Beverage Services Company Ltd., signed an agreement to form the joint venture Autogrill VFS F&B Company, which will manage more than 80 locations in the six largest airports of Vietnam. By the end of 2014, these operations are expected to gross more than Usd 20 million per year.

» On October 4, 2013 the Autogrill group, through the HMSHost International division, signed a contract with Finnish airport operator Finavia for the management of 16 Food & beverage locations at Helsinki-Vantaa international airport. The business will be launched in two phases: the first nine locations will be opened to the public in the second half of 2014, and the remaining seven in 2016. From 2014 to 2024, the concession is expected to generate total revenues of more than Euro 200 million.

» On October 17, 2013 the Autogrill group, through the HMSHost International division, continued to expand in Northern Europe and to build its presence in the United Kingdom by winning two new concessions for Food & beverage services at the Eurotunnel stations and East Midlands Airport. Under the first agreement, eight locations will be operated for ten years, grossing an estimated Gbp 105 million in total from 2013 to 2023. The second is an eight-year contract to run seven locations, expected to generate total revenues of around Gbp 70 million for the period 2013-2021.

» On November 5, 2013 the Autogrill group won a new contract in Germany to operate Food & beverage services at Düsseldorf airport, the country's third largest for passenger traffic. Estimated revenues for the period 2014-2021 amount to Euro 60 million.

» On November 29, 2013 the Autogrill group entered the Indonesian market with three five-year contracts to manage 16 stores, 11 of them at Ngurah Rai international airport in Bali. This is a joint venture with Taurus Gemilang, a local airport Food & beverage operator. For the period 2014-2018, the concessions are expected to gross around Usd 90 million in total.

TRAVEL RETAIL

» On February 14, 2013, following the award in December 2012 of tenders for the award of concessions to manage travel retail shops at Spanish airports, World Duty Free group signed the contract with Spanish airport authority AENA to manage shops at the country's 26 airports until 2020. In accordance with the terms of the contract, Euro 280 million in rent has been paid in advance, along with a security deposit of Euro 26 million. The advance payment will be deducted from scheduled instalments over the duration of the contract.

» On June 5, 2013, a credit line granted to the World Duty Free group, by a pool of banks in July 2011, was paid back in full and a new loan was taken out, to be disbursed in four tranches for a total of Euro 1,250 million.

» On November 14, 2013, World Duty Free group won a contract to operate 11 stores at Helsinki airport. World Duty Free group will manage four duty free and duty paid stores, including two walkthroughs, which will sell beauty, liquor, tobacco and confectionery products. It will also run seven specialty boutiques, allowing the company to expand in the luxury sector.

INFRASTRUCTURES & SERVICES FOR MOBILITY

» On March 8, 2013 the boards of directors of Gemina S.p.A. and Atlantia S.p.A. approved the Plans to have Gemina merged with and into Atlantia with the following share exchange ratio: one ordinary Atlantia share with par value Euro 1 each for every nine Gemina ordinary or savings shares held.

» The new Planning Agreement of Aeroporti di Roma came into effect on March 9, 2013, along with the new fees for regulated activities. The regulatory framework approved by the Civil Aviation Authority (ENAC) has laid down a consistent set of transparent and stable regulations to be applied until the end of the concession (June 2044), which will enable private funding of the ambitious plan to modernize and expand Fiumicino airport and help raise the quality of services to meet the best standards of the major European hubs.

» On April 30, 2013 the extraordinary general meetings of Gemina and Atlantia approved the plan for the two companies' merger.

» On August 8, 2013 the extraordinary general meetings of Atlantia and Gemina approved some supplementary clauses to the merger, entailing the issuance of "Contingent value rights on 2013 Atlantia ordinary shares", to be granted free of charge to the holders of Gemina ordinary and savings shares upon the allotment of the newly issued Atlantia shares. The purpose of these instruments is to mitigate the potential negative impact on the exchange ratio, should Autostrade per l'Italia S.p.A. be definitively ordered to reimburse damages to the Environment Ministry under a case brought by the Public Prosecutor's Office in Florence.

» On November 20, 2013 the deed of merger was signed for the merger of Gemina S.p.A. with and into Atlantia S.p.A., which came into effect on December 1, 2013. The integration of Atlantia and Gemina has created a group with geographically diversified assets, combining, on the one hand, Atlantia's increasing exposure to fast-growing overseas markets (Chile and Brazil) and, on the other, traffic trends at Italy's number one airport, which is benefiting from growth in inbound traffic from emerging markets. In addition, the combination of complementary regulatory systems, those typically applied to the motorway and airport sectors, offers a more balanced growth profile. Finally, Atlantia's proven experience has strengthened Aeroporti di Roma's ability to implement the investment plan and access the capital markets, enabling it to diversify its sources of funding and expand its investor base.

» On October 22, 2013 Atlantia S.p.A. issued Euro 750 million in bonds with a duration of seven years and four months, paying an effective yield of 3.00% at maturity.

» On December 5, 2013 Aeroporti di Roma made its debut in the international capital market with a seven-year, senior unsecured bond in the amount of Euro 600 million, paying 3.28%. The issue falls under the EMTN (Euro Medium Term Notes) program approved by the company's general meeting for a total of Euro 1.5 billion, to which Standard & Poor's, Moody's and Fitch have assigned respective credit ratings of BBB+, Baa3 and BBB+.

» On December 24, 2013 the grantor and Autostrade per l'Italia signed an addendum to the Single Concession Arrangement, containing the five-yearly revision of the financial plan annexed to the Arrangement.

» The general meeting of Alitalia - CAI of October 15, 2013 approved a capital increase of up to Euro 300 million, concluded on December 20, 2013 with shares worth Euro 26 million subscribed by Atlantia. Due also to the conversion by third parties of bonds issued on an earlier date, Atlantia's holding in Alitalia - CAI was diluted from 8.85% to 7.44%.

HOLDING COMPANIES

THE PARENT COMPANY

- In the early months of 2013, Edizione sold: (i) no. 4.4 million shares of Hera (a 0.33% interest) for Euro 6.78 million; (ii) part of its interest in RCS MediaGroup, for Euro 4.9 million; and (iii) no. 2.27 million shares of Prelios, for Euro 1.72 million.
- On November 4, 2013 the members of the Pirelli & C. S.p.A. shareholders’ agreement, set to expire on April 15, 2014, dissolved their agreement by mutual consent with effect from October 31, 2013.

SINTONIA S.P.A.

- On January 15, 2013 Sintonia’s share capital was increased by Euro 221 million by its shareholder Pacific Mezz Investco S.à r.l. (a subsidiary of GIC - Government of Singapore Investment Corporation). This completed all of the capital increases approved earlier and diluted Edizione’s share to 66.40%.
- On January 21, 2013 Sintonia finalized the sale of its 24.385% interest in Sagat S.p.A., which runs Turin Caselle airport under concession, in accordance with a contract signed with F2i – Fondo Italiano per le Infrastrutture on December 21, 2012. The price was Euro 30.5 million.
- In early 2013, Sintonia purchased no. 10.2 million Atlantia shares (total investment: Euro 138 million) and no. 2 million Gemina savings shares (Euro 3.5 million) in the open market.
- The merger of Gemina S.p.A. with and into Atlantia S.p.A. took effect on December 1, 2013. As a result of the merger, Sintonia’s interest in Atlantia was reduced from 47.96% to 45.56%.

SCHEMATRENTAQUATTRO S.P.A.

- On October 1, 2013, due to the demerger of Autogrill S.p.A., the subsidiary Schematrentaquattro received no. 150,815,000 shares of World Duty Free S.p.A. (an interest of 59.28%).
- On October 24, 2013 Schematrentaquattro, through an accelerated book building procedure reserved to institutional investors, sold no. 23,360,600 ordinary shares of Autogrill S.p.A. (an interest of 9.18%) and no. 23,300,480 ordinary shares of World Duty Free S.p.A. (an interest of 9.15%) for a total of Euro 338 million. Following that transaction, Schematrentaquattro owns 50.10% of each of the two companies.
- On November 20, 2013 Schematrentaquattro issued three-year, unsecured bonds exchangeable in ordinary Pirelli & C. S.p.A. shares in the amount of Euro 200 million, underwritten by the Parent Company Edizione S.r.l. and offered solely to qualified Italian and international investors. As part of this operation, Schematrentaquattro changed its status from a limited liability company (S.r.l.) to a joint-stock company (S.p.A.) and acquired from Edizione S.r.l. no. 14,434,805 ordinary shares of Pirelli & C. S.p.A. (a 3.03% interest), at a price per share of Euro 11.0843 and thus for a total amount of approximately Euro 160 million.
  The bonds exchangeable into Pirelli shares were listed on the Vienna Stock Exchange and issued at 100% of their nominal value. They will be redeemed at par on November 29, 2016, unless they are converted, redeemed or cancelled ahead of time, as provided for in the bond regulations.

ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS

In 2013 the Edizione Group was affected by two important transactions:

» the proportional partial demerger of Autogrill S.p.A. took effect on October 1, 2013 with the transfer of the group's Travel retail & duty free operations to World Duty Free S.p.A.;

» the merger of Gemina S.p.A. with and into Atlantia S.p.A. took effect on December 1, 2013, bringing the Aeroporti di Roma group inside the scope of consolidation.

The Group's key results in 2013 and 2012 are as follows:

(Millions of Euro)	2013	%	2012 (*)	%
Revenues	**12,277**	**100.0**	**12,355**	**100.0**
Materials and subcontracted work	(3,800)	(31.0)	(4,135)	(33.5)
Payroll costs	(2,509)	(20.4)	(2,509)	(20.3)
Other costs and general expenses, net	(2,479)	(20.2)	(2,460)	(19.9)
Ebitda (**)	**3,489**	**28.4**	**3,251**	**26.3**
Depreciation, amortization, impairments and provisions	(1,528)	(12.4)	(1,278)	(10.3)
Operating result (Ebit)	**1,961**	**16.0**	**1,973**	**16.0**
Net financial income/(charges)	(891)	(7.3)	(896)	(7.3)
Income/(losses) from equity investments	220	1.8	154	1.2
Income/(charges) from currency hedges and exchange differences	5	–	17	0.1
Income before taxes and non-controlling interests	**1,295**	**10.5**	**1,248**	**10.1**
Income taxes	(522)	(4.2)	(407)	(3.3)
Profit/(loss) from continuing operations	**773**	**6.3**	**841**	**6.8**
Profit/(loss) from assets held for sale and discontinued operations	1	–	12	0.1
Non-controlling interests	(635)	(5.2)	(590)	(4.8)
Net income, Group	**139**	**1.1**	**263**	**2.1**

Cash flow (***)	2,303	2,131
ROE Return on Equity	2.8%	6.0%
ROI Return on Investments	7.8%	8.7%

(*) Some 2012 figures have been restated as a result of the complete identification of the fair value of assets and liabilities of Atlantia's consolidated Chilean and Brazilian subsidiaries and the retroactive application of the new version of IAS 19.
(**) Calculated as Operating result plus Depreciation, amortization, impairments and provisions.
(***) Calculated as Net income including non-controlling interests plus Depreciation, amortization, impairments and provisions.

Consolidated Revenues decreased by Euro 78 million (-0.6%), with contrasting performance among business segments and geographical regions.
Due to the ongoing recession, the decline in revenues in Italy (-2.7%) concerns all four of the Group's main businesses, while in the rest of the European Union sales showed a slight increase (+0.6%).
As for the various business segments, Food & beverage revenues decreased by Euro 139 million, although the trend was partially offset by growth of Euro 76 million in Travel retail. Infrastructures & services for mobility saw revenue growth of Euro 193 million, thanks mainly to the full-year consolidation of the motorway operators acquired in 2012 in Chile and Brazil, and to the contribution for the month of December by the Aeroporti di Roma group.

The following table shows revenues by geographical area:

(Millions of Euro)	2013	%	2012	%
Italy	5,786	47.1	5,948	48.1
Rest of Europe	3,162	25.8	3,143	25.4
Americas	2,562	20.9	2,629	21.3
Rest of the world	767	6.2	635	5.2
Total	**12,277**	**100.0**	**12,355**	**100.0**

Revenues are broken down below by business segment (net of intercompany sales):

(Millions of Euro)	2013	%	2012	%
Food & beverage	4,546	37.0	4,685	37.9
Travel retail	2,078	16.9	2,002	16.2
Infrastructures & services for mobility	4,008	32.6	3,815	30.9
Textiles and clothing	1,602	13.0	1,810	14.7
Others	43	0.5	43	0.3
Total	**12,277**	**100.0**	**12,355**	**100.0**

Ebitda increased by Euro 238 million, due primarily to the capital gains realized by Benetton on the sale of properties and the different scope of consolidation of Atlantia.

The Operating result (Ebit) was essentially stable (-0.6%) despite the growth in Ebitda, reflecting higher provisions and impairment losses, mostly of a non-recurring nature.
See below for a detailed description of performance by the Group's four main business segments.

Net financial income /(charges) came to Euro 891 million in 2013, in line with 2012.

In 2013 Income/(losses) from equity investments shows a positive balance of Euro 220 million (Euro 154 million in 2012) thanks mainly to the recognition by Sintonia S.p.A., on the basis of international accounting standards, of a Euro 238 million revaluation of its existing investment in Gemina S.p.A., which is now a controlling investment due to the merger with Atlantia.

Income taxes for the year increased by Euro 115 million in 2013 because of the Atlantia group's rise in taxable income and because of the IRES refund received in 2012, due to the retroactive deduction of IRAP pertaining to personnel expense.

With Ebit unchanged and despite the rise in Income from equity investments, the increased tax burden brought the Profit from continuing operations to Euro 773 million, a reduction of 8.1% with respect to 2012.

The Group's share of net income amounts to Euro 139 million, down from Euro 263 million the previous year.

Financial situation

The Group's main financial figures at December 31, 2013 and 2012, duly restated, are as follows:

(Millions of Euro)	12.31.2013	%	12.31.2012 (*)	%
Net working capital:				
– inventories	744	3.0	741	3.3
– receivables, accrued income and prepaid expenses	2,352	9.4	2,528	11.1
– payables, accrued expenses and prepaid income	(3,928)	(15.7)	(3,737)	(16.5)
Net working capital	**(832)**	**(3.3)**	**(468)**	**(2.1)**
Net assets held for sale	**17**	**0.1**	**18**	**0.1**
Non-current assets:				
– intangible assets	7,537	30.1	7,718	34.0
– concession rights, net	16,466	65.7	11,845	52.2
– property, plant and equipment	2,244	9.0	2,538	11.2
– non-current financial assets	927	3.7	1,529	6.7
– other non-current assets/(liabilities), net	(1,297)	(5.2)	(492)	(2.2)
Non-current assets	**25,877**	**103.2**	**23,138**	**102.0**
Net capital employed	**25,062**	**100.0**	**22,688**	**100.0**
– Shareholders' equity, Group	4,907	19.6	4,380	19.3
– Non-controlling interests	6,890	27.5	4,945	21.8
Total shareholders' equity	11,797	47.1	9,325	41.1
Net financial indebtedness	13,265	52.9	13,363	58.9
Sources of funding	**25,062**	**100.0**	**22,688**	**100.0**

(*) Some 2012 figures have been restated as a result of the complete identification of the fair value of assets and liabilities of Atlantia's consolidated Chilean and Brazilian subsidiaries and the retroactive application of the new version of IAS 19.

Most of the increase in Net capital employed stems from the fair value recognition of the intangible assets contributed by the companies in the former Gemina group and now consolidated by Atlantia (Euro 5,104 million), consisting mainly of the Concession rights of Aeroporti di Roma.
The recognition of Concession rights also generated deferred tax liabilities of Euro 1,181 million, which has significantly affected Other non-current assets/(liabilities), net at December 31, 2013.

Net financial indebtedness is slightly improved with respect to 2012. The increase in debt from the consolidation of the Aeroporti di Roma group (Euro 843 million) was offset by the reduction in debt by the Benetton group, the Parent Company and Sintonia S.p.A.

Net financial indebtedness, including the fair value measurement of hedging instruments, is broken down below:

(Millions of Euro)	12.31.2013	12.31.2012
Edizione S.r.l.	(35)	(441)
Schematrentaquattro S.p.A.	(84)	-
Benetton group	(286)	(623)
Autogrill group	(673)	(933)
World Duty Free group	(1,027)	(562)
Other companies	(13)	(13)
Total Retail businesses	**(2,118)**	**(2,572)**
Sintonia S.p.A.	(378)	(682)
Atlantia group	(10,769)	(10,109)
Total Infrastructure businesses	**(11,147)**	**(10,791)**
Net financial indebtedness	**(13,265)**	**(13,363)**

OTHER INFORMATION

At the reporting date, the Parent Company did not hold own quotas and its subsidiaries did not own shares or quotas of the Parent or their respective controlling companies, either directly or through trust companies or intermediaries, nor had the Parent Company or its subsidiaries ever purchased or sold any such shares or quotas.

SIGNIFICANT EVENTS FOLLOWING THE END OF THE FINANCIAL YEAR

TEXTILES & CLOTHING

» In early 2014 the initial corporate and managerial steps were taken with a view to separating the group’s three areas of business.
» On January 21, 2014 the Benetton group sold its 2% interest in Brunello Cucinelli S.p.A. for Euro 29.6 million, realizing a capital gain of about Euro 19 million.

FOOD & BEVERAGE

» On January 16, 2014 Autogrill, through its North American division HMSHost, won a new contract to operate Food & beverage services at 25 stores inside Fort Lauderdale-Hollywood International Airport in Florida. Estimated revenues from the concession amount to Usd 1.2 billion over the period 2014-2032.
» On January 23, 2014 Autogrill signed an agreement with Rosneft, a leading Russian oil & gas company, to develop the Acafè brand under franchise at seven new service stations along the main traffic arteries connecting the city of Sochi to the airport, the Olympic Village and Krasna Poljana.
» On February 5, 2014 the Autogrill group, through the HMSHost International division, signed an early renewal of its concession at Copenhagen international airport, where it will operate Food & beverage services for an additional five years. Total revenues are expected to top Euro 80 million for the period 2014-2020.
» On March 5, 2014 Autogrill, through the HMSHost International division, debuted at Abu Dhabi international airport (the second largest in the United Arab Emirates for passenger traffic and the hub of the national airline, Etihad) by winning a contract for Food & beverage operations. For the period 2014-2019, the six locations are expected to gross approximately Euro 20 million overall.
» In the first quarter of 2014 Autogrill was notified that it had been awarded 21 Food & beverage sub-concessions along motorways operated by Autostrade per l’Italia, worth a total of Euro 2.1 billion and with a weighted average duration of 14.3 years.

INFRASTRUCTURES & SERVICES FOR MOBILITY

» With a letter of March 20, 2014 the French Ministry of Transport notified Ecomouv’ that, according to the government, sufficient reasons existed that warranted the termination of the contract, due to a more than six-month delay, from the original deadline of July 20, 2013, in delivering the satellite-based tolling system for heavy vehicles weighing over 3.5 tonnes on approximately 15,000 km of French motorways. Supported by legal advisors, with a letter of March 21, 2014, Ecomouv’ rejected in full the legitimacy of the claims brought forth by the Ministry of Transport and reserved the right to submit its own observations within the allotted time and to take all legal action necessary to protect its rights. In light of the above, the company and its legal advisors are engaged in drawing up an action plan which could include court action, to protect the company’s rights in the event that the negotiations currently underway with the French Ministry of Transport fail to result in the signature of a memorandum of understanding that protects the legitimate interests of Ecomouv'.
» On February 18, 2014 Moody’s upgraded the outlook for Atlantia and Autostrade per l’Italia to stable, confirming a Baa1 rating, following its decision on February 14 to upgrade the outlook on Italy’s sovereign rating of Baa2 to stable from negative. On the same date, Moody’s also confirmed its Baa3 rating for the unsecured debt of Aeroporti di Roma, raising the outlook from stable to positive.
» On March 12, 2014 Atlantia announced the official launch of the Santiago Centro Oriente plan agreed between the concession grantor and the operator, Costanera Norte. Under the plan, the road will be improved at seven different points in order to eliminate the main bottlenecks caused by the growth of traffic in recent years. The total cost of the works is estimated at Euro 320 million, the reimbursement of which is guaranteed in the agreement, in part through the installation of new toll portals.

- On May 12, 2014 Atlantia announced that it had reached an agreement with Abertis for the sale of 100% of TowerCo S.p.A. for Euro 94.6 million. TowerCo manages 306 host sites for the antennas and other equipment of commercial operators (mobile phone companies and radio/TV broadcasters) and institutions (law enforcement, Isoradio and traffic monitoring systems). The sale will produce an estimated capital gain of about Euro 70 million for the Atlantia group.
- On May 13, 2014, Standard & Poor's confirmed its BBB+ rating and revised its outlook from negative to stable for Atlantia, Autostrade per l'Italia and Aeroporti di Roma.

HOLDING COMPANIES

THE PARENT COMPANY

- In March 2014, Edizione completed the sale of its remaining 1.07% interest in RCS MediaGroup S.p.A. The shares were sold in the open market at an average price of Euro 1.60 each, for a total intake of Euro 7.25 million and a capital loss of Euro 24.4 million, recognized as an impairment loss in the financial statements at December 31, 2013.
- On February 10, 2014 the City of Venice issued an exceptional building permit for the expansion, change of use and renovation of the property complex "Fondaco dei Tedeschi". The Italia Nostra non-profit association, which on July 16, 2013 had filed an initial complaint with the Veneto Regional Administrative Court (TAR) against decisions paving the way for issuance of the building permit, on April 23, 2014 filed another complaint with the TAR against the City of Venice, the Ministry of Heritage and Cultural Activities, and Edizione, asking for the building permit and related acts to be suspended and ultimately revoked. At the hearing of May 21, 2014 Italia Nostra dropped its complaint.

SINTONIA S.P.A.

- On March 20, 2014 Sintonia took out a Euro 400 million credit line to refinance debt falling due in October 2014. The credit line, offered by a group of banks from the existing financing syndicate, comes with terms and conditions equivalent to those of the expiring loan and will mature in June 2015.

OUTLOOK FOR 2014

TEXTILES & CLOTHING

Although the Benetton group faces obvious challenges due to the weakness of the global markets and the risks and difficulties associated with its fledgling process of transformation, the steps it has taken have laid the foundations for structural growth that will make it more competitive, profitable and focused. Revenues are expected to be stable in 2014. The year will also see the gradual unfurling of all the measures planned for the group reorganization according to the strategies described above, the goal being to conclude the process by the end of December and allow the three entities resulting from the demerger to begin operating independently as from January 2015.

FOOD & BEVERAGE

Sales as of week 18 (until May 4, 2014) are in line with the same period last year (-4.4% at current exchange rates); excluding revenues by the US Retail branch that was sold in 2013, they show an increase of 3.7% (-0.8% at constant exchange rates). In 2014 the Autogrill group expects to gross about Euro 3,860 million compared with Euro 3,985 million in 2013, which includes an estimated exchange rate effect of Euro 60 million in lower sales. The 2013 figure included Usd 135 million in sales for the first nine months by the US Retail branch, which was sold to the World Duty Free group in September 2013.

TRAVEL RETAIL

In the first 17 weeks of 2014 (until April 27, 2014), revenues were up by 12.9% on the previous year (+12.6% at constant exchange rates) and showed a positive trend at constant exchange rates in all regions. Excluding sales by the recently acquired US Retail operations, revenue growth comes to +4.9% (+4.7% at constant exchange rates).

INFRASTRUCTURES & SERVICES FOR MOBILITY

Although the macroeconomic situation in Italy remains weak, motorway and airport traffic in the first few months of 2014 show signs of stabilizing.
The operating performance of foreign motorway locations should benefit from an increase in traffic, especially in South America, although their contribution to the Group’s results may be held back by currency trends.
Performance in 2014 will also be boosted by the full-year contribution of Aeroporti di Roma (in 2013 consolidated from December 1 only), which may however be affected by changes in the operating conditions of its main carrier, Alitalia.

PERFORMANCE BY BUSINESS SEGMENT

At December 31, 2013 the Edizione Group operated in the following business segments:

» Textiles & clothing
» Food & beverage
» Travel retail
» Infrastructures & services for mobility

which are headed up, respectively, by Benetton Group S.p.A., Autogrill S.p.A., World Duty Free S.p.A. and Sintonia S.p.A. (which holds the stake in Atlantia S.p.A.).

The Group is also active in the real estate and agriculture industries, with holdings other than those owned by the above companies.

The performance of the main held investments is discussed below by business segment.

The 2013 and 2012 results for the Benetton, Autogrill, World Duty Free and Atlantia groups are stated in accordance with the international financial reporting standards (IAS/IFRS) in effect as of the reporting date. The results of the other companies, discussed hereafter, have been drawn from the financial statements prepared according to local GAAP.

TEXTILES & CLOTHING

TEXTILES & CLOTHING

Benetton Group S.p.A. (controlling interest at December 31, 2013: 100%)

Consolidated economic and financial highlights of Benetton group in 2013 and 2012 are as follows:

(Millions of Euro)	2013	%	2012	%
Revenues	**1,602**	**100.0**	**1,820**	**100.0**
Cost of sales	(948)	(59.2)	(1,050)	(57.7)
Gross operating profit	**654**	**40.8**	**770**	**42.3**
Sales and general expenses	(613)	(38.3)	(581)	(31.9)
Capital gains on disposal of fixed assets	205	12.8	18	1.0
Provisions for risks and charges	(150)	(9.4)	(40)	(2.2)
Depreciation and amortization	(85)	(5.3)	(89)	(4.9)
Impairments	(162)	(10.1)	(19)	(1.0)
Operating result	**(151)**	**(9.4)**	**59**	**3.2**
Net financial charges	(29)	(1.8)	(31)	(1.7)
Net foreign currency hedging gains/(losses) and exchange differences	2	0.1	6	0.4
Income before taxes and non-controlling interests	**(172)**	**(10.7)**	**34**	**1.9**
Income taxes	(25)	(1.6)	(15)	(0.8)
Non-controlling interests	(2)	(0.1)	5	0.2
Net income, group	**(199)**	**(12.4)**	**24**	**1.3**

Cash flow from operating activities	94		77	
Investments for the year, gross	87		154	
Capital employed	1,573		2,137	
Shareholders' equity	1,287		1,514	
Net financial indebtedness	286		623	
Net financial indebtedness/Ebitda (*)	2.60		3.44	

(*) Ebitda calculated as Operating result net of Depreciation and amortization, and Impairments.

Revenues

The Benetton group earned net revenues of Euro 1,602 million, compared with Euro 1,820 million in 2012 (-11.9% at current exchange rates and -10.4% at constant exchange rates). The significant decrease, of Euro 218 million, is the combined result of:

» the economic climate, which made it very difficult for commercial partners to operate in the main markets served by the Benetton group (primarily Italy and the Mediterranean region);

» the decision to align deliveries of the spring/summer 2014 collections with the needs of individual stores, in order to improve service to the distribution network;

» the negative impact of certain foreign currency trends.

Revenues by geographical area are as follows:

(Millions of Euro)	2013	%	2012	%	Change
Italy	617	38.5	729	40.1	(112)
Rest of Europe	596	37.2	665	36.5	(69)
Asia	308	19.2	327	18.0	(19)
Americas	65	4.1	81	4.5	(16)
Rest of the world	16	1.0	18	0.9	(2)
Total	**1,602**	**100.0**	**1,820**	**100.0**	**(218)**

Operating margins

The gross operating profit came to Euro 654 million or 40.8% of revenues, compared with 42.3% the previous year.

The operating result was a negative Euro 151 million (positive Euro 59 million in 2012), resulting from:

» an increase in sales and general expenses, due especially to the relative increase of the direct distribution channel and extraordinary mobility costs, leaving incentives, and other expenses for store closures under the current restructuring plan (Euro 23 million);
» capital gains of more than Euro 200 million for the sale of two commercial buildings in Rome and Tokyo;
» an increase of about Euro 110 million in provisions for doubtful accounts, due to the difficult economy in the main areas covered by the Benetton group and the rearrangement of the distribution network, through the selection and reduction of points of sale and the gradual closure of those no longer considered strategic or profitable;
» the impairment of fixed assets such as goodwill, key money, furniture and fittings, concepts, leasehold improvements, and real estate for Euro 162 million, in light of the selection and redefinition of markets and points of sale for the Benetton group's direct and indirect distribution network. The extent of impairment losses also reflects the decision to split operations into three distinct entities, which for the first time required fixed assets to be valued separately as part of their respective businesses.

Net financial charges of Euro 29 million were essentially in line with the previous year. The rise in financial charges due to the increased cost of debt was offset by the reduction in average indebtedness and by the time value component of exchange rate hedging transactions.

The group's share of net income in 2013 was a loss of Euro 199 million, compared with a profit of Euro 24 million in 2012, due to the non-recurring items mentioned above.

Investments

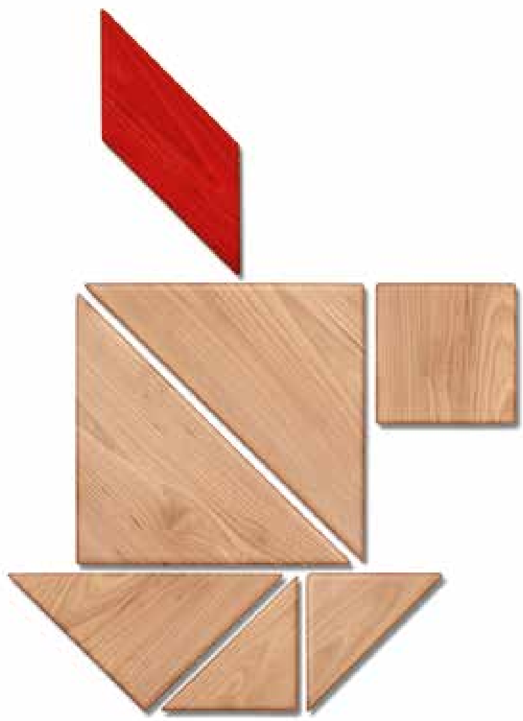
Gross operating investments in 2013 amounted to Euro 87 million and principally concerned:

» the markets where the group intends to focus its business strategy, including Italy, Spain, Poland, Germany and Turkey, where investments have gone toward developing the direct distribution network and upgrading and expanding existing stores;
» the development of the production center in Serbia and the acquisition of an industrial building in Croatia;
» information technology systems, referring largely to the internal development and implementation of software to support business processes.

Net financial indebtedness

At the end of 2013 the Benetton group had financial debt of Euro 286 million, down from Euro 623 million at December 31, 2012, a decrease of Euro 337 million due especially to the non-recurring cash flow from the sale of two buildings as mentioned above.

FOOD & BEVERAGE



FOOD & BEVERAGE

Autogrill S.p.A. (controlling interest at December 31, 2013: 50.10%)
Key figures for the Autogrill group in 2013 and 2012 are shown below.
As a result of the demerger of Autogrill S.p.A. to World Duty Free S.p.A. with effect from October 1, 2013, the net result of the Travel retail & duty free business for the first nine months of the year is shown on a single line of the consolidated income statement (Profit from discontinued operations); therefore, the Profit from continuing operations refers to the Food & beverage segment only.

(Millions of Euro)	2013	%	2012	%
Revenues	3,985	100.0	4,076	100.0
Fuel sales	561	14.1	609	14.9
Other operating income	128	3.2	105	2.6
Total revenues and income	**4,674**	**117.3**	**4,789**	**117.5**
Cost of raw materials and goods	(1,874)	(47.0)	(1,955)	(48.0)
Rents, concessions and royalties	(678)	(17.0)	(680)	(16.7)
Payroll costs	(1,318)	(33.1)	(1,332)	(32.7)
Other operating costs	(490)	(12.3)	(496)	(12.2)
Ebitda	**314**	**7.9**	**327**	**8.0**
Depreciation and amortization	(210)	(5.3)	(201)	(4.9)
Impairment losses on property, plant and equipment and intangible assets	(16)	(0.4)	(24)	(0.6)
Ebit	**88**	**2.2**	**102**	**2.5**
Net financial expenses and impairment losses on financial assets	(53)	(1.3)	(73)	(1.8)
Income before taxes and non-controlling interests	**35**	**0.9**	**29**	**0.7**
Income taxes	(27)	(0.7)	(22)	(0.5)
Profit/(loss) from continuing operations	**8**	**0.2**	**7**	**0.2**
Profit/(loss) from discontinued operations (demerger)	91	2.3	103	2.5
Non-controlling interests	(12)	(0.3)	(13)	(0.3)
Net income, group	**88**	**2.2**	**97**	**2.4**

Cash flow from operating activities	148	231
Investments, net	163	253
Capital employed	1,118	1,149
Shareholders' equity	445	216
Net financial indebtedness	673	933
Net financial indebtedness/Ebitda	2.14	2.85

Revenues

The Autogrill group closed the year with a 2.2% decrease in revenues (-0.3% at constant exchange rates). Sales by channel were as follows:

(Millions of Euro)	2013	%	2012	%	Change
Airports	1,990	49.9	2,021	49.6	(31)
Motorways	1,630	40.9	1,666	40.9	(36)
Other	365	9.2	389	9.5	(24)
Total	**3,985**	**100.0**	**4,076**	**100.0**	**(91)**

The positive trend in passenger traffic sustained the strong performance of the airport channel, where revenues increased by 1.5% (at constant exchange rates) on a like-for-like basis. The decrease of Euro 31 million with respect to 2012, in fact, is due exclusively to the sale of the North American airport retail division to the World Duty Free group and to Autogrill's exit from some locations in the United States. The overall growth in this channel and at railway stations offset much of the weakness at motorway locations and the decline in sales in the other channels (high streets, trade fairs and shopping centers), where a number of closures took place.

Sales are broken down below by geographical area:

(Millions of Euro)	2013	%	2012	%	Change
Italy	1,154	29.0	1,228	30.1	(74)
Rest of Europe	753	18.9	723	17.7	30
North America and Pacific	2,078	52.1	2,125	52.2	(47)
Total	**3,985**	**100.0**	**4,076**	**100.0**	**(91)**

In Italy, revenues fell by 6% due to the poor economy, which held back travel and discretionary spending.

In the Rest of Europe there was an increase of 4.2%, thanks to the positive contribution of Belgium, Germany and Great Britain.

On a comparable basis, revenues at US airports rose by 8.9% on the strength of increased traffic, which led to a greater number of transactions and a higher average purchase per customer. At motorway locations, revenues grew by 1.7% (against a 0.2% decrease in traffic) due to the lapse of the Maryland Turnpike contract, only partially offset by openings on the Ontario Turnpike in Canada. On a comparable basis, motorway revenues in the US increased by 7.2%.

Operating margins

In 2013 Autogrill reported consolidated Ebitda of Euro 314 million, a decrease of 4.1% (-1.9% at constant exchange rates) compared with 2012 Ebitda of Euro 327 million. The change stems mainly from the rigidity of fixed costs for rent and labor, in the face of declining sales in Europe.

In 2013 the Profit from continuing operations (Food & beverage only) came to Euro 8 million, showing little change on the previous year's Euro 7 million; the decline in operating performance and the higher tax charge were more than offset by the reduction in financial expense.

The group's share of net income is not directly comparable with the previous year's, as it includes the contribution of the Travel retail & duty free business, demerged as from October 1, 2013.

Investments

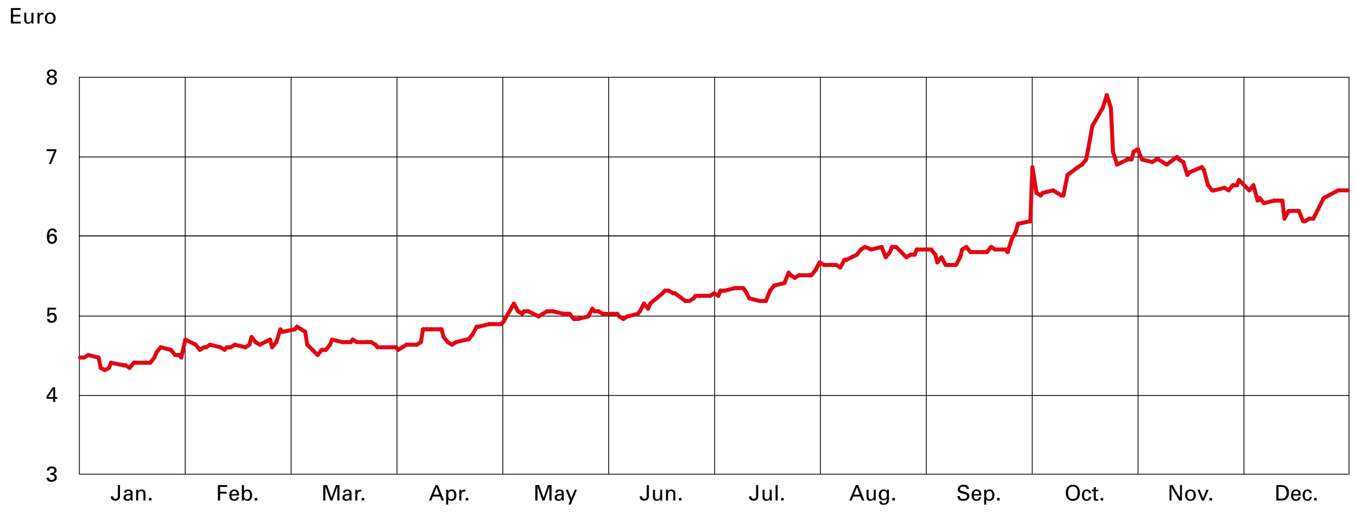
Net investments in 2013, mostly concerning the airport channel, amounted to Euro 163 million (Euro 253 million in 2012). The decrease reflects the high concentration of investments in 2012, due to the acquisition of several new contracts at US airports.

Net financial indebtedness

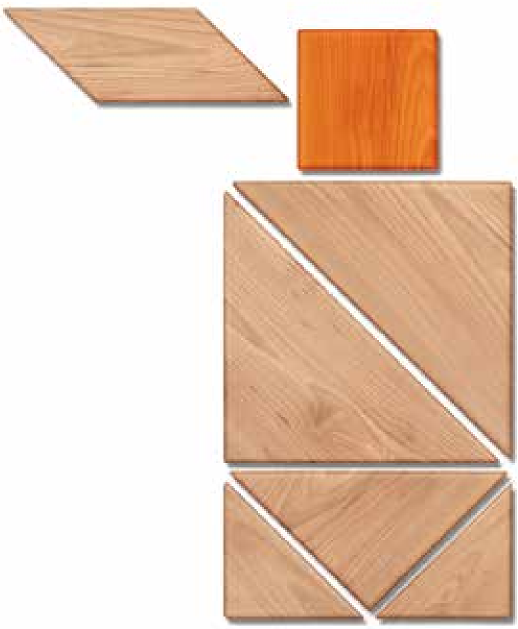
Net financial indebtedness decreased from Euro 933 million to Euro 673 million due to the receipt of an extraordinary dividend of Euro 220 million (paid by World Duty Free Group SAU to Autogrill S.p.A. in relation to the demerger) and to the sale of the US travel retail operations to the World Duty Free group for Euro 74.1 million. Net cash flow from operating activities was completely absorbed by capital expenditure.

Autogrill share performance in 2013

The demerger of the Travel retail & duty free business, in effect since October 1, 2013, was beneficial to the stock's performance (+54%).



TRAVEL RETAIL



TRAVEL RETAIL

World Duty Free S.p.A. (controlling interest at December 31, 2013: 50.10%)

Key figures for the World Duty Free group in 2013 and 2012 are shown below.

Note that all current-year figures refer to the 12 months ended December 31, 2013, regardless of the demerger of Autogrill S.p.A. to World Duty Free S.p.A., which took effect on October 1, 2013. Comparative figures for the previous year refer to the 12 months ended December 31, 2012 for retail operations only, drawn from the 2012 consolidated financial statements of Autogrill S.p.A.

(Millions of Euro)	2013	%	2012	%
Revenues	2,078	100.0	2,002	100.0
Other operating income	26	1.3	27	1.3
Total revenues and income	**2,104**	**101.3**	**2,029**	**101.3**
Cost of raw materials and goods	(847)	(40.8)	(820)	(41.0)
Rents, concessions and royalties	(657)	(31.6)	(616)	(30.8)
Payroll costs	(221)	(10.6)	(206)	(10.3)
Other operating costs	(124)	(6.0)	(125)	(6.2)
Ebitda	**255**	**12.3**	**262**	**13.1**
Amortization, depreciation and impairment	(91)	(4.4)	(112)	(5.6)
Ebit	**164**	**7.9**	**150**	**7.5**
Net financial expenses and impairment losses on financial assets	(33)	(1.6)	(17)	(0.8)
Income before taxes and non-controlling interests	**131**	**6.3**	**133**	**6.6**
Income taxes	(20)	(1.0)	(30)	(1.5)
Profit/(loss) from continuing operations	**111**	**5.3**	**103**	**5.1**
Non-controlling interests	5	0.2	2	0.1
Net income, group	**106**	**5.1**	**101**	**5.0**

Cash flow from operating activities	166 (*)	190
Investments, net	63	28
Capital employed	1,446	1,160
Shareholders' equity	419	598
Net financial indebtedness	1,027	562
Net financial indebtedness/Ebitda	4.02	2.14

(*) Excluding advance payment to AENA in the amount of Euro 261.9 million.

Revenues

The World Duty Free group closed 2013 with consolidated revenues of Euro 2,078 million, an increase of 3.8% on the previous year (+7.1% at constant exchange rates).

Revenues in the airport channel came to Euro 2,033 million, or 97.8% of revenues for 2013. Changes in the product mix demonstrate a growing focus on beauty products, which grossed Euro 901 million and increased as a percentage of airport sales (45.3% of total revenues in 2013, up from 44.3% in 2012). Sales of spirits made up 18.3% and food products 11.6% of total sales, both on the rise with respect to 2012.

Sales are broken down below by geographical area:

(Millions of Euro)	2013	%	2012	%	Change
UK	976	47.0	962	48.0	14
Rest of Europe	620	29.8	597	29.8	23
Americas	322	15.5	281	14.1	41
Asia and Middle East	160	7.7	162	8.1	(2)
Total	**2,078**	**100.0**	**2,002**	**100.0**	**76**

At airports in the United Kingdom revenues climbed to Euro 976 million (+1.4%, or +6.2% at constant exchange rates), thanks to a 3.6% increase in traffic and a rise in average purchase per passenger.

The 4% increase in the Rest of Europe reflects the contribution of new shops at Düsseldorf airport in Germany, which more than offset the decline at Spanish airports (-4.1%), caused by a 3.5% reduction in traffic and the closure of various boutiques.

In the Americas, revenues came to Euro 322 million, rising by 14.8% (+19.4% at constant exchange rates) with respect to 2012. The US Retail division (acquired by the Autogrill group on September 6, 2013) contributed Euro 45 million. Excluding that amount, revenue growth in the Americas stands at 2.8% at constant exchange rates.

In Asia and the Middle East, revenues of Euro 160 million were down by 1.6% (+2.6% at constant exchange rates) with respect to 2012.

Operating margins

In 2013 Ebitda amounted to Euro 255 million, compared with Euro 262 million in 2012, for a decrease of 2.9% (+0.6% at constant exchange rates). The trend is due mainly to higher rent as a result of contract renewals at Spanish airports.

The group's share of net income was Euro 105.8 million, up from Euro 100.7 million in 2012.

Investments

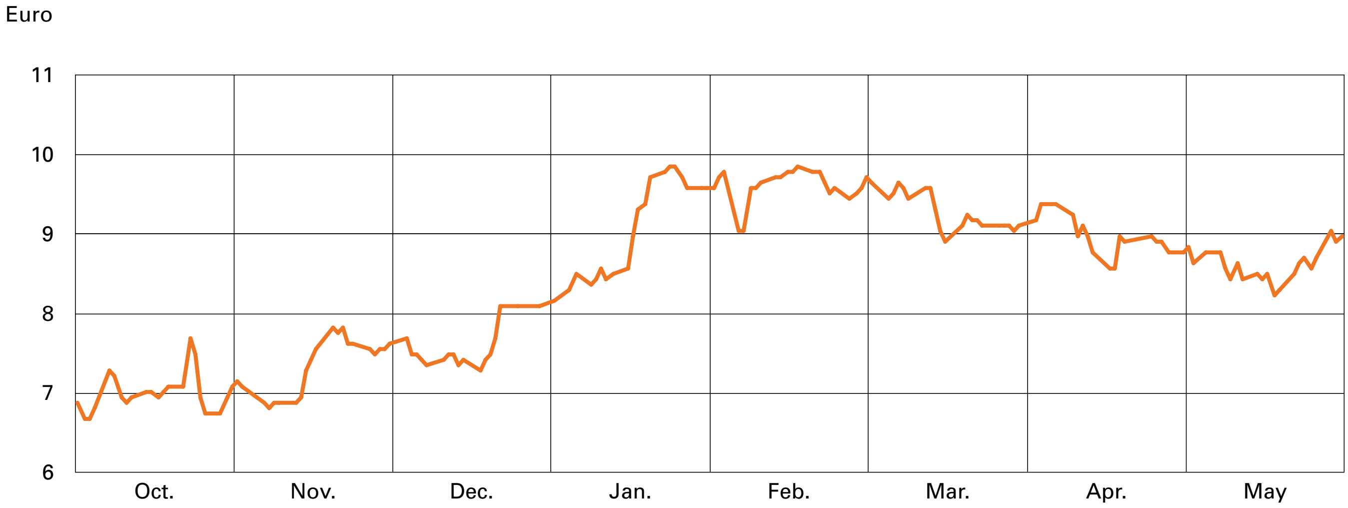
Net investments came to Euro 63.4 million, up from Euro 28.4 million in 2012, and rose from 1.4% to 3.1% of revenues. Most expenditure took place at European airports, for a total of Euro 53.4 million.

Net financial indebtedness

Net financial indebtedness at December 31, 2013 came to Euro 1,027 million and was influenced by three significant events: i) for Euro 262 million, advance payment of a portion of concession fees to AENA, and for Euro 27 million payment of the security deposit to AENA, in accordance with the contract signed in February 2013; ii) for Euro 220 million, dividends paid to Autogrill S.p.A.; iii) for Euro 80 million, acquisition of the US Retail division by HMSHost (a company of the Autogrill group). Cash flow from operating activities (excluding the advance payment and security deposit to AENA) came to Euro 166 million.

World Duty Free share performance (October 2013-May 2014)

From its market debut on October 1, 2013 until May 2014, World Duty Free stock gained 20% in value.



INFRASTRUCTURES & SERVICES FOR MOBILITY

INFRASTRUCTURES & SERVICES FOR MOBILITY

Sintonia S.p.A. (controlling interest at December 31, 2013: 66.40%)
Equity investments in the business of Infrastructures & services for mobility are held by the subsidiary Sintonia S.p.A. At December 31, 2013 Sintonia held 45.56% of Atlantia S.p.A., which in turn owns 100% of Autostrade per l'Italia S.p.A. – which heads up toll road concession holders operating about 3,000 km of motorway in Italy and another 2,000 km abroad – and 95.90% of Aeroporti di Roma S.p.A., operator of the largest Italian airport and seventh largest in Europe for number of passengers, whose plan for Fiumicino airport is currently Europe's most important infrastructure development project in terms of capacity.

The results of Sintonia S.p.A. in 2013 and 2012 are summarized below:

(Millions of Euro)	2013	2012
Dividends and other income from equity investments	257.7	224.3
Other revenues and income	0.1	0.2
Operating expenses	(2.8)	(8.9)
Net financial charges	(34.6)	(38.0)
Impairment of financial assets	(0.2)	(50.7)
Non-recurring income/(charges)	0.1	(11.6)
Income taxes	-	(0.1)
Net income	**220.4**	**115.2**
Shareholders' equity	3,523	3,131
Net financial indebtedness	358	626

Dividends and other income from equity investments derive solely from Atlantia and consist of Euro 124.1 million as the balance due on the 2012 dividend and Euro 133.6 million as the advance on the dividend for 2013, approved by Atlantia's board of directors on November 8, 2013, which went ex-div on December 23, 2013 with payment on January 2, 2014.

Net financial indebtedness at the end of the year stood at Euro 358 million, a reduction of Euro 268 million despite the payment in 2013 of Euro 50 million in dividends.

Atlantia S.p.A. (total interest held by Sintonia S.p.A. at December 31, 2013: 45.56%)

The consolidated figures of the Atlantia group for 2013 are not fully comparable with those for 2012 due to significant changes in the scope of consolidation. In particular:

» the Aeroporti di Roma group (former Gemina group) has been consolidated since December 1, 2013;

» Autostrade Sud America and the Chilean concession holders were consolidated for all 12 months of 2013, but for only nine months of 2012;

» Atlantia Bertin Concessões and the Brazilian concession holders were consolidated for all 12 months of 2013 but for only six months in 2012.

Consolidated economic and financial highlights in 2013 and 2012 are as follows:

(Millions of Euro)	2013	%	2012 (*)	%
Toll revenues	3,539	83.4	3,392	84.1
Aviation revenues	34	0.8	-	-
Other revenues	671	15.8	642	15.9
Total revenues	**4,244**	**100.0**	**4,034**	**100.0**
Ebitda	2,582	60.8	2,398	59.4
Ebit	**1,816**	**42.8**	**1,632**	**40.5**
Net financial charges	(673)	(15.9)	(468)	(11.6)
Income taxes	(422)	(9.9)	(327)	(8.1)
Profit/(loss) from continuing operations	**721**	**17.0**	**837**	**20.8**
Profit from discontinued operations	1	–	11	0.3
Non-controlling interests	(84)	(2.0)	(18)	(0.5)
Net income, group	**638**	**15.0**	**830**	**20.6**

Operating cash flow (FFO)	1,663	1,508
Investments	1,247	1,630
Capital employed	18,982	15,636
Shareholders' equity	8,213	5,527
Net financial indebtedness	10,769	10,109
Net financial indebtedness/Ebitda	4.17	4.22

(*) 2012 figures have been restated as a result of the complete identification of the fair value of assets and liabilities of Atlantia's consolidated Chilean and Brazilian subsidiaries.

Revenues

Revenues for 2013 came to Euro 4,244 million, an increase of 5.2% with respect to 2012. On a like-for-like basis and at constant exchange rates, total revenues increased by Euro 75 million (+1.8%).

Toll revenues amounted to Euro 3,539 million and rose by Euro 147 million (+4.3%) on 2012, thanks in part to the different consolidation period of the Chilean and Brazilian concession holders. On a like-for-like basis and at constant exchange rates, toll revenues grew by Euro 68 million due essentially to the rate hikes in force from January 1, 2013 for the Italian concession holders (+3.45%); this was partially offset by a 1.6% reduction in traffic on Italian motorways.

Aviation revenues include the contribution of the Aeroporti di Roma group companies for December 2013.

Some key indicators for the Atlantia group are broken down below by sector:

(Millions of Euro)	Italian motorways	Italian airports	Overseas motorways	Total
Revenues from third parties	3,634	53	557	4,244
Ebitda	2,144	28	410	2,582
Operating cash flow (FFO)	1,337	17	309	1,663
Investments	1,156	13	78	1,247

For all of 2013 the Aeroporti di Roma group reported Revenues from third parties of Euro 727 million, Ebitda of Euro 421 million, FFO of Euro 284 million, and investments of Euro 126 million. If the companies in the Aeroporti di Roma group had been consolidated on a line-by-line basis from January 1, 2013, consolidated revenues and the Atlantia group's share of net profit would have been amounted to Euro 4,917 million and Euro 750 million, respectively.

Operating margins

Ebitda came to Euro 2,582 million in 2013, rising by Euro 184 million (+7.7%) with respect to 2012. On a like-for-like basis and at constant exchange rates, Ebitda would increase by Euro 96 million (+4%).
Ebit came to Euro 1,816 million, rising by Euro 184 million (+11.2%) with respect to the previous year. On a like-for-like basis and at constant exchange rates, Ebit shows an increase of Euro 139 million (+8.5%), due not only to the change in Ebitda but to a decrease in amortization and depreciation, impairment losses and provisions.

The group's share of net profit in 2013 came to Euro 638 million, down from Euro 830 million the previous year (decrease of Euro 192 million). The 2012 result included non-recurring financial income of Euro 171 million deriving from the acquisition of a controlling interest in Autostrade Sud America and its subsidiaries.

Investments

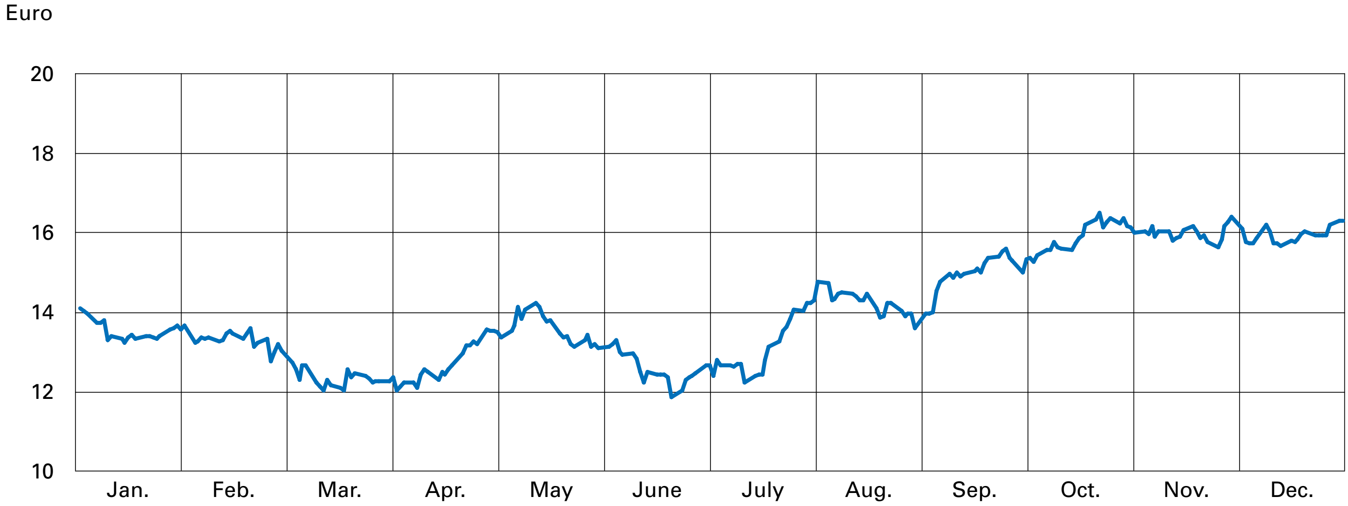
In 2013 the Atlantia group invested Euro 1,247 million, a decrease of Euro 383 million with respect to 2012 (Euro 1,630 million). Most of the reduction concerns motorways in Italy, due to the near completion of the main works of the Variante di Valico deviation and the conclusion of some projects opened to traffic during the course of 2012.

Net financial indebtedness

The Atlantia group at December 31, 2013 had net financial indebtedness of Euro 10,769 million, an increase of Euro 660 million with respect to the previous year, due exclusively to the debt brought in by the consolidated companies of the Aeroporti di Roma group (Euro 843 million).

Atlantia share performance in 2013

The performance of Atlantia shares in 2013 was as follows, for a gain of 16%.



THE PARENT COMPANY

Edizione S.r.l.

Below are the economic and financial highlights of 2013 and 2012:

(Millions of Euro)	2013	2012
Dividends and other income from equity investments	89.3	83.3
Other revenues and income	10.0	9.2
Capital gains on disposal of equity investments, net of capital losses	88.1	5.9
Operating expenses	(15.3)	(14.0)
Depreciation and amortization	(9.4)	(11.3)
Net financial charges	(41.7)	(25.7)
Impairment of non-current financial assets, net of reversal	0.3	(22.5)
Impairment of current financial assets, net of reversal	-	(0.3)
Other non-recurring income/(charges), net	(0.1)	0.1
Income taxes	(0.1)	1.1
Net income	**121.1**	**25.8**
	12.31.2013	**12.31.2012**
Non-current financial asset	2,437	2,734
Property, plant and equipment and other assets, net	161	168
Capital employed	**2,598**	**2,902**
Shareholders' equity	2,564	2,485
Net financial indebtedness	34	417
Sources of funding	**2,598**	**2,902**

The 2013 income statement shows Dividends and other income from equity investments in line with the previous year.

Other revenues and income amount to Euro 10.0 million, including Euro 8.4 million from property rentals.
The remaining amount consists mostly of charges for services rendered to Group companies.

Capital gains on disposal of equity investments (net of capital losses), at Euro 88 million, refer almost entirely to the gain from the sale in November 2013 of Pirelli & C. S.p.A. shares to the subsidiary Schematrentaquattro S.p.A. for Euro 160 million.

Net financial charges in 2013 totalled Euro 41.7 million (Euro 25.7 million the previous year) and include non-recurring charges of Euro 17.7 million for the early termination of some interest rate hedging contracts.

Impairment of non-current financial assets refers to the investment in RCS MediaGroup S.p.A. (Euro 24.4 million), whose carrying amount was written down to the selling price of the investment (sold in early 2014), net of the reversal of impairment for Assicurazioni Generali S.p.A. (Euro 24.7 million).

Net financial indebtedness at the end of the year stood at Euro 34 million, down from Euro 417 million at the end of 2012 (a decrease of Euro 383 million), due mainly to the sale of a 3.03% interest in Pirelli & C. S.p.A. (Euro 160 million) to the subsidiary Schematrentaquattro S.p.A. and to the latter's distribution of share premium reserves in the amount of Euro 212 million.

TEXTILES & CLOTHING
MEGASTORE BENETTON, MILAN, ITALY
MEGASTORE BENETTON, VERONA, ITALY
MEGASTORE BENETTON, VERONA, ITALY

FOOD & BEVERAGE
BISTROT CENTRALE, MILAN, ITALY
BEAUDEVIN ANGLE, CHICAGO O'HARE AIRPORT, USA

TRAVEL RETAIL
DEPARTURES STORE, VANCOUVER, CANADA
DEPARTURES STORE, QAIA AMMAN, JORDAN

INFRASTRUCTURES & SERVICES FOR MOBILITY
A4 MOTORWAY, MILAN-BERGAMO, ITALY
TRIANGULO DO SOL MOTORWAY, BRAZIL
HALL, LEONARDO DA VINCI AIRPORT, FIUMICINO, ITALY
TAXIWAY, LEONARDO DA VINCI AIRPORT, FIUMICINO, ITALY


UNITED COLORS OF BENETTON.
UNITED COLORS OF BENETTON.
UNITED COLORS OF BENETTON.


UNITED COLORS OF BENETTON.
UNITED COLORS OF BENETTON.
UNITED COLORS OF BENETTON
UNITED COLORS OF BENETTON


6-12
ANNI
YEARS
KID
1-5
ANNI
YEARS
TODDLER


PANINI TORTE
FORNO
BISTROT
CENTRALE
ROSETTA
13
05
02
17
20

Il FORNO
IL NOSTRO PANE
UTILIZZIAMO, SECONDO TRADIZIONE, LA RICETTA DELLA LIEVITAZIONE NATURALE CON LIEVITO MADRE.
QUESTO SIGNIFICA TEMPI DI LIEVITAZIONE PIÙ LUNGHI, MIGLIOR SVILUPPO DELLA MOLLICA, MIGLIORE CONSERVABILITÀ E DIGERIBILITÀ.
PER LE COSE BUONE, CI VUOLE TEMPO.
LA FARINA CHE UTILIZZIAMO PROVIENE PER LA MAGGIOR PARTE DA GRANI COLTIVATI IN LOMBARDIA, OLTREPÒ PAVESE E ZONE LIMITROFE.
TUTTE LE NOSTRE PIZZE SONO FATTE CON GRANI DEL TERRITORIO LOMBARDO
CON LIEVITO MADRE, STESE A MANO, AD ALTISSIMA DIGERIBILITÀ
100% POMODORO ITALIANO
E UNA SELEZIONE DELLE MIGLIORI MOZZARELLE.


RICH & FRUITY
WINES WITH CHARACTER


Not just legroom...
laptop room.
Purchase Economy Plus
seating today.
UNITED
C16


worlddutyfree
More than you imagined...
CONNOISSEUR COLLECTION
Rare & Vintage
Premium Whisky
高级威士忌
WHISKY FEST

EXIT SORTIE
53-78
Gates
Portes
Washrooms
Toilettes
LANCÔME
SUPER SERUMS


Dior
Calvin Klein


Travel Set

ROMA SPOTTERS


Shopping and Food

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2013

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

(Thousands of Euro)	12.31.2013	12.31.2012 (restated)	Note
Non-current assets			
Property, plant and equipment			1
Land and buildings	948,717	1,101,508	
Investment property	59,245	53,748	
Plant, machinery and equipment	501,276	499,714	
Furniture, furnishings and electronic equipment	92,864	119,425	
Assets to be relinquished	92,641	112,530	
Leasehold improvements	339,173	370,362	
Other tangible assets	51,439	78,308	
Assets under construction and advances	158,213	202,801	
Total property, plant and equipment	**2,243,568**	**2,538,396**	
Intangible assets			2
Goodwill and other intangible assets of indefinite useful life	6,758,259	6,828,385	
Intangible assets deriving from concession rights	20,627,851	16,655,953	
Intangible assets of finite useful life	778,268	889,625	
Total intangible assets	**28,164,378**	**24,373,963**	
Other non-current assets			
Equity investments in subsidiaries	591	448	3
Equity investments in associates and joint ventures	146,197	895,013	4
Equity investments in other companies	712,921	567,510	5
Investment securities	25,523	26,548	6
Guarantee deposits	41,569	43,228	7
Other non-current financial assets	2,358,223	1,948,944	8
Other non-current receivables	334,338	70,545	9
Deferred tax assets	2,064,449	2,184,744	10
Total other non-current assets	**5,683,811**	**5,736,980**	
Total non-current assets	**36,091,757**	**32,649,339**	
Current assets			
Inventories	744,393	741,051	11
Trade receivables	1,709,013	1,853,628	12
Tax receivables	233,646	301,000	13
Accrued income and prepaid expenses	91,561	66,969	14
Other current receivables	282,387	303,786	15
Other current financial assets	851,806	981,211	16
Other investments	57,795	27,041	17
Cash and cash equivalents	5,186,456	3,222,475	18
Total current assets	**9,157,057**	**7,497,161**	
Assets held for sale	18,677	19,154	19
TOTAL ASSETS	**45,267,491**	**40,165,654**	

SHAREHOLDERS' EQUITY AND LIABILITIES

(Thousands of Euro)	12.31.2013	12.31.2012 (restated)	Note
Shareholders' equity			
Shareholders' equity attributable to the Parent Company			
Share capital	1,500,000	1,500,000	20
Fair value and hedging reserve	195,251	(1,366)	21
Other reserves and retained earnings	3,303,993	2,704,888	22
Translation reserve	(231,558)	(86,789)	23
Net income for the year	138,948	262,746	
Total	**4,906,634**	**4,379,479**	
Equity attributable to non-controlling interests	6,889,690	4,944,960	24
Total shareholders' equity	**11,796,324**	**9,324,439**	
Liabilities			
Non-current liabilities			
Bonds	10,747,126	10,288,292	25
Medium and long-term loans	5,532,590	6,696,803	26
Other non-current liabilities	152,558	177,580	27
Lease financing	22,472	16,362	28
Other non-current financial liabilities	522,784	385,820	29
Provisions for employee benefits	320,295	314,255	30
Deferred tax liabilities	2,032,080	1,163,248	31
Other non-current provisions and liabilities	1,185,793	1,078,481	32
Provisions for construction services required by contract	3,728,446	4,321,448	33
Total non-current liabilities	**24,244,144**	**24,442,289**	
Current liabilities			
Trade payables	2,394,991	2,491,396	34
Other payables, accrued expenses and deferred income	969,673	988,317	35
Current tax liabilities	77,410	51,063	36
Other current provisions and liabilities	485,721	215,294	32
Current portion of provisions for construction services required by contract	433,590	489,812	33
Current portion of lease financing	3,788	1,911	37
Current portion of bonds and medium and long-term loans	4,050,056	1,390,051	38
Other current financial liabilities	621,260	574,560	39
Bank loans and overdraft	190,534	196,522	40
Total current liabilities	**9,227,023**	**6,398,926**	
Liabilities held for sale	–	–	19
Total liabilities	**33,471,167**	**30,841,215**	
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**45,267,491**	**40,165,654**	

CONSOLIDATED STATEMENT OF INCOME

(Thousands of Euro)	2013	2012 (restated)	Note
Revenues	**12,277,286**	**12,355,475**	41
Revenues from construction services	770,450	1,066,855	42
Other revenues and operating income	576,222	407,944	43
Change in inventories of finished products and work in progress	64,722	67,334	
Purchases and changes of raw materials and consumables	(3,738,975)	(4,031,826)	44
Payroll costs	(2,508,975)	(2,508,676)	45
Other operating expenses:	**(4,336,409)**	**(4,576,461)**	
– services	(2,257,503)	(2,512,919)	46
– leases and rentals	(1,900,303)	(1,875,563)	47
– other operating expenses	(178,603)	(187,979)	48
Use of provisions for construction services required by contract	**384,808**	**470,688**	49
Depreciation, amortization, impairments and provisions:	**(1,528,405)**	**(1,278,180)**	
– depreciation of property, plant and equipment	(359,617)	(361,238)	50
– amortization of intangible assets	(743,317)	(715,757)	51
– impairment of property, plan and equipment and intangible assets	(177,613)	(57,029)	52
– impairment of doubtful accounts	(174,253)	(44,884)	53
– provisions for risks	(73,605)	(99,272)	54
Operating result	**1,960,724**	**1,973,153**	
Share of income/(loss) of associated companies	11,162	3,056	55
Financial income	611,289	518,840	56
Impairment of financial assets	(39,946)	(69,296)	57
Financial charges	(1,253,372)	(1,194,213)	58
Foreign currency hedging gains/(losses) and exchange differences	4,611	16,689	59
Income before taxes	**1,294,468**	**1,248,229**	
Income taxes	(521,587)	(407,340)	60
Profit/(loss) from discontinued operations	899	11,614	61
Net income for the year (Group and non-controlling interests)	**773,780**	**852,503**	

Income/(Loss) attributable to:			
– Parent Company	138,948	262,746	
– Non-controlling interests	634,832	589,757	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Thousands of Euro)	2013	2012 (restated)
Net income for the year (Group and non-controlling interests)	**773,780**	**852,503**
Fair value gains/(losses) on cash flow hedges	140,361	(115,465)
Fair value gains/(losses) of available for sale financial instruments	138,993	123,051
Gains/(losses) from translation of financial statements of foreign operations	(486,567)	(101,097)
Other fair value gains/(losses)	(12,907)	(66,849)
Tax effect	(34,392)	82,333
Other comprehensive income for the year	**(254,512)**	**(78,027)**
Comprehensive income/(loss) for the year attributable to:	**519,268**	**774,476**
– Parent Company	184,856	308,232
– Non-controlling interests	334,412	466,244

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Thousands of Euro)	Share capital	Fair value and hedging reserve
Balance at 12.31.2011	**1,500,000**	**(111,466)**
Effect arising from application of IAS 19 (revised)		
Balance at 01.01.2012	**1,500,000**	**(111,466)**
Carry forward of 2011 income		
Dividends distributed		
Capital increases/(reimbursements)		
Transactions with non-controlling interests		
Change in scope of consolidation		
Other movements		
Comprehensive income for the year		110,100
Balance at 12.31.2012	**1,500,000**	**(1,366)**
Carry forward of 2012 income		
Dividends distributed		
Capital increases/(reimbursements)		
Transactions with non-controlling interests		
Change in scope of consolidation		
Other movements		
Comprehensive income for the year		196,617
Balance at 12.31.2013	**1,500,000**	**195,251**
Note	20	21

Other reserves and retained earnings	Translation reserve	Net income/ (loss) for the year	Non-controlling interests	Total
2,250,791	**(47,954)**	**321,840**	**3,924,084**	**7,837,295**
(3,608)			(2,668)	(6,276)
2,247,183	**(47,954)**	**321,840**	**3,921,416**	**7,831,019**
321,840		(321,840)		–
(40,000)			(324,152)	(364,152)
			7,088	7,088
201,700			(373,764)	(172,064)
628			1,248,552	1,249,180
(684)			(424)	(1,108)
(25,779)	(38,835)	262,746	466,244	774,476
2,704,888	**(86,789)**	**262,746**	**4,944,960**	**9,324,439**
262,746		(262,746)		–
(42,800)			(329,851)	(372,651)
			14,694	14,694
264,348			180,228	444,576
117,123			1,738,500	1,855,623
3,628			6,747	10,375
(5,940)	(144,769)	138,948	334,412	519,268
3,303,993	**(231,558)**	**138,948**	**6,889,690**	**11,796,324**
22	23		24	

CONSOLIDATED CASH FLOW STATEMENTS

(Thousands of Euro)	2013	2012 (restated)
Operating activities		
Net income for the year (Group and non-controlling interests)	773,780	852,503
Income taxes	521,587	407,340
Income before taxes	**1,295,367**	**1,259,843**
Adjustments:		
– depreciation and amortization	1,102,934	1,076,995
– (capital gains)/capital losses/impairment of intangible assets and property, plant and equipment	(29,712)	36,547
– net provisions charged to statement of income	239,813	128,131
– share of (income)/losses of associates	(11,162)	(3,056)
– dividends from associated companies	1,947	2,838
– (capital gains)/capital losses/impairment of other equity investments	(201,451)	(143,461)
– net financial (income)/charges	883,480	889,484
Cash flow from operating activities before changes in working capital	**3,281,216**	**3,247,321**
Cash flow provided/(used) by changes in working capital	(108,353)	(413,364)
Cash flow provided/(used) by changes in non-current assets and liabilities	(318,349)	(17,675)
Payment of taxes	(402,097)	(581,752)
Payment of employee termination indemnities	(18,408)	(20,973)
Net interest received/(paid)	(800,826)	(753,745)
Cash flow provided/(used) by operating activities	**1,633,183**	**1,459,812**
Investing activities		
Operating investments	(1,240,564)	(1,757,101)
Operating divestments	342,619	52,300
Purchase of equity investments	(48,816)	(39,346)
Purchase of consolidated companies	(177,995)	(806,602)
Cash contributed by newly consolidated companies	208,147	-
Disposal of equity investments	381,078	915,925
Operations in non-current financial assets	973	(5,171)
Cash flow provided/(used) by investing activities	**(534,558)**	**(1,639,995)**
Financing activities		
Change in shareholders' equity	222,212	349,172
New medium and long-term loans	4,866,655	4,991,166
Repayment of medium and long-term loans	(3,548,716)	(1,665,553)
Net changes in other sources of finance	(265,912)	(999,807)
Dividend payments and distribution of capital reserves	(372,651)	(364,152)
Cash flow provided/(used) by financing activities	**901,588**	**2,310,826**
Increase/(decrease) in cash and cash equivalents	**2,000,213**	**2,130,643**
Cash and cash equivalents at the beginning of the period	3,163,362	1,044,379
Translation differences and other movements	(42,084)	(11,660)
Cash and cash equivalents at the end of the period	5,121,491	3,163,362
Cash and cash equivalents at the beginning of the period	**3,163,362**	**1,044,379**
Cash and cash equivalents	3,222,475	1,090,412
Bank overdrafts	(59,113)	(46,033)
Cash and cash equivalents at the end of the period	**5,121,491**	**3,163,362**
Cash and cash equivalents	5,186,456	3,222,475
Bank overdrafts	(64,965)	(59,113)

GROUP ACTIVITIES

Set up in 1981, Edizione S.r.l. at December 31, 2013 held controlling and non-controlling interests in companies in the following business segments:

» Textiles & clothing;
» Food & beverage;
» Travel retail;
» Infrastructures & services for mobility.

These are headed up respectively by Benetton Group S.p.A., Autogrill S.p.A., World Duty Free S.p.A. and by the holding company Sintonia S.p.A., which in turn holds interests in Atlantia S.p.A.
Atlantia controls the operating companies Autostrade per l'Italia S.p.A. and Aeroporti di Roma S.p.A.

The Group also manages real estate and agricultural operations, other than those directly held by the companies listed above.

FORM AND CONTENT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include subsidiaries pursuant to IAS 27, joint ventures pursuant to IAS 31 and associates subject to significant influence pursuant to IAS 28, which are consolidated on an equity basis.
The list of consolidated companies is annexed to these notes.

In particular, the consolidated financial statements include the financial statements at December 31, 2013 of Edizione S.r.l. and all the Italian and foreign companies in which the Parent Company holds, directly or indirectly, the majority of voting rights or which are under its dominant influence. The following companies are consolidated even though the Group does not hold the absolute majority of voting rights:

a. Atlantia S.p.A., for which the Group is in a position of de facto control;
b. Benetton Korea Inc. (a Korean company), since the effective voting rights held by the Benetton group amount to 51% of the total;
c. Sorebo S.A., Soberest S.A., Volcarest S.A., SRSRA S.A., and some American joint ventures, which are subsidiaries of the Autogrill group by virtue of a 50% or smaller interest in capital plus contracts placing the Autogrill group in charge of operations.

The Autogrill group holds joint control of Caresquick NV (Belgium), which is consolidated using the proportional method.
The World Duty Free group consolidates Alpha ASD Ltd. using the proportional method.

The results of subsidiaries acquired or sold during the year are included in the consolidated statement of income as from the effective date of acquisition or until the effective date of disposal, with slight timing adjustments where these dates do not coincide with monthly reporting dates.
Economic results for 2013 are not perfectly comparable with 2012 results, due to the following factors:

a. the consolidation of the Aeroporti di Roma group by the Atlantia group since December 1, 2013 (date of the merger of Gemina S.p.A. with and into Atlantia S.p.A.);
b. the contribution to the Atlantia group's results of Autostrade Sud America S.r.l. and its direct and indirect subsidiaries, for 12 months in 2013 and for nine months in 2012;
c. the contribution to the Atlantia group's results of Atlantia Bertin Concessões S.A. and its indirect subsidiaries, for 12 months in 2013 and for six months in 2012;
d. the consolidation of Autogrill VFS F&B Company, a Vietnamese operating company.

The financial statements used for the consolidation are those approved or pending approval by the shareholders of the various companies or, in the case of companies which close their fiscal year on a date other than December 31, 2013, the interim statements prepared as of the Group reporting date. HMSHost Corporation (formerly Autogrill Group Inc.) and its subsidiaries, as well as World Duty Free Group North America LLC and its subsidiaries, close their fiscal year on the Friday closest to December 31 and divide it into 13 four–week periods, which in turn are grouped into three 12–week quarters and a final 16–week quarter. Consequently, the accounts used for the financial statements refer to the period from December 29, 2012–January 3, 2014, while the previous year's accounts covered the period from December 31, 2011–December 28, 2012.

The financial statements of subsidiaries have been duly reclassified for consistency with the policies adopted by the Parent Company. Some have also been adjusted for consistency with the accounting principles and the policies adopted by the Group.

These financial statements have been prepared on a going concern basis, matching costs and revenues to the accounting periods to which they pertain and applying the historical cost principle to all items except those that in accordance with IFRS are measured at fair value, as specified in the individual accounting policies. The reporting currency is the Euro and all amounts have been rounded to thousands of Euro, unless otherwise specified.
The consolidated financial statements are comprised of the statement of financial position, statement of income, statement of comprehensive income, statement of changes in shareholders' equity, cash flow statement and these notes.
The statement of financial position follows the format whereby assets and liabilities are split into current and non–current, while in the statement of income, costs are grouped by nature. The cash flow statement has been prepared using the indirect method.

It should be noted that the financial statements published in 2012 have been restated to reflect:
1. changes arising from the completion of the process of identifying and measurement of the fair value of the assets and liabilities of Autostrade Sud America and Atlantia Bertin Concessões and their holdings, of which control was acquired in 2012 by the Atlantia group, as discussed in Note [65] Business combinations;
2. the retroactive application of the new version of IAS 19, which entailed the recalculation of certain figures in the statement of financial position at both December 31, 2012 and January 1, 2012;
3. the reclassification of certain items in the statement of financial position for the sake of fair disclosure.

CONSOLIDATION CRITERIA

The consolidation criteria adopted for the preparation of the consolidated financial statements are as follows:

a. the financial statements of subsidiaries are consolidated on a line-by-line basis, with elimination of the carrying value of the shareholdings held by the Parent Company and other consolidated companies against the relative shareholders' equity;
b. when a company is consolidated for the first time, any positive difference emerging from the elimination of its carrying value on the basis indicated in a. above is allocated, where applicable, to the assets and liabilities of the subsidiary. Any excess of the cost of acquisition over the net assets is recorded as Goodwill and other intangible assets of indefinite useful life. Negative differences are recognized in the statement of income as income, following the fair value review of acquired assets and liabilities. Purchases of non-controlling interests in subsidiaries are recognized as transactions on net equity and, consequently, the difference between the acquisition cost and the relevant net equity portions is directly recognized under net equity;
c. intercompany receivables and payables, costs and revenues, and all significant transactions between consolidated companies, including the intragroup payment of dividends, are eliminated. Unrealized intercompany profits and gains and losses arising from transactions between Group companies are also eliminated;
d. non-controlling interests in shareholders' equity and in the income or loss of consolidated companies are shown separately under shareholders' equity and in the consolidated statement of income. Non-controlling interests are determined on the basis of the percentage of ownership of the fair value of assets and liabilities recognized as of the original acquisition date and of changes in net equity after that date;
e. the financial statements of foreign subsidiaries with a functional currency other than the Euro are translated using period–end exchange rates for assets and liabilities, and average exchange rates for the period for income statement items. Differences arising from the translation into Euro of foreign currency financial statements are reported in comprehensive income for the year and accumulated in an equity reserve.

Below are the exchange rates used to translate the financial statements of the main subsidiaries with a functional currency other than the Euro:

Currency	Exchange rate on 12.31.2013	Average exchange rate in 2013
Euro/Usd	1.379	1.328
Euro/Pln	4.154	4.197
Euro/Clp	724.769	658.324
Euro/Ars	8.989	7.277
Euro/Brl	3.258	2.869
Euro/Inr	85.366	77.930
Euro/Czk	27.427	25.980
Euro/Gbp	0.834	0.849
Euro/Jpy	144.720	129.663
Euro/Hkd	10.693	10.302
Euro/Rub	45.325	42.337
Euro/Krw	1,450.930	1,453.912
Euro/Cad	1.467	1.368
Euro/Chf	1.228	1.231

ACCOUNTING STANDARDS AND POLICIES

INTERNATIONAL ACCOUNTING STANDARDS

For preparation of the consolidated financial statements, in accordance with EU Regulation 1606 of July 19, 2002, since January 1, 2005 the Group has used the International Accounting Standards and the International Financial Reporting Standards (IAS/IFRS) published by the International Accounting Standards Board (IASB) and approved by the European Union and the interpretations issued thereby (IFRIC and SIC). IFRS means International Financial Reporting Standards including International Accounting Standards (IAS), supplemented by the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), previously called the Standing Interpretations Committee (SIC).
The 2013 consolidated financial statements were prepared in accordance with such standards and interpretations.

Application of IFRS

Below are the accounting standards, amendments and interpretations issued by the IASB and endorsed by the European Union for mandatory adoption in financial statements for years beginning on January 1, 2013:

Details	Adopted by the EU, in force at the balance sheet date	Mandatory adoption date
Amendments to IAS 1 Presentation of comprehensive income - Manner in which comprehensive income must be presented	June 2011	Fiscal years beginning on January 1, 2013
Amendment to IAS 19 Employee benefits	June 2011	Fiscal years beginning on January 1, 2013
Amendments to IAS 12 Income taxes - Recovery of deferred taxes in connection with certain activities	December 2010	Fiscal years beginning on January 1, 2013
Amendments to IFRS 7 Fiscal instruments: disclosures - Offset of Fiscal assets and liabilities	December 2010	Fiscal years beginning on January 1, 2013
IFRS 13 Fair value measurement	May 2011	Fiscal years beginning on January 1, 2013
Yearly revisions of IFRS (2009-2011 period)		Fiscal years beginning on January 1, 2013

Below are the accounting standards, amendments and interpretations issued by the IASB and endorsed by the European Union for mandatory adoption in financial statements for years beginning on January 1, 2013:

Details	Adopted by the EU, in force at the balance sheet date	Mandatory adoption date
Amendments to IFRS 10 (Consolidated financial statements), IFRS 12 (Disclosure of Interests in Other Entities) and to IAS 27 (Separate financial statements) on consolidation by investment entity	December 2013	Fiscal years beginning on January 1, 2014
Amendments to IAS 36 Impairment of assets: disclosures on recoverable amounts	December 2013	Fiscal years beginning on January 1, 2014
Amendments to IAS 39 Financial instruments: novation of derivatives	December 2013	Fiscal years beginning on January 1, 2014
Guidelines for transition: amendments to IFRS 10 Consolidated financial statements, IFRS 11 Joint arrangements and IFRS 12 Disclosure of interest in other entities	April 2013	Fiscal years beginning on January 1, 2014
Amendments to IAS 32 Financial instruments: presentation - Offset of Fiscal assets and liabilities	December 2012	Fiscal years beginning on January 1, 2014
IFRS 10 Consolidated financial statements	December 2012	Fiscal years beginning on January 1, 2014
IFRS 11 Joint arrangements	December 2012	Fiscal years beginning on January 1, 2014
IFRS 12 Disclosure of interest in other entities	December 2012	Fiscal years beginning on January 1, 2014
IAS 27 Separate financial statements	December 2012	Fiscal years beginning on January 1, 2014
IAS 28 Investments in Associates	December 2012	Fiscal years beginning on January 1, 2014

Below are the accounting standards, amendments and interpretations issued by the IASB and not yet endorsed by the European Union, which may in the future be applied in the Group's consolidated financial statements:

Details	Adopted by the EU, in force at the balance sheet date	Mandatory adoption date
IFRS 9 Financial instruments	No	Fiscal years beginning on January 1, 2018
IFRIC 21 Levies	No	Fiscal years beginning on January 1, 2014
Yearly revisions to IFRS: 2011-2013 period	No	Fiscal years beginning on July1, 2014 or later

The effect of the future application of newly issued standards and interpretations, as well as all revisions and amendments to existing standards, is currently being evaluated by the Group.

ACCOUNTING POLICIES

The financial statements have been prepared on a historical cost basis, with the exception of the valuation of certain financial instruments. The more important accounting policies adopted by the Group for valuing the contents of its financial statements are detailed below.

Business combinations

The Group accounts for all business combinations by applying the purchase method. The cost of each combination is determined as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in exchange for control of the acquiree. The costs relating to the acquisition are recognized in the statement of income in the period in which the costs are incurred and the services received; the sole exception is for the cost of issuing debt securities or equities.

The acquiree's identifiable assets, liabilities and contingent liabilities that can be recognized under IFRS 3 (2008) - Business Combinations are posted at their fair value on the date of acquisition.

Goodwill is determined as the amount by which the aggregate of the consideration transferred in a business combination, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree exceeds the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceed the aggregate of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree, this excess is immediately recognized in the statement of income as a gain on a bargain purchase.

The acquirer can measure non-controlling interests at the acquisition date either at fair value or in proportion to their share in the acquiree's recognized identifiable net assets. The choice of measurement method is made for each business combination.

In case of a business combination achieved in stages, the interest previously held in the acquiree is remeasured at its acquisition-date fair value and any resulting gain or loss is recognized in the statement of income.

On first–time adoption of IFRS, the Group decided not to apply IFRS 3 retroactively to the acquisitions made prior to the date of transition to IFRS (January 1, 2004). Consequently, goodwill arising on acquisitions made prior to that date has been maintained at the value determined under Italian GAAP, subject to measurement and recognition of any impairment losses.

Non-controlling interests are initially measured at fair value or in proportion to their share in the acquiree's recognized identifiable net assets.

On acquiring control, further acquisitions/disposals of non-controlling interests that do not result in a loss of control are accounted for as equity transactions. This means that any differences between the change in equity attributable to non-controlling interests and the cash and cash equivalents exchanged are recognized directly as movements in equity attributable to owners of the parent.

The sale of shares to non-controlling interests, resulting in the Group's loss of control over an entity, produces gains or losses that are recognized in the statement of income. The purchase of shares from non-controlling interests, resulting in the acquisition of control, produces goodwill which is calculated as described above.

Property, plant and equipment

These are recorded at purchase or production cost, including the price paid to buy the asset (net of discounts and rebates) and any costs directly attributable to the purchase and commissioning of the asset, including financial charges incurred during the asset's construction. The cost of a commercial property purchased is the purchase price or equivalent of the price in cash, including all other directly attributable expenses such as legal costs, registration taxes and other transaction costs. The cost of internally produced assets is the cost at the date of completion of work.

For the transition to International Accounting Standards, property revaluations carried out in accordance with specific monetary revaluation laws have been maintained only if they meet the requirements of IFRS 1.

The cost of assets to be relinquished (whether free of charge or in exchange for payment of the residual carrying value of the asset by a new concession holder) includes the cost allowed by IAS 37 which is reasonably estimated and expected to be borne on expiry of the relevant contract to bring the asset to the contractually agreed state of conservation, assuming that maintenance will continue to be carried out properly and in a timely manner.

Investment property, consisting of real estate held for rental and/or appreciation rather than for use in the production or supply of goods and services, is recorded at cost on the same basis as other property, plant and equipment and is depreciated over its useful life.

Costs incurred to enhance and maintain an asset that produce a material and tangible increase in its productivity or safety or extend its useful life are capitalized and increase the carrying amount of the asset. Routine maintenance costs are taken directly to the income statement.

The value of property, plant and equipment is depreciated on a straight-line basis over its useful life. The components of an asset with their own material value and with a useful life different from that of the asset to which they belong are considered separately for the purposes of depreciation. Depreciation is calculated on the useful life of each individual component, which is modified if any maintenance work or replacements during the year have substantially increased its useful life. In the event of replacement, new components are capitalized to the extent that they satisfy the criteria for recognition as an asset, and the carrying value of the replaced component is eliminated from the statement of financial position.

The residual value and useful life of an asset is reviewed at least at every financial year-end; if, regardless of depreciation already recorded, an impairment loss occurs according to the rules of IAS 36, the asset is correspondingly written down in value. If in future years the reasons for the write-down no longer apply, its value is restored.

The depreciation rates applied in 2013 are within the ranges shown below by category of asset:

Commercial and industrial buildings and investment property	2%–33.3%
Plant and machinery	4.6%–34%
Industrial and commercial equipment	4.6%–40%
Furniture, furnishing, electronic equipment and store furniture	10%–25%
Vehicles	16.7%–25%
Other assets	5%–33.3%

Land is not depreciated.

Leasehold improvement costs are depreciated over the shorter of the period during which the improvement may be used and the residual duration of the lease contract.

Assets to be relinquished are depreciated on a straight-line basis over the shorter of the asset's useful life and the length of the depreciation plan, which is based on the life of the concession.

Assets acquired under finance leases are recognized at fair value as of the contract effective date less ancillary charges and any expenses for replacing another party in the lease, or, if lower, at the present value of the minimum payments due under the contract. The amount due to the lessor is stated under Lease financing in the balance sheet. Lease payments are divided into principal and interest, assuming a constant interest rate on the residual liability. Financial charges are recognized in the

statement of income. Leased goods are depreciated on the same basis as similar assets. In the case of sale and leaseback transactions resulting in a finance lease, any gain resulting from the sale is deferred and released to income over the term of the lease.
Leases for which the lessor substantially maintains all of the risks and rewards incidental to ownership are classified as operating leases. The costs of operating leases are expensed to income on a straight–line basis over the length of the leasing agreement. Benefits received or to be received, and those given or to be given, as incentives for taking out operating leases are also recognized on a straight–line basis over the term of the lease.
Property, plant and equipment is derecognized on sale or if the facts and circumstances giving rise to the future expected benefits cease to exist. Any gains or losses (determined as the difference between the disposal proceeds, less costs to sell, and/or the carrying amount of the asset) are recognized in the statement of income for the year in which the asset is sold.

Intangible assets
Intangible assets are measured initially at cost, normally defined as their purchase price, inclusive of any ancillary charges and less any trade discounts and rebates; also included is any directly attributable expenditure on preparing the asset for its intended use, until the asset is capable of operating. The cost of an internally generated intangible asset includes only those expenses which can be directly attributed or allocated to it as from the date on which it satisfies the criteria for recognition as an asset. Research costs are charged to the statement of income in the period in which they are incurred.

Goodwill is recognized initially in intangible assets, as the excess of the purchase cost over the fair value of the net assets of the company acquired. As required by IAS 38, at the time of recognition, any intangible assets that have been generated internally by the acquired entity are eliminated from goodwill. Items which meet the definition of “assets acquired as part of a business combination transaction” are only recognized separately if their fair value can be measured reliably.
At the acquisition date, goodwill is allocated to each cash generating unit or group of units expected to benefit from the synergies achieved with the business combination.

The cost of concession rights may include one or more of the following:

a. the fair value of construction services and/or improvements made by the grantor (measured as explained in the note on the accounting policy on construction contracts and services work in progress) less any grants, the amount that shall be paid by the replacement operator on termination of the concession (the so-called "takeover rights") and/or the minimum guaranteed by the grantor. Such cost will be recovered through the tolls paid by users of the infrastructure. Specifically, the following are identified:
    1. rights obtained as consideration for specific obligations to provide construction services for the expansion and modernization of the infrastructure and for which the operator does not receive additional economic benefits. These rights are initially recognized at the present fair value of the construction services to be provided in future (excluding any financial expenses to be incurred by the operator during the construction period), less any grants, with a contra entry of an equal amount in “provisions for construction services required by contract”; in addition to the impact of amortization, the initial value of the rights changes over time as a result of periodic reassessment of the present fair value of the part of the construction services still to be rendered at the end of the reporting period;
    2. rights accrued in return for construction services rendered for which the operator receives additional economic benefits, represented by specific tariff increases and/or extensions of the infrastructure expected to result in significant increases in the number of users;
    3. rights accruing from construction work carried out and paid for by service area operators, handed over free of charge to the company;
b. rights obtained from third parties, if costs have been incurred to acquire concessions from the grantor from third parties (the latter relating to the acquisition of companies that hold a concession).

After initial recognition, intangible assets are carried at cost, less accumulated amortization and any accumulated impairment losses calculated in accordance with IAS 36.
Intangible assets are amortized unless they have indefinite useful lives.
Goodwill is not amortized, but is submitted to an impairment test annually to identify any reductions in value, or more often whenever there is evidence of impairment (see Impairment losses of non–financial assets, below).
Amortization is charged systematically over the intangible asset’s useful life, which reflects the period it is expected to benefit. The residual value at the end of the useful life is assumed to be zero, unless there is a commitment by third parties to

buy the asset at the end of its useful life or there is an active market for the asset. Management reviews the estimated useful lives of intangible assets at every financial year end.

Normally, brands are amortized over 5 to 25 years, while patents, contractual rights and concession rights are amortized over the life of the right. Deferred charges are amortized over the residual duration of the lease contract, with the exception of *fonds de commerce*, which are amortized over 20 years. Software and software licenses are amortized over a period from three to six years. Development costs are amortized over three to six years.

Impairment losses of non–financial assets

The carrying amounts of the Group's property, plant and equipment and intangible assets are submitted for impairment testing whenever there are obvious internal or external signs indicating that the asset or group of assets (defined as cash generating units, or CGUs) may be impaired. In the case of goodwill, other intangible assets of indefinite useful life and intangible assets not in use, the impairment test must be carried out at least annually, and in any case whenever there are signs of possible impairment.

The impairment test is carried out by comparing the carrying amount of the asset or CGU with its recoverable value, defined as the higher of fair value (net of any costs to sell) and value in use. Value in use is determined by calculating the present value of future net cash flows expected to be generated by the asset or CGU. In determining value in use, the estimated future cash flows are discounted to their present value using a rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the carrying amount is higher than the recoverable amount, the asset or CGU is written down by the difference and the impairment loss is charged to the statement of income.

The conditions and methods applied by the Group for reversing impairment losses, excluding in any case those relating to goodwill that may not be reversed, are as set out in IAS 36. Under no circumstances may the carrying value of an asset be restored to a value higher than the net book value it would have had if the impairment loss had not occurred. Restoration of value is taken immediately to the statement of income.

Equity investments

Investments in subsidiaries that are not consolidated on a line–by–line basis, because they are not yet operative or are in liquidation as of the balance sheet date, are measured at fair value, unless this cannot be determined, in which case they are carried at cost. The difference between the cost and the net equity of investments at the time they were acquired is allocated on the basis described in paragraph b. of the consolidation criteria. Fair value changes are recorded in the statement of comprehensive income and in an equity reserve, unless they express a permanent loss, in which case they are charged to the statement of income.

Joint ventures are carried on an equity or proportional basis. In the latter case, the Group's share of the joint venture's assets, liabilities, costs and revenues is incorporated line by line with the equivalent items in the consolidated financial statements.

Unrealized gains and losses on transactions between a Group company and a joint venture are eliminated in proportion to the Group's percentage interest in the joint venture, unless the unrealized losses are evidence of an impairment loss of the transferred asset.

Investments in associates are valued using the equity method, recognizing the Group's share of statement of income in the income statement, except for the effects of other changes in the associate's shareholders' equity, which are recognized directly in the statement of comprehensive income. The difference between the cost and the net equity of investments at the time they were acquired is allocated on the basis described in paragraph b. of the consolidation principles.

The value of investments in associates can be adjusted for impairment losses, with a contra entry in the statement of income.

Equity investments in other companies, classified as available–for–sale financial assets as defined by IAS 39, are carried at fair value. Fair value changes are recorded in an equity reserve, unless they express a permanent loss, in which case they are charged to the statement of income. If fair value cannot be reliably determined, the investments are recognized at cost less any impairment. Impairment losses cannot be reversed.

Held for sale investments or those acquired as a temporary investment are recognized at the lower of their carrying amount and fair value, less any costs to sell.

Provisions are made to cover the risk that the losses of an investee company could exceed the carrying amount of the investment, to the extent that the shareholder is required to comply with actual or constructive obligations to cover such losses.

Financial assets

All financial assets are measured initially at cost, which corresponds to the consideration paid including transaction costs (e.g. consulting fees, duty stamps, and fees imposed by the regulatory authorities).

The classification of financial assets determines their subsequent valuation, as follows:

» financial assets held for trading: these are recorded at fair value, and associated gains and losses are recognized in the statement of income;
» held to maturity investments, loans receivable and other financial receivables: these are recorded at amortized cost; gains and losses associated with this type of asset are recognized in the statement of income when the investment is removed from the balance sheet on maturity or if it becomes impaired;
» available for sale financial assets: these are recorded at fair value, and gains and losses deriving from subsequent measurement are recognized in shareholders' equity. If the fair value of these assets cannot be determined reliably, they are measured at cost, as adjusted for any impairment.

If it is no longer appropriate to classify an investment as "held to maturity" following a change of intent or ability to hold it until maturity, it must be reclassified as "available for sale" and re-measured at fair value. The difference between its carrying amount and fair value remains in shareholders' equity until the financial asset is sold or otherwise transferred, in which case it is booked to the statement of income.

All financial assets are recognized on the date of negotiation, i.e. the date on which the Group undertakes to buy or sell the asset. A financial asset is removed from the balance sheet only if all risks and rewards associated with the asset are effectively transferred together with it or, should the transfer of risks and rewards not occur, if the Group no longer has control over the asset.

Inventories

Inventories are valued at the lower of purchase or manufacturing cost, generally determined on a weighted average cost or FIFO basis, and their market or net realizable value.
Manufacturing cost includes raw materials and all attributable direct and indirect production–related expenses.
The calculation of estimated realizable value includes any manufacturing costs still to be incurred and direct selling expenses.
Obsolete and slow–moving inventories are written down to their useful or net realizable value.

Construction contracts and services work in progress

Construction contracts are accounted for on the basis of the contract revenue and costs that can be reliably estimated with reference to the stage of completion of the contract, in accordance with the percentage of completion method, as determined by a survey of the works carried out. Contract revenue is allocated to the individual reporting periods in proportion to the stage of contract completion. Any positive or negative difference between contract revenue and any advance payments received is recognized in assets or liabilities, taking account of any impairment of the value of the completed work, in order to reflect the risks linked to the inability to recover the value of work performed on behalf of customers.
In addition to contract payments, contract revenue includes variations in contract work, price reviews and claims to the extent that they can be measured reliably.
Expected losses are fully recognized immediately regardless of the stage of contract completion.
Construction services provided to the grantor relating to Group company concession arrangements are specifically recognized in the income statement in accordance with the stage of completion method. Specifically, construction and/or upgrade service revenue represents the consideration for the services provided and is measured at fair value, calculated on the basis of the total costs incurred. These primarily consist of the costs of materials and external services, the cost of employment benefits payable to employees used to provide the services, attributable financial expenses (the latter only in the case of construction and/or upgrade services for which the operator receives additional economic benefits), and any profit on services rendered within the Group (as this represents the market value of these services).

Trade receivables

Receivables are initially recognized at fair value and are subsequently stated at amortized cost, using the effective interest rate method, net of provisions for doubtful accounts. The amount of the provisions is based on the present value of expected future cash flows which take account of expected collection times, estimated realizable value, any guarantees provided, and the expected costs of recovering the amounts due. Impairment losses are reversed in future periods if the circumstances that resulted in the loss no longer exist. In this case, the reversal is accounted for in the income statement and may not in any event exceed the amortized cost of the receivable had no previous impairment losses been recognized.
Receivables factored without recourse, for which all risks and rewards are substantially transferred to the assignee, are derecognized from the financial statements at their nominal value. Commissions paid to factoring companies for their services are included in service costs.

Accruals and deferrals

These are recorded to match costs and revenues within the accounting periods to which they relate.

Cash and cash equivalents

These include cash, current accounts at banks and post offices, demand deposits, and other short–term financial investments that are highly liquid, easily convertible to cash, and subject to insignificant risk of change in value. They are stated at face value.

Provisions for contingent liabilities

The Group makes provisions only when a present obligation exists for a future outflow of economic resources as a result of a past event, and when it is probable that this outflow will be required to settle the obligation and a reliable estimate can be made of the same. The amount provided is the best estimate of the expenditure required to settle the present obligation completely, discounted to present value using a suitable pre–tax rate. When cash flows are discounted, the increase in the provision over time is recorded as a financial charge.
Any provisions for restructuring costs are recognized when the Group has drawn up a detailed restructuring plan and has announced it to the parties concerned.
In the case of onerous contracts where the unavoidable costs of meeting the contractual obligations exceed the economic benefits expected to be received under the contract, the present obligation is recognized and measured as a provision.
In accordance with the contract obligations reflected in the financial plans annexed to concession arrangements, the Atlantia group's Provisions for repair and maintenance obligations show the amount provided at the balance sheet date to cover future maintenance obligations that ensure the necessary functionality and safety of motorway infrastructure. These provisions are calculated on the basis of the usage and wear and tear of motorway infrastructures, taking account, if material, of the time value of money.
The Provision for construction services required by contract relates to contractual obligations, specifically in connection with the upgrading of motorway infrastructure, for which the Group obtains no additional economic benefits. Such costs are treated as consideration for concession arrangements and are initially recognized at the present value of the fair value of construction services to be rendered in the future (ignoring any financial costs) less any grants received. They are accounted for as a contra item of concession rights without additional benefits. The present value of the residual liability to be rendered in the future, for the construction services still to be rendered to date, is therefore periodically reassessed, and changes to the measurement of the liabilities (such as, for example, changes to the estimated cash outflows necessary to extinguish the obligation, a change in the discount rate and/or a change in the construction period) are recognized as a matching increase or reduction in the corresponding intangible asset.

Trade payables

Payables are initially recorded at cost, which corresponds to fair value, net of directly attributable transaction costs.
They are subsequently recognized at amortized cost, using the original effective interest rate method.
The implicit interest component included in medium/long-term payables is recorded separately using an appropriate market rate.

Financial liabilities

Financial liabilities are divided into three categories:

» liabilities acquired with the intention of making a profit from short–term price fluctuations or that are part of a portfolio held for short–term profit. These are recorded at fair value, with the related gains and losses recognized in the statement of income;

» other liabilities (bank overdrafts, loans, bonds), which are initially recorded at fair value, on the basis of the amounts received net of transaction costs, and are subsequently stated at amortized cost using the effective interest rate method;
» convertible bonds, which are financial instruments comprised of a liability component and an equity component. The fair value of the liability component is estimated as of the issue date using the going market interest rate for similar, non–convertible bonds. The difference between the net amount raised by the issue and the fair value assigned to the liability component, which represents the implicit option to convert the bonds into shares of Group companies, is posted to shareholders' equity under other reserves.

Foreign currency transactions and net investments in foreign operations
Transactions in foreign currencies are recorded using the exchange rates in effect on the transaction dates. Exchange gains or losses realized during the period are recognized in the statement of income.
At the balance sheet date, the Group companies have adjusted receivables and payables in foreign currency using exchange rates ruling at period–end, recognizing all resulting gains and losses in the statement of income.
Exchange differences arising on a monetary item forming part of a net investment in a foreign operation are initially recognized in a separate component of equity and reversed to income at the time of recognizing the gains or losses on the investment's disposal.

Derivative financial instruments and hedging transactions
The Group uses derivative financial instruments only with the intent of managing and hedging its exposure to the risk of fluctuations in exchange rates of currencies other than the Euro and in interest rates. As established by IFRS, derivative financial instruments qualify as hedging instruments only when at the inception of the hedge there is formal designation and documentation of the hedging relationship and of the risk management objective and strategy for undertaking the hedge. In addition, the Group checks at the inception of the hedge and throughout its duration that the hedging instrument used in the relationship is highly effective in offsetting changes in the fair value of cash flows attributable to the hedged risk.
After initial recognition, derivative financial instruments are reported at their fair value. The method of accounting for gains and losses relating to such instruments depends on the type and sustainability of the hedge.
The objective of hedging transactions is to offset the impact on statement of income of exposures relating to hedged items.
Fair value hedges for specific assets and liabilities are recorded in assets and liabilities; the hedging instrument and the underlying item are measured at fair value, and the respective changes in value (which generally offset each other) are recognized to the statement of income.
Cash flow hedges are recorded in assets and liabilities; the hedging instrument is measured at fair value and the effective portion of changes in value is recognized directly in the statement of comprehensive income and accumulated in an equity reserve, which is released to income in the financial periods in which the cash flows of the underlying item occur. The ineffective portion of the changes in value is recognized in the statement of income. If a hedged transaction is no longer thought probable, the unrealized gains or losses, recognized through comprehensive income and accumulated in an equity reserve, are immediately recognized in the statement of income.
The shareholders' equity of foreign subsidiaries may be subject to hedging, in order to protect investments in foreign companies from fluctuations in exchange rates (foreign exchange translation risk). Exchange differences resulting from these capital hedging transactions are debited or credited directly to the statement of comprehensive income and accumulated in equity as an adjustment to the translation differences reserve, and are reversed to income at the time of disposal or settlement.
Derivative instruments for managing financial risks, which do not meet the formal requirements to qualify for IFRS hedge accounting, are recorded under financial assets/liabilities with changes in value reported through the statement of income.

Share-based payments
The cost of services provided by directors and/or employees remunerated through share-based incentive plans is based on the fair value of the rights at the grant date. This value is booked to the statement of income on a straight–line basis over the vesting period and is offset by an entry to a shareholders' equity reserve; the amount booked is based on an estimate of the stock options which will effectively vest for staff so entitled, taking into account the conditions of use that are not based on the market value of the shares.
The cost of any services provided by employees and/or directors and remunerated through share-based payments, but settled in cash, is measured at the fair value of the liability recorded in the Provisions for employee benefits. Fair value is remeasured at the end of each reporting period until such time as the liability is settled, with any changes recognized in the income statement.

Government grants
Government capital grants are recognized at fair value when their amount can be reliably determined and it is reasonably certain that the conditions required for their receipt will be satisfied.
Grants for investments in motorway infrastructure are recognized as construction services revenue in accordance with the accounting policy on Construction contracts and services work in progress.
Operating grants are recognized to the statement of income in the same year as the costs to which they relate.
Capital grants related to assets received to fund development projects or activities are accounted for in liabilities, and are subsequently recognized in operating income in the statement of income, in line with depreciation of the assets to which they refer.
Any grants received to fund investments in property, plant and equipment are accounted for as a reduction in the carrying value of the asset to which they refer and result in a reduction in depreciation.

Employee benefits
All employee benefits are recognized and disclosed on an accruals basis.
According to local conditions and practice in the countries in which the Group operates, there are defined-benefit and defined-contribution plans. Post-employment benefit plans are formalized and non-formalized agreements whereby the entity provides post-employment benefits to one or more employees. Defined-contribution plans are post-employment benefit plans whereby the entity pays predetermined contributions to a separate entity (a fund) and have or will have no legal or construed obligation to pay additional contributions if the fund does not have sufficient assets to pay obligations towards employee.
The amount accrued at year end is projected forward to estimate the amount payable on termination of employment and is then discounted using the projected unit credit method, to account for the time that will elapse before actual payment occurs.

Due to changes in the system of Italian employee termination indemnities (*Trattamento di fine rapporto* or *TFR*) brought about by Law no. 296 of December 27, 2006 and by the decrees and regulations issued in early 2007 (the "Social security reform"), the Group has adopted the following accounting rules:

» TFR accrued at December 31, 2006 is treated as a defined-benefit plan in accordance with IAS 19. The benefits promised to employees in the form of TFR, which are paid upon termination of service, are recognized in the period when the right matures;
» TFR accrued from January 1, 2007 is treated as a defined-contribution plan, so contributions accrued during the period are fully recognized as costs and shown as a liability under employee termination indemnities and other employee benefit provisions.

Gains or losses from changes in actuarial assumptions are recognized in the statement of comprehensive income.

Assets and liabilities held for sale and discontinued operations
Where the carrying amount of assets or of assets and associated liabilities (disposal groups) is material and is to be recovered primarily through sale rather than through continued use, these items are presented separately in the balance sheet. They are classified, as appropriate, under Assets held for sale or Liabilities held for sale and the amounts cannot be offset.
Immediately prior to being classified as held for sale, they are recognized under the specific IFRS applicable to each asset and liability, and subsequently accounted for at the lower of the carrying amount and estimated fair value less costs to sell. Any impairment losses are recognized immediately in the statement of income.

Regarding their classification in the statement of income, discontinued operations or operations held for sale are those that have either been sold or are classified as held for sale and that satisfy one of the following requirements:

» they represent a major line of business or geographical area of operation;
» they are part of a single coordinated plan to dispose of a major line of business or geographical area of operation;
» they are subsidiaries acquired exclusively for the purpose of resale.

Gains and losses resulting from these operations, net of the tax effects, are recognized in a specific item in the consolidated statement of income, together with comparative amounts.

Revenues

Revenues are recognized to the extent that their fair value can be reliably measured and it is likely that the economic benefits will flow to the company. Depending on the type of transaction, revenue is recognized on the basis of the following specific criteria:

» toll revenues are recognized in the period in which they are earned on the basis of motorway usage. Due partially to the fact that the Group's network interconnects with other networks, and that it is consequently necessary to allocate revenues among the various concessionaires, a portion of toll revenues relating to the last part of the year are determined on the basis of reasonable estimates;
» revenues from the sale of goods, net of any returns and discounts, are recognized when the company transfers the main risks and rewards associated with ownership of the goods to the buyer and when collection of the relevant receivables is reasonably certain;
» revenues from rendering of services are recorded with reference to the stage of completion of the transaction as of the balance sheet date. Revenues are recorded in the financial period in which the service is provided, based on the percentage of completion method. If revenues from the services cannot be estimated reliably, they are only recognized to the extent that the relative costs are recoverable. This method appropriately discloses the services provided and the economic results achieved during the period;
» revenues in the form of rental income or royalties is recognized on an accruals basis, considering the terms and conditions of contract.

Revenues from sales by directly operated stores are recognized when the customer pays for the merchandise. The Group's policy regarding returns by customers is quite restrictive, allowing these only in very specific circumstances (e.g. defective goods or late shipment). At the end of each year the Group considers past trends to estimate the overall amount of returns expected in the following year relating to sales in the year just ended. This amount is then deducted from revenues reported in that year.

Financial income and charges

Interest income and expense are recorded on a time–proportion basis, using the effective interest method.

Dividends

Dividends from third parties are recorded when the shareholders' right to receive payment is established, following a resolution by the shareholders of the investee company.

Expense recognition

Expenses are recorded on an accruals basis. Recoveries of costs borne on behalf of others are recognized as a deduction from the related cost.

Income and costs relating to leasing contracts

Income and costs from operating lease contracts are recognized on a straight–line basis over the duration of the contract.

Income taxes

Income taxes are calculated by each consolidated company on the basis of a reasonable estimate of taxable income, in accordance with applicable local regulations and taking account of any tax credits due. In fiscal year 2007, the Parent Company and certain Italian subsidiaries adopted the National Consolidated Taxation System.
Per Articles 117 to 129 of the Tax Code, this system involves the calculation of a single overall income for the purposes of corporate income tax (IRES), by adding the incomes and/or losses of the Parent Company and participating subsidiaries. The Parent Company then pays the tax due or carries forward/receives a refund for any credit. The Parent Company also carries forward any consolidated loss.
The relationships arising from participation in the group tax election are governed by specific rules, approved and signed by all participating companies, which provide for full recognition of the amount calculated on the fiscal losses or profits transferred at current corporate tax rates.
Payables for IRAP (regional business tax), due directly to the national tax authorities, are shown under current tax liabilities net of advances paid.

Deferred taxes are recorded on temporary differences between balance sheet values and the corresponding values recognized for tax purposes, on consolidation adjustments, and in relation to the fiscal deferral or deductibility of revenues and costs.
Deferred tax assets are recorded for all temporary differences to the extent it is probable that taxable income will be available against which the deductible temporary difference can be recovered. The same principle is applied to the recognition of deferred tax assets on the carry forward of unused tax losses. The carrying value of deferred tax assets is reviewed at every balance sheet date and, if necessary, reduced to the extent that it is no longer probable that sufficient taxable income will be available to recover all or part of the asset.
Deferred tax liabilities, save for specific exceptions, are always recognized.
Deferred tax assets and liabilities are not recognized if the temporary differences arise from initial recognition of goodwill (different from business combination transactions) or of other assets or liabilities in transactions that have no influence either on accounting profit or on taxable income.
Deferred tax assets and liabilities are calculated using tax rates which are expected to apply in the period when the asset is realized or the liability settled, using the tax rates and tax regulations which are in force at the balance sheet date.

It is possible to offset deferred tax assets and liabilities only if there is a legal right to offset the current tax balances, if the deferred balances refer to taxes levied by the same tax authority, and if the Group intends to settle current tax balances on a net basis. Tax assets and liabilities for current taxes are only offset if there is a legally enforceable right to set off the recognized amounts and if it is intended to settle or pay on a net basis or to realize the asset and settle the liability simultaneously.

Cash flow statement
In compliance with IAS 7, the cash flow statement, prepared using the indirect method, reports the Group's ability to generate cash and cash equivalents. Cash equivalents comprise short-term highly liquid financial investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity, that is when the original maturity is shorter than three months.
Bank overdrafts qualify as borrowings, unless they are payable on demand and form an integral part of an enterprise's cash and cash equivalents management, in which case they are classified as a component of cash and cash equivalents. Cash and cash equivalents included in the cash flow statement comprise the balance sheet amounts for this item at the reporting date.
Cash flows in foreign currencies are translated at the average exchange rate for the period.
Income and expenses relating to interest, dividends received and income taxes are included in cash flow from operating activities.

In the Group's layout, the following are reported separately:
» operating cash flow: cash flow from operating activities originates mostly from revenue-generating activities and is presented by the Group using the indirect method; this method adjusts net statement of income for the effects of items which did not result in cash outflows or generate liquidity (i.e. non-cash transactions);
» investing cash flow: investing activities are reported separately, in part because they are indicative of investments/divestments aimed at the future generation of revenues and positive cash flows;
» financing cash flow: financing activities consist of the cash flows which determine a change in the size and composition of shareholders' equity and loans granted.

Use of estimates
The preparation of the financial statements and notes in accordance with IFRS requires management to make estimates and assumptions that affect the carrying values of assets and liabilities and the disclosure of contingent assets and liabilities as of the reporting date. Final results may be different from the estimates. The Group has used estimates for valuing, in particular, assets subject to impairment testing and provisions for doubtful accounts, inventory obsolescence, depreciation and amortization, employee benefits, deferred taxes, restructuring, and for measuring the fair value of financial assets and liabilities. Estimates and assumptions are reviewed periodically and any changes are reflected immediately in the statement of income.

COMMENTS ON ASSET ITEMS

(All figures in thousands of Euro)

Comments on the main items in the consolidated statement of financial position at December 31, 2013 are presented below. Changes in the scope of consolidation during the year essentially concerned the consolidation of the Aeroporti di Roma group from December 1, 2013.

NON-CURRENT ASSETS

[1] Property, plant and equipment

The gross value, accumulated depreciation and impairment, and net book value of the Group's property, plant and equipment are detailed below:

	12.31.2013			12.31.2012		
(Thousands of Euro)	Gross	Accumulated depreciation and impairment	Net	Gross	Accumulated depreciation and impairment	Net
Land and buildings	1,372,288	(423,571)	948,717	1,470,404	(368,896)	1,101,508
Investment property	93,449	(34,204)	59,245	80,658	(26,910)	53,748
Plant, machinery and equipment	1,975,858	(1,474,582)	501,276	1,822,708	(1,322,994)	499,714
Furniture, furnishings and electronic equipment	504,789	(411,925)	92,864	476,690	(357,265)	119,425
Assets to be relinquished	450,963	(358,322)	92,641	482,990	(370,460)	112,530
Leasehold improvements	1,124,333	(785,160)	339,173	1,217,883	(847,521)	370,362
Other tangible assets	156,900	(105,461)	51,439	169,883	(91,575)	78,308
Assets under construction and advances	158,213	–	158,213	202,801	–	202,801
Total	5,836,793	(3,593,225)	2,243,568	5,924,017	(3,385,621)	2,538,396

The following table reports movements in 2013 in property, plant and equipment, stated net of accumulated depreciation.

(Thousands of Euro)	Land and buildings	Investment property	Plant, machinery and equipment	Furniture, furnishings and electronic equipment
Balance at 01.01.2012	**1,077,307**	**55,245**	**498,587**	**118,488**
Additions	70,448	6	100,769	41,584
Disposals	(13,438)	–	(4,054)	(1,643)
Depreciation	(26,890)	(1,721)	(156,323)	(39,300)
Impairments	(8,410)	–	(1,519)	(2,474)
Impairment reversals	471	–	–	–
Changes in scope of consolidation	(2,844)	–	2,487	981
Translation differences	(10,140)	92	610	297
Other movements	15,004	126	59,157	1,492
Balance at 12.31.2012	**1,101,508**	**53,748**	**499,714**	**119,425**
Additions	27,921	40	91,480	44,588
Disposals	(70,729)	–	(5,665)	(8,048)
Depreciation	(28,256)	(374)	(151,769)	(40,006)
Impairments	(47,959)	–	(5,427)	(22,776)
Impairment reversals	–	–	–	–
Changes in scope of consolidation	–	–	4,020	(37)
Translation differences	(63,532)	(467)	(8,493)	(1,960)
Other movements	29,764	6,298	77,416	1,678
Balance at 12.31.2013	**948,717**	**59,245**	**501,276**	**92,864**

Investments in property, plant and equipment in 2013 amounted to Euro 360,544: Euro 155,007 by the Autogrill group, Euro 65,171 by the Benetton group, Euro 62,726 by the World Duty Free group, Euro 59,150 by the Atlantia group and Euro 16,108 by the Parent Company.
Most investments by the Autogrill group were concentrated in the airport channel in North America.
The Benetton group invested in the modernization and upgrading of stores with a view to strengthening and supporting the retail network in Italy, Spain, Kosovo and Poland; it also invested in additional production capacity in Serbia and purchased an industrial building in Croatia.
Investments by the World Duty Free group refer to the development of airports shops after winning new concessions or extending existing ones, specifically in Spain, Germany and Chile.

Disposals during the year amounted to Euro 117,144 and mostly concerned the sale of two commercial buildings (in Rome and Tokyo) and of an aircraft by the Benetton group (Euro 102,396).

Impairment losses, totaling Euro 96,953 for the year, were recognized by the Benetton group for Euro 82,984 with respect to some commercial properties written down to realizable value. The remainder is attributable to the Autogrill group (Euro 13,375).

Translation differences (Euro 102,547) refer chiefly to the Benetton group (Euro 63,164), the Autogrill group (Euro 18,910) and the Argentine subsidiary Compañia de Tierras (Euro 10,985).

Assets to be relinquished are tangible assets that will revert to the grantor upon expiry of the concession or sub-concession, either free of charge or against payment of their residual carrying value by the new concession holder. They are all owned by the Autogrill group.

Asset to be relinquished	Leasehold improvements	Other tangible assets	Assets under construction and advances	Total
112,642	**365,123**	**80,813**	**176,254**	**2,484,459**
17,840	59,477	13,266	168,524	471,914
(377)	(3,195)	(1,966)	(4,362)	(29,035)
(30,369)	(91,023)	(15,612)	–	(361,238)
(448)	(8,290)	(5,400)	–	(26,541)
–	–	–	–	471
–	70	7,060	–	7,754
–	(1,650)	(2,412)	(2,381)	(15,584)
13,242	49,850	2,559	(135,234)	6,196
112,530	**370,362**	**78,308**	**202,801**	**2,538,396**
14,225	19,332	10,888	152,070	360,544
–	(12,960)	(18,107)	(1,635)	(117,144)
(34,710)	(90,752)	(13,750)	–	(359,617)
(6,458)	(14,293)	–	(40)	(96,953)
–	–	–	–	–
–	3,237	1,942	2,996	12,158
–	(11,398)	(5,464)	(11,233)	(102,547)
7,054	75,645	(2,378)	(186,746)	8,731
92,641	**339,173**	**51,439**	**158,213**	**2,243,568**

Leasehold improvements refer to the renovation of non-proprietary stores and the expenses incurred to build or improve properties and businesses run under leasing or concession agreements.

The items in the following table include the contractual value of property, plant and equipment held under finance leases:

(Thousands of Euro)	12.31.2013	12.31.2012
Land and buildings	17,766	16,399
Plant, machinery and equipment	849	1,039
Assets to be relinquished	12,788	12,788
Leasehold improvements	59	127
Other assets	1,918	1,943
Accumulated depreciation	(23,692)	(23,118)
Total	**9,688**	**9,178**

The long-term portion of the residual amount of lease repayments at December 31, 2013 is recognized as Lease financing under non-current liabilities in Note [28] (Euro 22,472); the short-term portion is reported in Note [37] Current portion of lease financing (Euro 3,788).

The fair value of investment property is greater than the stated balance sheet value.

At December 31, 2013 there was a special lien on the property, plant and equipment of Aeroporti di Roma S.p.A. and ADR Mobility S.p.A. in connection with loans taken out by Aeroporti di Roma.

[2] Intangible assets

Movements in the principal intangible asset items in 2013 were as follows:

(Thousands of Euro)	Goodwill and other intangible assets of indefinite useful life	Intangible assets deriving from concession rights	Patent rights	Concessions, licenses, trademarks and similar rights	Deferred charges	Other intangible assets	Total
Balance at 01.01.2012	**6,845,147**	**12,890,630**	**6,109**	**748,933**	**142,436**	**79,231**	**20,712,486**
Additions	–	4,554	1,601	12,259	11,381	37,807	67,602
Additions due to execution of construction services	–	746,897	–	–	–	–	746,897
Changes due to update of concession plans	–	430,030	–	–	–	–	430,030
Disposals	–	–	–	(112)	(3,002)	(140)	(3,254)
Depreciation	–	(570,259)	(1,955)	(93,986)	(16,014)	(33,543)	(715,757)
Impairments	(16,700)	–	(676)	(4,750)	(5,820)	(2,542)	(30,488)
Changes in scope of consolidation	(220)	3,226,548	–	3,573	–	(7)	3,229,894
Translation differences	158	(25,634)	9	7,480	421	(193)	(17,759)
Other movements	–	(46,813)	47	4,023	1,643	(4,588)	(45,688)
Balance at 12.31.2012	**6,828,385**	**16,655,953**	**5,135**	**677,420**	**131,045**	**76,025**	**24,373,963**
Additions	7,653	–	602	14,389	11,135	30,537	64,316
Additions due to execution of construction services	–	422,587	–	–	–	–	422,587
Changes due to update of concession plans	–	(316,482)	–	–	–	–	(316,482)
Disposals	(1,722)	(10,602)	(2)	–	(5,388)	(436)	(18,150)
Depreciation		(614,043)	(1,362)	(82,055)	(15,814)	(30,043)	(743,317)
Impairments	(40,595)	–	–	(2,459)	(37,451)	(155)	(80,660)
Changes in scope of consolidation	–	5,097,469	710	14,456	–	1,212	5,113,847
Translation differences	(35,463)	(572,415)	(408)	(13,609)	(534)	(690)	(623,119)
Other movements	1	(34,616)	18	6,494	(141)	(363)	(28,607)
Balance at 12.31.2013	**6,758,259**	**20,627,851**	**4,693**	**614,636**	**82,852**	**76,087**	**28,164,378**

At December 31, 2013 the balance of Goodwill and other intangible assets of indefinite useful life consists mainly of goodwill pertaining to the Atlantia group (Euro 5,381,980), the Autogrill group (Euro 703,183) and the World Duty Free group (Euro 625,491).

Goodwill and other intangible assets of indefinite useful life are subject to impairment testing once a year.
Impairment of Euro 40,595 refers entirely to goodwill on the business combinations carried out by the Benetton group.

Translation differences pertain to the Autogrill group for Euro 23,525 and the World Duty Free group for Euro 11,912.

Concession rights pertain solely to the Atlantia group and are broken down as follows:

(Thousands of Euro)	12.31.2013	12.31.2012
Acquired concession rights	7,190,851	3,092,688
Concession rights accruing from construction services for which no additional economic benefits are received	8,727,507	9,413,173
Concession rights accruing from construction services for which additional economic benefits are received	4,665,625	4,104,468
Concession rights accruing from construction services provided by sub-operators	43,868	45,624
Total	20,627,851	16,655,953

Acquired concession rights are recognized against the cash outlays incurred to obtain concessions from the grantor or from third parties. Rights relating to construction services for which no additional economic benefits are received have accrued against construction service commitments by operators in the Atlantia group. Rights accruing from construction services for which additional economic benefits are received (specific tariff increases and/or significant increases in the number of expected users due to infrastructure expansion) also pertain to the Atlantia group. Rights accruing from construction services provided by sub-operators are recognized against investments carried out by service area operators that are handed over free of charge to the Atlantia group.
The principal changes in this item are an increase of Euro 422,587 in the amount of investments carried out in 2013 relating to construction and/or upgrade services for which additional economic benefits are received; a decrease of Euro 316,482, with a balancing entry in Provisions for construction services required by contract in Note [33], due to the revised estimate of the present value of construction services to be rendered in the future for works without additional economic benefits; and amortization of Euro 614,043.
Changes in scope of consolidation refer solely to the recognition of the fair value of intangible assets brought in by the Aeroporti di Roma group.
Translation differences are attributable to the negative impact of the depreciation of the Chilean peso and Brazilian real.

Concessions, licenses, trademarks and similar rights at December 31, 2013 refer mostly to the World Duty Free group and include the amounts determined upon fair value allocation of the acquired assets and liabilities of World Duty Free Group UK Holding Ltd. (formerly World Duty Free Europe Ltd.) and World Duty Free España S.A. (formerly Aldeasa S.A.), in the form of contractual rights (Euro 397,272) and the tradename World Duty Free (Euro 90,241).
Concessions, licenses, trademarks and similar rights pertaining to the Autogrill group amount to Euro 45,412; the remaining amount consists primarily of licenses and trademarks held by the Atlantia group and trademarks owned by the Benetton group. The brands United Colors of Benetton and Sisley, with respective carrying values of Euro 3,567 and Euro 1,238, are subject to restraints on sale as security for committed credit lines.
Impairment for this item refers essentially to the Autogrill group, while most of the translation differences were produced by the World Duty Free group (Euro 10,597) and the Atlantia group.
Change in scope of consolidation refers to the first-time consolidation of a Vietnamese company by the Autogrill group (Euro 10,245) and, for the remainder, to the consolidation of the Aeroporti di Roma group.

Deferred charges consist of key money for the acquisition of retail operations by the Benetton group, which is amortized over the term of the related lease contracts.
Impairment losses with respect to key money came to Euro 37,451.

Other intangible assets include the cost of purchasing and developing software, of which Euro 22,549 pertains to the Benetton group, Euro 9,527 to the Autogrill group and Euro 10,235 to the Atlantia group.
This item also includes assets under construction and advances (Euro 24,590).

Impairment testing

According to the rules of IAS 36, the Group has:

» checked for any indication that its property, plant and equipment or intangible assets of finite useful life might be impaired;
» compared the recoverable amount of its intangible assets of indefinite useful life and of its intangible assets not yet available for use with their corresponding carrying amounts; such a comparison was carried out irrespective of the occurrence of events indicating that the carrying amount of such assets might be impaired.

The scenario used by the Benetton group for the purpose of impairment testing was the three-year plan for 2014-2016 approved by the company's board of directors in November 2013, on the basis of which three main operating areas were identified and tested specifically in light of the strategic development envisaged for them by the plan.

The three macro areas and the corresponding impairment losses are described below:

a. commercial segment: impairment concerned:
   » stores (managed directly and by partners): each store is classified in one of four categories according to the strategic level assigned to it and treated like a separate CGU, for which the net present value of cash flows (value in use) is calculated. If value in use is lower than the carrying amount of the CGU, its assets are considered impaired. Most of the impairment losses concern furniture and fittings, deferred charges and leasehold improvements, primarily in Italy, France, Germany, Turkey, Belgium and Spain. Regarding "fonds de commerce", if these show indications of possible impairment , their recoverable amount is determined using an expert appraisal;
   » goodwill generated by business combinations for which the cash flows of the acquired operations are not sufficient to cover the value of their fixed assets;
b. real estate segment: each country in which commercial properties are located is treated as a CGU. Impairment is determined by comparing the net carrying amount with the recoverable amount of the assets corresponding to the CGU. Recoverable amount was assumed to be equal to the higher of market value, determined by updated appraisals and (when not available) on the basis of market rent and rental yields, and value in use, determined on the basis of rent contracted within the group and market yields. Testing led to the recognition of impairment losses for various properties in Russia, former Soviet countries and Portugal, where the real estate markets were hurt during the year by the unfavourable economy;
c. manufacturing segment: the fixed assets at manufacturing centers in Italy and abroad (Tunisia, Croatia, Romania and Serbia) used to produce apparel and fabrics were identified as a single CGU. Net future cash flows were estimated for the CGU as a whole, but discounted considering the specific rates of the country where each center is located. Testing did not reveal any significant impairment.

Impairment losses likewise concerned some assets of the Autogrill group. Except for goodwill, impairment testing is performed on the individual contract or store considering future cash flows (without incorporating any assumed efficiency gains), discounted at the average cost of capital, which reflects the cost of money and the specific business risk attributable to each country.
When testing goodwill for impairment, the CGUs are identified on the basis of business segment, consistently with the minimum level at which goodwill is monitored for internal management purposes. The recoverability of the goodwill allocated to each CGU is verified by estimating its value in use, defined as the present value of estimated cash flows based on the 2014 budget and forecasts for 2015-2018 (discounted at a rate differentiated by geographical area) and that reflects the risks specific to the individual CGU at the valuation date.
On the basis of the assumptions made, for 2013 the goodwill allocated to each CGU was found to be fully recoverable.

In the Atlantia group, each concession holding company is treated as a separate CGU. The subsidiaries that do not hold motorway concessions are also identified as individual CGUs.
The recoverability of goodwill and concession rights was assessed using the long-term plans drawn up by each company, which report traffic, investment, cost and revenue projections for the full term of the concession contract, on the basis of the financial plans annexed to the concession agreements signed with the grantor.
Almost all goodwill is allocated to a single concession holder (Autostrade per l'Italia S.p.A.); impairment testing demonstrates that it is fully recoverable.

Regarding the World Duty Free group, management tests for possible impairment as follows: i) the recoverable amount is calculated for each CGU, although in the case of buildings, plant and machinery, where possible, it is calculated for the individual asset; ii) the recoverable amount is the higher of fair value less disposal costs and value in use.
Given the group's organizational structure and operations, CGUs essentially coincide with geographical areas. In determining value in use, the estimated future cash flows are discounted to their present value using a post-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset. The discount rate was set in consideration of the capital assets pricing model, which is based, as far as possible, on indicators and variables that can be observed from the market.
Future cash flows have been estimated at December 31, 2013 on the basis of the 2014 budget and forecasts for 2015-2018. Every year management draws up a five-year plan, by market and by business area, for each CGU.

The discount rate (WACC) used to determine the present value of projected cash flows depends on the cost of money and the specific country risk of the business. The nominal growth rate (g rate) of projected cash flows not stated expressly in financial plans ranges from 1% to 2%. The specific forecast period does not exceed five years, with the exception of the CGUs of the Atlantia group, for which projections are based on business and financial plans developed for the full term of the concession period.

The results of impairment testing in 2013 are summarized in the following table which reports, by business segment and type of asset, the impairment losses recognized for the year:

(Thousands of Euro)	Textiles & clothing	Food & beverage	Travel retail	Infrastructures & services for mobility	Other business	Total
Property, plant and equipment						
Buildings	46,592	1,367	–	–	–	47,959
Plant, machinery and equipment	3,077	1,781	569	–	–	5,427
Furniture, furnishings and electronic equipment	22,757	19	–	–	–	22,776
Leasehold improvements	10,543	3,750	–	–	–	14,293
Other	15	6,458	–	–	25	6,498
Total property, plant and equipment	**82,984**	**13,375**	**569**	**–**	**25**	**96,953**
Intangible assets						
Intangible assets of indefinite useful life	40,595	–	–	–	–	40,595
Intangible assets of finite useful life	37,786	2,279	–	–	–	40,065
Total intangible assets	**78,381**	**2,279**	**–**	**–**	**–**	**80,660**
Total	**161,365**	**15,654**	**569**	**–**	**25**	**177,613**

[3] Equity investments in subsidiaries

This item is made up of non-significant subsidiaries that are not included in the consolidation.

[4] Equity investments in associates and joint ventures

The main investments in associated companies and joint ventures are as follows:

	12.31.2013		12.31.2012	
(Thousands of Euro)	% held	Carrying value	% held	Carrying value
Gemina S.p.A.	–	–	35.93%	704,416
Eurostazioni S.p.A.	32.71%	49,220	32.71%	49,220
Sagat S.p.A.	–	–	24.38%	30,479
Società Autostrada Tirrenica p.A.	24.98%	28,268	24.98%	26,477
Rodovias do Tietê S.A.	50.00%	33,898	–	–
Atlantia Bertin Participações S.A.	–	–	50.00%	23,227
Tangenziali Esterne di Milano S.p.A.	–	–	26.40%	19,785
Pune-Solapur Expressway Private Ltd.	50.00%	10,146	50.00%	14,262
Società Infrastrutture Toscane S.p.A.	46.60%	5,794	46.60%	5,969
Other investments	–	18,871	–	21,178
Total		146,197		895,013

The interest in Gemina S.p.A. (and in the Aeroporti di Roma group) was measured using the equity method until the effective date of its merger with and into Atlantia S.p.A. (December 1, 2013), when the Aeroporti di Roma group was consolidated on a line by line basis by the Edizione Group.
Because the Edizione Group already had a non-controlling interest in the Gemina/Aeroporti di Roma group, the assumption of control by way of the merger resulted in the remeasurement of the investment in Gemina on the basis of the fair value recognized by the Atlantia group to the net assets and liabilities of the Aeroporti di Roma group.
The effect of valuing Gemina using the equity method was positive for Euro 23 million, of which Euro 17 million has been recognized in the income statement. See Note [55] Share of income/(loss) of associates.
The effect of remeasuring at fair value the previous interest in the Gemina/Aeroporti di Roma group came to Euro 238 million, recognized in the income statement. See Note [56] Financial income.

The interest in Sagat S.p.A. was sold in January 2013. At December 31, 2012, the carrying value of this investment was already in line with its sale price.

As a result of the absorption of Atlantia Bertin Participações S.A. by the sub-holding company Atlantia Bertin Concessões S.A., the Atlantia group has recognized in this item its investment in the concession holder Rodovias do Tietê S.A., whose value at December 31, 2013 was adjusted to its worth according to the equity method.

The change in value of the equity investments in Società Autostrada Tirrenica p.A., Pune-Solapur Expressway Private Ltd. and Società Infrastrutture Toscane S.p.A. is due to their measurement using the equity method.

The interest in Tangenziali Esterne di Milano S.p.A. was reclassified at December 31, 2013 to Equity investments in other companies (Note [5]), due to the capital increase subscribed by the company's other shareholders, which diluted the interest held by the Atlantia group.

[5] Equity investments in other companies

Because these investments are "available for sale" in accordance with IAS 39, they are recognized at fair value, and gains and losses from the valuation (except impairment losses, which are recognized in the income statement) are charged to a shareholders' equity reserve. If the fair value of these assets cannot be determined reliably, they are measured at cost, and adjusted for any impairment. For equity investments in listed companies, fair value is taken as the average stock market price in December 2013.

Equity investments in other companies are as follows:

	12.31.2013		12.31.2012	
(Thousands of Euro)	% held	Carrying value	% held	Carrying value
Assicurazioni Generali S.p.A.	0.94%	242,726	0.94%	194,500
Pirelli & C. S.p.A.	4.61%	251,926	4.61%	193,232
Mediobanca S.p.A.	2.16%	114,231	2.16%	81,232
Tangenziali Esterne di Milano S.p.A.	13.67%	34,544	–	–
Alitalia-Compagnia Aerea Italiana S.p.A.	8.68%	29,925	8.85%	17,600
Club Méditerranée S.A.	2.22%	12,291	2.22%	9,282
RCS MediaGroup S.p.A.	1.07%	5,923	5.10%	47,784
Gruppo Banca Leonardo S.p.A.	1.93%	7,742	1.93%	8,096
Acegas-Aps S.p.A.	–	–	1.94%	5,537
Prelios S.p.A.	–	–	2.70%	1,633
Tangenziale Esterna S.p.A.	1.25%	3,515	1.25%	1,250
Il Sole 24 Ore S.p.A.	2.00%	1,586	2.00%	1,410
Other investments	–	8,512	–	5,954
Total		**712,921**		**567,510**

The table below shows movements during the year in Equity investments in other companies:

(Thousands of Euro)	Fair value at 12.31.2012	Additions/ Disposals	Impairment losses	Fair value adjustments	Fair value at 12.31.2013
Assicurazioni Generali S.p.A.	194,500	–	–	48,226	242,726
Pirelli & C. S.p.A.	193,232	–	–	58,694	251,926
Mediobanca S.p.A.	81,232	–	–	32,999	114,231
Tangenziali Esterne di Milano S.p.A.	–	34,544	–	–	34,544
Alitalia-Compagnia Aerea Italiana S.p.A.	17,600	26,000	(13,675)	–	29,925
Club Méditerranée S.A.	9,282	–	–	3,009	12,291
RCS MediaGroup S.p.A.	47,784	(5,822)	(24,409)	(11,630)	5,923
Gruppo Banca Leonardo S.p.A.	8,096	(354)	–	–	7,742
Acegas-Aps S.p.A.	5,537	(4,031)	–	(1,506)	–
Prelios S.p.A.	1,633	(1,817)	–	184	–
Tangenziale Esterna S.p.A.	1,250	2,265	–	–	3,515
Il Sole 24 Ore S.p.A.	1,410	–	–	176	1,586
Other investments	5,954	2,558	–	–	8,512
Total	**567,510**	**53,343**	**(38,084)**	**130,152**	**712,921**

The investment in Tangenziali Esterne di Milano S.p.A. was reclassified to this item at December 31, 2013, due to the capital increase subscribed by the company's other shareholders, which diluted the interest held by the Atlantia group.

The impairment of the investment in Alitalia (Euro 13.7 million), in consideration of the company's ongoing losses and the lack of information that would allow a reliable determination of fair value, was determined on the basis of the pro-quota share of its equity prior to October 15, 2013, when Alitalia's equity value was measured by the airline's board of directors based on the opinion of a financial advisor. That equity value, used as a reference for the capital increase of October 2013 in which Atlantia participated with an investment of Euro 26 million, was confirmed at the close of 2013 on the basis of available information, and on a pro-quota basis is substantially in line with the residual carrying amount of the investment (Euro 30 million).

In April and May 2013 the Parent Company sold part of its interest in RCS MediaGroup S.p.A. in the open market, deciding not to participate in the capital increase that was concluded in July. In early 2014, the Parent Company sold its remaining shares of RCS MediaGroup S.p.A.; the impairment loss charged at December 31, 2013 (Euro 24.4 million) corresponds to the capital loss realized from the sale.

In 2013 the Parent Company also sold its interests in Prelios S.p.A. and Acegas-Aps S.p.A. in the open market. More specifically, concerning the investment in Acegas-Aps, in February 2013 Edizione participated in Hera S.p.A.'s takeover of Acegas-Aps and then sold its shares of Hera in the following month of April 2014.

[6] Investment securities

The balance refers to investments in closed-end funds, held by the subsidiary Schemaquattordici S.p.A. for Euro 7,744 and by the Parent Company for Euro 17,701. These funds are measured at fair value at December 31, 2013.
The Parent Company also holds an additional no. 107,456 convertible Club Méditerranée bonds which, at a ratio of one to one, can be converted at the holder's request into ordinary shares of the company by November 1, 2015 at a price of Euro 16.365 per share.

[7] Guarantee deposits

The balance consists mainly of security deposits pertaining to the Benetton group (Euro 24,538), for leases in the name of its Japanese, Korean, Indian and Spanish subsidiaries, to the Autogrill group (Euro 7,056) and to the World Duty Free group (Euro 5,667).

[8] Other non-current financial assets

The balance at the end of 2013 includes the following:

(Thousands of Euro)	12.31.2013	12.31.2012
Non-current portion of financial assets deriving from concession rights	1,296,694	1,037,731
Convertible term deposits	332,745	307,729
Financial assets deriving from government grants related to construction services	247,481	236,958
Financial receivables from associates	347,566	241,012
Deposit to AENA	22,230	–
Other financial receivables and assets	111,507	125,514
Total	2,358,223	1,948,944

The Non-current portion of financial assets deriving from concession rights refers to the Atlantia group and includes:

» the present value of the minimum guaranteed revenues that various Chilean motorway concession holders will receive from the grantors in accordance with the concession agreements (Euro 608,774);
» Ecomouv's investments in financial assets deriving from concession rights relating to the construction of the satellite-based tolling system for heavy vehicles in France (Euro 687,920).

The change in this item with respect to the previous year (Euro 325,295) is due essentially to investments in 2013 which, for Euro 287,159, concern the satellite-based tolling system for heavy vehicles in France, partially offset by exchange losses on the concession rights of the Chilean operators (Euro 79,038).

Convertible term deposits consist of the loans disbursed by banks for the construction of new infrastructure; they will be released and made available to the Atlantia group based on percentage of completion of these works. The change since 2012 concerns a restricted account with a balance of Euro 24,876, relating to security for the bank loans received by Aeroporti di Roma and to bonds issued by Romulus Finance.

Financial assets deriving from government grants related to construction services consist of amounts receivable from concession grantors, or other public entities, for grants accrued on the Atlantia group's construction of motorway infrastructure during the year.

Financial receivables from associates refer to the amount lent by the subsidiary Atlantia Bertin Concessões S.A. to Infra Bertin Empreendimentos (the company in charge of constructing and managing the ring road southeast of São Paulo) to finance the investment plan.

The amount shown under "Deposit to AENA" is the amortized cost of the security deposit paid by the World Duty Free group in February 2013 to the Spanish licensor, after winning, in December 2012, tenders for the award of concessions to operate until 2020 duty free and duty paid travel retail activities at 26 airports in Spain. The deposit will be refunded at the end of the concession agreements. In accordance with the contracts signed with AENA, in February 2013 World Duty Free also paid Euro 278 million plus VAT as an advance on the concession fees payable over the duration of the contracts. The non-current portion of the present value of these amounts (Euro 252,632) is recognized under Other non-current receivables, Note [9], while the current portion (Euro 18,921) is listed under Other current receivables, Note [15].

Other financial receivables and assets include the long-term receivable of Vespucio Sur, a member of the Atlantia group, from the concession grantor (Euro 50,133); receivables for convertible bonds issued by Alitalia (Euro 14,177); and the fair value of cash flow hedges and fair value hedges derivatives (Euro 11,735).

Other non-current financial assets are broken down below by maturity:

(Thousands of Euro)	12.31.2013	12.31.2012
From 1 to 5 years	1,379,848	1,339,658
Beyond 5 years	978,375	609,286
Total	2,358,223	1,948,944

[9] Other non-current receivables

This item, with a balance of Euro 334,338, pertains mostly to:

» the World Duty Free group (Euro 264,241), essentially for leasing and concession fees paid in advance to the operators of the airports served by the group (including Euro 252,632 to AENA, Note [8]); and

» the Benetton group, for trade receivables (Euro 34,690) and amounts due for the sale of fixed assets (Euro 3,028). The increase in trade receivables (amounting to Euro 21,270 at December 31, 2012) is due to the full review of the commercial network which, in those cases where the Benetton group has decided to support its independent partners, has led to the grant of deferred payment terms, conditional upon their issue of guarantees and payment of interest.

This item also includes Euro 6 million in public benefit contributions advanced by the Parent Company to the City of Venice, which has placed the sum in an escrow account. Under the terms of the agreement, the Parent Company may ask for full and immediate reimbursement of the contribution, plus interest, if certain conditions are not satisfied. In February 2014, the partial release of funds to the City of Venice was authorized in the amount of Euro 1 million.

[10] Deferred tax assets

The nature and composition of net deferred tax assets are broken down below:

(Thousands of Euro)	12.31.2013	12.31.2012
Tax effect on deductible intercompany goodwill	776,325	882,125
Tax effect on the adoption of IFRIC 12	540,415	560,729
Tax effect on provisions and costs relating to future periods for fiscal purposes	569,462	357,508
Tax effect on different basis for amortization and depreciation	208,566	214,490
Benefit on carried forward tax losses	189,800	47,629
Tax effect on intercompany profits elimination	8,950	4,775
Other deferred tax assets	310,435	482,089
Total deferred tax assets	**2,603,953**	**2,549,345**
Total offsettable deferred tax liabilities	(539,504)	(364,601)
Total deferred tax assets, net	**2,064,449**	**2,184,744**

For the sake of clarity, the following paragraphs describe separately the nature of tax assets generated by the Atlantia, Benetton, Autogrill and World Duty Free groups.

Atlantia group

The balance of Euro 1,820,922 at December 31, 2013 is comprised mainly of residual deferred tax assets (Euro 776,325) arising from the transfer of motorway assets to Autostrade per l'Italia and that company's recognition of deductible goodwill, as well as deferred tax assets of Euro 540,415 originating from the adoption of IFRIC 12 by Autostrade per l'Italia S.p.A., to be released throughout the life of the concession. The Aeroporti di Roma group contributed Euro 168,216.

Benetton group

The balance of this item (Euro 150,586) is comprised mainly of deferred tax assets recognized on the different basis for the amortization and depreciation of fixed assets, measured according to the estimated future recoverability of the tax benefits, and of taxes recognized on costs deductible in future accounting periods.
The potential tax benefit from the carried forward tax losses of group companies (Euro 269 million at December 31, 2013) has been adjusted by Euro 267 million because, at the present date, they are unlikely to be fully recovered.

Autogrill group

The deferred tax assets of the Autogrill group (Euro 43,596) refer to:

» the group's Italian companies for Euro 17,730 (Euro 25,363 at December 31, 2012), where deferred tax assets are generated primarily by the different amortization period of fixed assets and the deferred deductibility of provisions for risks and charges;

» the French Food & beverage units for Euro 11,845 (Euro 10,064 at December 31, 2012), in connection chiefly with tax losses carried forward and the different amortization and depreciation periods for tax purposes.

At December 31, 2013, tax losses for which deferred tax assets have not been recognized amount to Euro 124,709. The corresponding unrecognized tax benefit comes to Euro 37,341.

World Duty Free group

The deferred tax assets of the World Duty Free group at December 31, 2013 amount to Euro 29,100 and relate primarily to tax losses carried forward.

CURRENT ASSETS

[11] Inventories
Inventories are broken down below:

(Thousands of Euro)	12.31.2013	12.31.2012
Raw materials, other materials and consumables	384,750	391,342
Work in progress and semi-manufactured products	43,973	52,954
Finished goods	286,700	265,334
Construction contracts in progress	26,754	31,338
Advances	2,216	83
Total	744,393	741,051

Inventories are stated net of the write-down provision of Euro 52,060 (Euro 39,160 at December 31, 2012). The increase in the write-down provision is due mostly to the greater impairment losses on finished products of the Benetton group, relating to the higher number of directly managed stores and to branded merchandise that the group has decided to cease.

[12] Trade receivables
At December 31, 2013, trade receivables, net of the provision for doubtful accounts, were as follows:

(Thousands of Euro)	12.31.2013	12.31.2012
Trade receivables	2,128,320	2,086,565
Provision for doubtful accounts	(419,307)	(232,937)
Total	1,709,013	1,853,628

Trade receivables include the contribution of the Benetton group, Euro 484,911 (Euro 832,059 at December 31, 2012), and the Atlantia group, Euro 1,201,505 (Euro 1,003,500 at the close of 2012).
With respect to the previous year, the Benetton group reports a decrease in trade receivables due to lower indirect channel sales of the latest collections and, in particular, to the postponement to 2014 of deliveries for the 2014 spring/summer collection, which caused a delay in the recognition of revenues and the corresponding receivables. An additional factor was the comprehensive review of the retail network, which led the group to support independent strategic partners by granting them deferred payment terms (conditional on their issuance of guarantees and payment of interest), but also to recognize higher provisions for doubtful trade receivables with partners no longer considered strategic.
The increase in trade receivables for the Atlantia group refers essentially to the companies in the Aeroporti di Roma group (Euro 190,203 at December 1, 2013), which late in the year were affected by greater exposure to the principal national airline.

Movements in the provision for doubtful accounts are summarized below:

(Thousands of Euro)	01.01.2013	Additions	Uses	Releases to statement of income	Change in scope of consoli-dation	Other movements and translation differences	12.31.2013
Provision for doubtful accounts	232,937	151,561	(53,250)	3,162	70,162	14,735	419,307

Of additions for the year, Euro 145,881 refers to the Benetton group.

At the end of the year, there were no receivables factored without recourse.

[13] Tax receivables

This item includes:

- VAT credits of Euro 91,531 (Euro 93,285 at December 31, 2012), of which Euro 15,094 pertains to the Autogrill group, Euro 16,614 to the Benetton group and Euro 49,640 to the Atlantia group;
- income tax credits of Euro 52,956 (Euro 135,193 at December 31, 2012), of which Euro 23,636 pertains to the Atlantia group, Euro 13,019 to the World Duty Free group, Euro 5,981 to the Autogrill group, Euro 5,641 to the Benetton group and Euro 2,501 to the Parent Company; the decrease with respect to 2012 is attributable to the Atlantia group and reflects the offsetting of current tax receivables against advances due for 2013;
- other tax receivables of Euro 89,159 (Euro 72,522 at December 31, 2012): the balance includes receivables from the deduction of a portion of IRAP from IRES and receivables of Euro 9,580 for Aeroporti di Roma in connection with customs duty.

[14] Accrued income and prepaid expenses

These are made up as follows:

(Thousands of Euro)	12.31.2013	12.31.2012
Rents and leases	26,008	34,452
Other accrued income and prepaid expenses	65,553	32,517
Total	**91,561**	**66,969**

Other accrued income and prepaid expenses refers to maintenance fees, insurance policies, advertising and sponsorship costs.

[15] Other current receivables

Other current receivables are detailed in the table below:

(Thousands of Euro)	12.31.2013	12.31.2012
Advances paid to suppliers	133,941	140,511
Receivables due from motorway end-users and insurance companies for damages	34,801	41,098
Advances to employees and agents	7,453	9,877
Receivables due from social security institutions	4,898	1,078
Other receivables	101,294	111,222
Total	**282,387**	**303,786**

Advances paid to suppliers concern the Autogrill group for Euro 67,890, comprised of promotional contributions and bonuses awaiting settlement as well as amounts paid in advance for services; the Atlantia group for Euro 31,452, consisting of advances paid to awarders of contracts; and the World Duty free group for Euro 28,207, referring to the current portion of leasing and concession fees paid in advance to the operators of the airports served by the group (including Euro 18,921 to AENA, Note [8]).

Receivables due from motorway end-users and insurance companies for damages refer to the reimbursement of damages caused to motorways.

Other receivables were contributed mainly by:

- the Autogrill group (Euro 31,722) for amounts due from sub-concession holders, advances to concession grantors for investments made on their behalf or on behalf of sub-concessionaires, and receivables on business generating commissions;
- the Benetton group (Euro 19,105), including advances on customs duties, short-term security deposits, and Euro 7.5 million due from the Serbian government in the form of a grant for investments planned at the new manufacturing complex in Niš, Serbia. The non-pertinent portion of the grant, to be paid to the Benetton group's cooperating partners, has been deferred and recorded in short-term liabilities; and
- the Atlantia group (for nearly all of the remaining balance), including Euro 10,184 in receivables from public entities.

This item is shown net of provisions for doubtful accounts (Euro 36,336), of which Euro 30,951 pertains to the Atlantia group. The provision relates chiefly to amounts owed to Stalexport Autostrady by its associates, which are currently insolvent, and whose loans from the local authorities have therefore been repaid by the Polish company in its role as guarantor.

[16] Other current financial assets

This item is summarized as follows:

(Thousands of Euro)	12.31.2013	12.31.2012
Current financial assets deriving from concession rights	413,067	386,516
Convertible term deposits	191,739	355,042
Financial assets deriving from government grants related to construction services	18,951	23,784
Financial receivables from Group companies	123,910	121,729
Financial receivables from third parties	52,116	38,844
Derivatives: fair value hedges	4,239	5,853
Derivatives: cash flow hedges	8,456	9,036
Other financial receivables and assets	39,328	40,407
Total	851,806	981,211

Current financial assets deriving from concession rights, Convertible term deposits and Financial assets deriving from government grants related to construction services consist of the current portion of the Atlantia group assets discussed in Note [8] Other non-current financial assets.

Most of the increase in Current financial assets deriving from concession rights concerns the takeover rights of Autostrade Meridionali S.p.A. (Euro 390,433), due by the motorway operators that will take over the concession when it expires to compensate for investments carried out during the final years of the concession that have not yet depreciated.

This heading also includes the current portion of the present value of the minimum guaranteed revenues that various Chilean motorway concession holders in the Atlantia group will receive from the grantors in accordance with the concession agreements (Euro 22,634).

The change in Convertible term deposits reflects the decreased balance of project accounts of the Group's non-Italian companies (Euro 35,692), the use of a portion of deposits to increase the loan granted to Infra Bertin Empreendimentos (the company in charge of constructing and managing the ring road southeast of São Paulo), and the release of the time deposits of Autostrade Holding do Sur (Euro 71,126).

Financial assets deriving from government grants related to construction services are grants accrued from concession grantors or other public entities on investments and maintenance work associated with businesses under concession.

Financial receivables from Group companies consist of Euro 110,000 from the renegotiation and subsequent extension (from June 2013 to June 2014) of the loan from the Atlantia group to its associate Società Autostrada Tirrenica, and Euro 13,910 in sums lent to associates of the Autogrill group.

Of Financial receivables from third parties, Euro 28,227 is due to a subsidiary of the Atlantia group by Toto group, recognized in 2011 for the sale of a 58% interest in Strada dei Parchi and due on July 29, 2014.

The item Derivatives: fair value hedges includes the differentials on interest rate hedges of the Autogrill group (Euro 1,329) and the differentials on forward exchange contracts of the Benetton group (Euro 2,859).

The item Derivatives: cash flow hedges consists almost exclusively of the fair value accounting of the Benetton group's hedges against exchange risk.

Other financial receivables and assets are comprised of accrued income on derivative transactions, mostly for the Atlantia group (Euro 21,681), as well as financial accrued income and prepayments (Euro 17,646).

[17] Other investments

This item covers the fair value of investments classified as "available for sale" according to the rules of IAS 39, whose carrying value has been adjusted to the average stock market price in December 2013. The balance consists mainly of the fair value of the 2% investment in Brunello Cucinelli S.p.A., worth Euro 35,129 at December 31, 2013, and other non-controlling investments held by Edizione, the Atlantia group and the Autogrill group.

[18] Cash and cash equivalents

This item can be broken down as follows:

(Thousands of Euro)	12.31.2013	12.31.2012
Time deposits	2,070,642	2,344,507
Bank accounts	2,985,842	736,973
Cash in hand	98,773	95,519
Checks	31,199	45,476
Total	5,186,456	3,222,475

Time deposits refer mainly to the Atlantia group.

Bank accounts are liquid funds held at major banks. Average interest rates reflect market returns for the various currencies concerned. The increase with respect to the previous year concerns the Atlantia group (Euro 1,394.9 million) and the cash brought in through the new bond issues, net of loan repayments and the settlement of dividends.

Cash in hand includes cash floats at stores and amounts in the process of being credited and may vary according to the frequency of deposit.

Checks reflect receipts from customers in the last few days of the year.

Cash flow movements during the period are detailed in the cash flow statement.

[19] Assets and liabilities held for sale

At December 31, 2013 the balance consists mainly of the Atlantia group’s non-controlling interest in Lusoponte (Euro 12,239) and the receivables due from that company (Euro 1,643). It also includes the residual 2% interest in Strada dei Parchi (Euro 4,271), subject to a put and call option with the Toto group, in accordance with the sale agreements signed in 2011.

COMMENTS ON SHAREHOLDERS’ EQUITY ITEMS
(All figures in thousands of Euro)

SHAREHOLDERS’ EQUITY

SHAREHOLDERS’ EQUITY ATTRIBUTABLE TO THE PARENT COMPANY
On June 17, 2013, the annual general meeting of Edizione S.r.l. approved a dividend totalling Euro 42.8 million, paid during the course of the year.

[20] Share capital
At December 31, 2013 the share capital of Edizione S.r.l. amounted to Euro 1,500 million, fully subscribed and paid-in and divided into quotas.

[21] Fair value and hedging reserve
This item reflects the changes arising from the fair value recognition of "available for sale" financial assets shown under current and non-current assets, as well as the changes in the effective hedging component of cash flow hedges.

[22] Other reserves and retained earnings
Amounting to Euro 3,303,993 at December 31, 2013 (Euro 2,704,888 at December 31, 2012), this item includes:
» Euro 9,394 for the Parent Company’s legal reserve;
» Euro 933,343 for the Parent Company’s other reserves;
» Euro 2,361,256 representing the shareholders’ equity of consolidated companies in excess of their carrying value, together with other consolidation entries.

[23] Translation reserve
This reserve shows the effects of consolidating companies with financial statements in currencies other than the Euro using the line-by-line and proportional methods.

The following table shows the components of comprehensive income and the related tax effect:

(Thousands of Euro)	Gross	Tax effect	Net
Fair value gains/(losses) on cash flow hedges	132,219	(33,528)	98,691
Net change in fair value of cash flow hedges reclassified to profit or loss	8,142	(1,468)	6,674
Fair value gains/(losses) of available for sale financial instruments	138,993	1,302	140,295
Gains/(losses) from translation of financial statements in non-Euro currencies	(486,567)	(2,541)	(489,108)
Other comprehensive income	(12,907)	1,843	(11,064)
Other comprehensive income for the year	**(220,120)**	**(34,392)**	**(254,512)**

Below is the reconciliation between the Shareholders' equity and Net income of Edizione S.r.l. at December 31, 2013 and the corresponding consolidated amounts, net of non-controlling interests:

(Thousands of Euro)	Shareholders' equity	Net income
As shown in the separate financial statements of Edizione S.r.l. prepared according to Italian GAAP	**2,563,814**	**121,077**
IFRS adjustments to separate financial statements of Edizione S.r.l.	139,939	(19,076)
As shown in the separate financial statements of Edizione S.r.l. prepared according to IFRS	**2,703,753**	**102,001**
Group share of net income and shareholders' equity of consolidated subsidiaries, net of their carrying value	1,326,845	531,559
Reversal of dividends paid to the Parent Company by consolidated subsidiaries	–	(555,029)
Allocation to non-current assets of the difference between the purchase price and the equity of new subsidiaries at the date of acquisition and related depreciation and amortization	1,015,437	–
Elimination of capital gains from the intercompany sale of equity investments and businesses	(120,551)	(174,317)
Adjustment to reflect the equity value of associated companies	(1,102)	18,141
Net effect of other consolidation postings	(17,748)	216,593
Group's consolidated financial statements	**4,906,634**	**138,948**

[24] Equity attributable to non-controlling interests

At December 31, 2013 and 2012, non-controlling interests in the net equity of consolidated companies were as follows:

(Thousands of Euro)	12.31.2013	12.31.2012
Atlantia group	5,211,737	3,718,185
Sintonia S.p.A.	1,220,015	872,512
Autogrill group	235,373	345,537
World Duty Free group	213,221	–
Benetton group	17,491	17,716
Schemaquattordici S.p.A.	3,196	5,229
Other companies and consolidation adjustments	(11,343)	(14,219)
Total	**6,889,690**	**4,944,960**

For the Atlantia group, non-controlling interests in shareholders' equity increased mainly as a result of the merger of Gemina S.p.A. and Atlantia S.p.A. and the remeasurement at fair value of the net assets incorporated.

The increase for the subsidiary Sintonia S.p.A. is due to a capital increase reserved to the shareholder Pacific Mézz Investco S.à r.l.

The decrease for the Autogrill group refers to the demerger of the net assets pertaining to the Travel retail business.

The decrease in non-controlling interests in Schemaquattordici S.p.A. is due to capital repayments during the year.

COMMENTS ON LIABILITY ITEMS

(All figures in thousands of Euro)

NON-CURRENT LIABILITIES

[25] Bonds

Bonds pertain to the Atlantia group for Euro 10,191,117, the Autogrill group for Euro 367,706 and Schematrentaquattro S.p.A. for Euro 188,303.

For the Atlantia group, the balance at December 31, 2013 consists mainly of the bonds issued by Atlantia under the Medium Term Note program, authorized for a maximum sum of Euro 10 billion. Changes in the balance during the year were due to the following reasons:

» a reduction of Euro 1,313,746 in bond issues restricted to institutional investors as part of the Medium Term Note Program, primarily reflecting the combined effect of (i) reclassification, among current financial liabilities, of bonds maturing on June 9, 2014; (ii) a decrease in Gbp- and Jpy-denominated bond issues due to the appreciation of the Euro; and (iii) new bond issues on October 29, 2013 and May 17, 2013 with nominal values of Euro 750 million and Euro 75 million, respectively;
» a reduction in the Chilean project bonds issued by Costanera Norte and Vespucio Sur for a total of Euro 82,732, essentially due to Chilean peso depreciation and reclassification of the portion of bonds maturing in 2014;
» a Euro 280,485 increase due to the bonds issued by Romulus Finance, a special purpose vehicle controlled by Aeroporti di Roma. These bonds consist of tranche A4, denominated in British pounds and maturing in February 2023, and tranches A2 and A3, denominated in Euros and maturing in February 2015;
» an increase resulting from the bond issues of: (i) Triangulo do Sol, Rodovias das Colinas and Rodovia MG050, maturing between 2015 and 2023 for a total of Euro 545,731; and (ii) Aeroporti di Roma as part of its EMTN Program (totalling Euro 1.5 billion) restricted to institutional investors, with a nominal value of Euro 600 million.

In order to hedge some of the above liabilities, the Atlantia group has taken out Interest Rate Swaps and Cross Currency Interest Rate Swaps, whose fair value at December 31, 2013 is discussed in Note [29] Other non-current financial liabilities.

For the Autogrill group, the balance at December 31, 2013 concerns the private placements issued by HMSHost Corporation:

» in May 2007 for a total of Usd 150 million, maturing in May 2017 and paying interest half-yearly at a fixed annual rate of 5.73%. Exposure to fair value fluctuations is partially hedged by an Interest Rate Swap with a notional value of Usd 75 million;
» in January 2013 for a total of Usd 150 million, maturing in January 2023 and paying interest half-yearly at a fixed annual rate of 5.12%;
» in March 2013 for a total of Usd 200 million, paying interest half-yearly and divided into four tranches maturing from September 2020 to September 2025.

The decrease for the year reflects redemptions and new subscriptions, as well as the translation effect and the fair value change of hedge derivatives.

The bond regulations require the Autogrill group to uphold certain financial ratios: a leverage ratio (net debt/Ebitda) of 3.5 or less and interest coverage (Ebitda/net financial expense) of at least 4.5. Calculated solely with respect to HMSHost Corporation and its subgroup, these ratios are checked every six months, at June 30 and December 31 of every year.

The amount shown for Schematrentaquattro S.p.A. refers to the exchangeable bonds into ordinary shares of Pirelli & C. S.p.A., restricted to institutional investors, with a nominal value of Euro 200 million and maturing on November 29, 2016. Guaranteed by Edizione S.r.l., the bonds pay annual interest of 0.25%.

[26] Medium and long-term loans

This item consists of loans from credit institutions (Euro 5,388,725) and payables to other lenders (Euro 143,865).
Medium and long-term loans from credit institutions refer to the Atlantia group for Euro 3,617,032, to the Autogrill group for Euro 362,278, to the World Duty Free group for Euro 982,519, to the Benetton group for Euro 318,430 and to the Parent Company for Euro 103,492.
Most of the decrease for the year concerns the non-current portion of loans held by the Atlantia group (Euro 138,616) and Sintonia S.p.A. (Euro 770 million), as well as the early repayment of a Euro 225 million credit line by the Parent Company.

Medium and long-term loans from credit institutions are broken down below by year of maturity:

Year	12.31.2013
2015	637,183
2016	629,290
2017	391,694
2018	1,211,209
2019 and beyond	2,519,350
Total	**5,388,725**

Payables to other lenders amount to Euro 143,865 (Euro 75,423 at December 31, 2012) and refer mainly to companies in the Atlantia group.

[27] Other non-current liabilities

This item can be broken down as follows:

(Thousands of Euro)	12.31.2013	12.31.2012
Long-term deferred income	61,119	60,803
Payables to social security institutions	9,173	11,183
Payables to personnel	12,560	6,061
Other payables to third parties	69,706	99,533
Total	**152,558**	**177,580**

Long-term deferred income concerns investments to be carried out (Euro 18,556) and other non-commercial deferred income (Euro 42,563) of the Atlantia group.

Payables to social security institutions and Payables to personnel essentially refer to the Autogrill group and consist of the liability for defined contribution plans and for long-term incentive plans.

Other payables to third parties refer to the Atlantia group (Euro 32,350), essentially for amounts due to concession grantors, and the Benetton group (Euro 28,762), and include the value attributed to the put options held by non-controlling investors of Benetton group subsidiaries and security deposits received (Euro 6,611).

[28] Lease financing

The Group has acquired properties, machinery, and other assets using lease financing.
Payables to leasing companies are guaranteed to the lessor by virtue of rights on the leased assets.

Lease financing is broken down below by maturity:

(Thousands of Euro)	12.31.2013	12.31.2012
Within 1 year	3,788	1,911
From 1 to 5 years	7,836	8,183
Beyond 5 years	14,636	8,179
Total	**26,260**	**18,273**

The portion due beyond one year amounts to Euro 22,472, while payments due within one year come to Euro 3,788 and are shown under current liabilities Note [37].

Minimum lease payments due to the leasing company are reconciled to their present value (principal portion) as follows:

(Thousands of Euro)	12.31.2013	12.31.2012
Minimum payments due	35,587	27,173
Outstanding financial expenses	(9,327)	(8,900)
Present value of lease financing	**26,260**	**18,273**

[29] Other non-current financial liabilities

The balance at December 31, 2013 refers primarily to the Atlantia group and represents the negative market value of derivatives outstanding at the close of the year, classified as cash flow hedges or fair value hedges depending on the hedged risk:

a. Euro 421,017 refers to the fair value of the Cross Currency Interest Rate Swaps to hedge the foreign currency and interest rate risks on medium and long-term bonds, subscribed in Gbp by Atlantia and Aeroporti di Roma for respective nominal amounts of Euro 500 million and Euro 215 million, and the derivative entered into by Atlantia for a nominal amount of Jpy 20 billion. The balance increased by Euro 182,049 thanks to the Euro's appreciation against the pound and the yen (for a total of Euro 51,404 thousand) and to the first-time consolidation of the Aeroporti di Roma companies (Euro 130,645);
b. Euro 58,157 refers to the fair value of Interest Rate Swaps entered into by certain companies in the Atlantia group to hedge interest rate risk on non-current financial liabilities;
c. Euro 11,299 consists of the fair value of IPCA x CDI swaps, classified as fair value hedges, entered into by Triangulo do Sol and Rodovias das Colinas, which are designed to convert the new bonds issued during 2013 at a real IPCA rate to a floating nominal CDI rate.

[30] Provisions for employee benefits

This item covers the provisions for post-employment benefits for all Group employees, such as employee termination indemnities (TFR) payable by the Italian companies (Euro 281,649).

Since December 31, 2007, the actuarial valuations for TFR reflect the changes introduced by Law 296 of December 27, 2006 and by the decrees and regulations issued in early 2007 (the "Social security reform"). As a result of those changes:

» TFR accruing from January 1, 2007, whether the employee opts for a complementary pension fund or the traditional INPS system, is treated as a defined-contribution plan and accounted for accordingly;

» TFR accrued up to December 31, 2006 is treated as a defined-benefit plan and recognized according to the rules of IAS 19.

Movements during the year in the present value of post-employment benefit obligations were as follows:

(Thousands of Euro)	
Present value of obligation at 01.01.2013	**314,255**
Service cost	2,970
Financial expenses/(income)	7,254
Actuarial losses/(gains)	10,030
Contributions paid by the Group and by employees	(13,186)
Indemnities paid	(18,408)
Translation differences	(560)
Change in scope of consolidation	21,666
Other movements	(3,726)
Present value of obligation at 12.31.2013	**320,295**

Of the balance at December 31, 2013, Euro 176,165 refers to the Atlantia group, consisting mainly of employee termination indemnities for Italian personell. The Autogrill group accounts for Euro 90,336, with Euro 68,529 pertaining to termination indemnities (TFR) of Italian companies. The amount for the Benetton group is Euro 39,809, including Euro 34,875 in termination indemnities (TFR) for Italian personnel. The defined benefit plans of the World Duty Free group amount to Euro 11,904.

Certain companies in the Autogrill group and the World Duty Free group also recognize the fair value of financial assets held to service defined benefit plans, consisting of equity instruments, bonds, real estate, other securities and debt instruments issued by third parties. These plan assets, shown net of the amount of the obligation, at December 31, 2013 amounted to Euro 74,601 for the Autogrill group and Euro 144,777 for the World Duty Free group.

The table below summarizes the main financial and actuarial assumptions used to calculate retirement benefit obligations at December 31, 2013:

	12.31.2013
Discounting rate	0.7%–4.5%
Inflation rate	2.0%–3.7%
Expected rate of salary increases	0.8%–4.7%

The wide range for some of the above assumptions is explained by differences in the countries where the Group operates.

[31] Deferred tax liabilities

This item refers chiefly to the Atlantia group (Euro 1,910,346), the Autogrill group (Euro 50,795) and the World Duty Free group (Euro 63,939) and covers deferred tax liabilities that cannot be offset by deferred tax assets. They consist mainly of temporary differences arising from acquisitions by Group companies.

The increase for the year concerns deferred taxes on the fair value measurement of the net assets of the Aeroporti di Roma group.

[32] Other non-current and current provisions and liabilities

The table below summarizes movements during the year:

(Thousands of Euro)	Provisions for risk	Provision for sales agent indemnities	Provision for other expenses	Provisions for repair and replacement of motorway infrastructure assets	Provisions for the refurbishment of airport infrastructure
			non-current portion		
Balance at 01.01.2013	**42,135**	**20,595**	**40,045**	**975,706**	**–**
Provisions	7,585	396	4,751	344,803	8,515
Uses	(3,841)	(1,505)	(2,580)	–	–
Released to statement of income	(774)	–	(1,112)	(444)	–
Changes in scope of consolidation	38,562	–	–	1,542	179,002
Other movements and translation differences	5,601	(79)	(4,092)	(461,885)	(7,133)
Balance at 12.31.2013	**89,268**	**19,407**	**37,012**	**859,722**	**180,384**

For a better understanding of the changes in these provisions, details of their overall composition, including the current portion, are provided below.

At December 31, 2013 Provisions for risk totalled Euro 187,656.
The Atlantia group contributed Euro 141,644 to this item (current portion: Euro 58,235), representing the estimated charges to be incurred in connection with pending litigation, including those with contractors regarding contract reserves.
Euro 36,146 pertains to the Autogrill group (current portion: Euro 9,639) and is detailed as follows:

» a self-insurance provision (Euro 26,423) to cover the deductibles on third-party liability provided for in insurance plans;
» provisions for legal disputes (Euro 5,968) involving the Autogrill group, which take account of the opinions of its legal advisors.

The Benetton group's contribution of Euro 7,260 (current portion: Euro 5,020) is earmarked for legal disputes.

The Provision for sales agent indemnities reflects the estimated liability for the termination of contracts held by Benetton group sales representatives in the cases envisaged by law.

The Provision for other expenses, totalling Euro 63,606, pertains to the Autogrill group for Euro 13,222 (current portion: Euro 3,910), the Benetton group for Euro 18,250 (current portion: Euro 10,093), the Atlantia group for Euro 12,259 (current portion: Euro 580) and the World Duty Free group for Euro 19,506 (current portion: Euro 11,943).
The balance at December 31, 2013 for the Autogrill group includes:

» a provision for the refurbishment of third party assets (Euro 6,109), representing estimated liabilities for ensuring that leased assets are returned in the contractually agreed condition;
» a provision against onerous contracts (Euro 3,475), relating to loss-making contracts for commercial units whose earnings are not sufficient to cover the amount of the lease;
» a tax risk provision (Euro 3,636), referring mostly to disputes over the US subsidiaries' direct and indirect taxation.

The amount for the Benetton group includes a provision of Euro 3,780 concerning a residual tax dispute over the disallowance of certain costs for commissions paid to agents resident in low-tax jurisdictions in 2003, as well as a probable dispute with the Tunisian tax authorities over the taxation of certain financial income.

Total non-current portion	Provisions for risk	Provision for other expenses	Provisions for repair and replacement of motorway infrastructure assets	Provisions for the refurbishment of airport infrastructure	Total current portion
			current portion		
1,078,481	**83,786**	**18,545**	**112,963**	**–**	**215,294**
366,050	43,296	11,056	6,015	–	60,367
(7,926)	(8,126)	(13,949)	–	(8,345)	(30,420)
(2,330)	(5,210)	(574)	(344,023)	–	(349,807)
219,106	17,114	45	–	107,130	124,289
(467,588)	(32,472)	11,471	478,654	8,345	465,998
1,185,793	**98,388**	**26,594**	**253,609**	**107,130**	**485,721**

It also includes provisions for the reorganization plan and estimated costs for the closure of some directly operated stores. The amount pertaining to the World Duty Free group includes Euro 11,937 (current portion) as the estimated liability for a dispute outstanding in India on the subject of indirect taxes and customs duties.

The Provisions for the repair and replacement of motorway infrastructure assets (Euro 1,113,331) refer entirely to the Atlantia group and cover the estimated cost of repairing or replacing assets held under concession in accordance with the concession arrangements between the group's motorway operators and the grantors of those concessions.

The Provisions for the refurbishment of airport infrastructure (Euro 287,514) concerns companies in the Aeroporti di Roma group and covers the present value of estimated future expenses for extraordinary maintenance, repairs and replacements in accordance with the terms and conditions of the Aeroporti di Roma concession.

[33] Provisions for construction services required by contract

These provisions represent the present value of the motorway infrastructure construction and/or upgrade services that some operators in the Atlantia group, in particular Autostrade per l'Italia, have to provide and for which they will not receive additional economic benefits in terms of specific tariff increases and/or a substantial rise in expected traffic. An allocation is made yearly to reflect the change in present value of the investment commitments and the financial and planning effects of revised timing estimates; the provisions are reduced in proportion to the work without additional benefits actually completed during the year, net of grants receivable.

The table hereinafter presents balances at the beginning and end of 2013 and movements during the year, broken down by current/non-current portion.

(Thousands of Euro)	Balance at 01.01.2013	Non-current	Current	Chages due to revised present value obligations
Provisions for construction services required by contract	**4,811,260**	4,321,448	489,812	(316,482)

CURRENT LIABILITIES

[34] Trade payables

These represent the Group's liabilities for the purchase of goods and services, including the Atlantia group's tolls in the process of settlement (Euro 84,195) and payables to operators of interconnecting motorways (Euro 491,242).

[35] Other payables, accrued expenses and deferred income

This item is summarized as follows:

(Thousands of Euro)	12.31.2013	12.31.2012
Other payables		
Payables to personnel	199,412	230,790
Payables for the purchase of fixed assets	91,228	118,891
Payables to social security institutions	99,961	105,910
Payables to ANAS and the Ministry of Finance	90,308	84,891
Payable to expropriated companies	37,742	58,866
Guarantee deposits	59,312	53,718
Other tax payables	115,954	51,508
VAT payables	57,396	50,267
Other payables to third parties	122,141	139,742
Total other payables	873,454	894,583
Accrued expenses and deferred income		
Leases and rentals	15,931	18,631
Other	80,288	75,103
Total accrued expenses and deferred income	96,219	93,734
Total other payables, accrued expenses and deferred income	969,673	988,317

Payables to personnel concern amounts accrued and not paid at December 31, 2013 and the current portion of employee incentive plans. The change since the previous year for pertains to the Autogrill group for Euro 26,869 and largely reflects the payment in 2013 of long-term bonuses to management for the period 2010-2012.

The increase in these provisions is essentially the combined effect of:

a. the revised estimate of the present value of construction services to be rendered in the future (reduction of Euro 316,482), with a corresponding decrease in the intangible assets deriving from concession rights;
b. the provision for the time value of money (Euro 62,751), recognized in 2013 as a contraentry to financial discounting expenses in the income statement;
c. release for investments in works without additional economic benefits carried out during the year (Euro 407,356, net of grants).

Financial provisions	Reduction for completed works	Grants accrued on completed works	Translation differences	Balance at 12.31.2013	Current	Non-current
62,751	(407,356)	22,548	(10,685)	**4,162,036**	3,728,446	433,590

Payables for the purchase of fixed assets refer to the retail network, manufacturing division and information technology of the Benetton group (Euro 15,522) and to amounts payable in connection with investments by the Autogrill group (Euro 56,401) and the World Duty Free group (Euro 19,305).

Payables to social security institutions consist of contributions due from Group companies and employees. They also include the current portion of liabilities for Group companies' defined-contribution plans.

Payables to the grantor for concession fees, Payables to expropriated companies and Guarantee deposits are due by companies in the Atlantia group. Specifically, the reduction in Payables to expropriated companies reflects lower investments by Autostrade per l'Italia.

The change in Other tax payables for Euro 59,910 refers to air passenger duty of Aeroporti di Roma departing and transit passengers, paid in the month following its collection by airlines.

Other payables to third parties include amounts due to Directors and Statutory auditors, amounts due to insurance companies, the liability representing the valuation of put options held by non-controlling shareholders of Benetton group subsidiaries, and amounts due to public entities.

Accrued expenses and deferred income refer mainly to insurance premiums, lease installments and utilities pertaining to the subsequent year and include Euro 14,628 in deferred income relating to the grant received from the Serbian government for the construction by the Benetton group of the new manufacturing complex in Niš, Serbia.

[36] Current tax liabilities

Current income tax liabilities represent the amount payable by the Group for current year income tax, stated net of taxes paid in advance, tax credits and withholding taxes.

Most of the change on the previous year stems from the first-time consolidation of the Aeroporti di Roma group.

[37] Current portion of lease financing

This is the portion of lease financing that is due within one year to the lessor, as described in Note [28].

[38] Current portion of bonds and medium- and long-term loans

The current portion of bonds, Euro 2,483,266, refers solely to the Atlantia group for units maturing in June 2014.
The current portion of medium- and long-term loans, Euro 1,566,790, includes the current portion of bank loans taken out by Sintonia S.p.A. (Euro 770,000), the Atlantia group (Euro 675,384), the Benetton group (Euro 53,951), the World Duty Free group (Euro 50,000) and some of the Group's agricultural holdings (Euro 9,241), as well as the current portion of amounts due to other lenders (Euro 8,114), referring almost exclusively to the Atlantia group.

[39] Other current financial liabilities

The item can be detailed as follows:

(Thousands of Euro)	12.31.2013	12.31.2012
Financial accrued expenses and deferred income	382,656	385,377
Derivatives: cash flow hedges	44,752	106,743
Derivatives: fair value hedges	23,007	17,537
Financial payables to Group companies	13,635	24,995
Financial payables due to other companies	157,210	39,908
Total	621,260	574,560

Financial accrued expenses and deferred income are made up mostly of accrued expenses and deferred income on bonds and loans (Euro 341,445) and of accrued expenses on derivative transactions (Euro 41,211).

Derivatives: cash flow hedges refer to the fair value recognition of derivatives involved in interest rate and exchange rate hedging transactions. The balance at December 31, 2013 results from the negative valuation of hedges held by Sintonia S.p.A. (Euro 31,344), the Parent Company (Euro 8,883), the Autogrill group (Euro 1,197) and the Benetton group (Euro 3,194). The change with respect to December 31, 2012 results from the early redemption of Interest Rate Swaps for a notional amount of Euro 225 million, in connection with the Parent Company's reimbursement of the term loan, and from a more favourable trend in the interest rate curve, which effectively reduced the negative spread for the subsidiary Sintonia.

Derivatives: fair value hedges represent the differentials on forward exchange contracts arising from the fair value measurement of hedges outstanding at December 31, 2013 in relation to exchange rate risk. The closing balance refers almost entirely to the Benetton group (Euro 22,197).

Financial payables to Group companies include a negative current account balance of Euro 13,508 with Società Autostrada Tirrenica p.A., an associate of the Atlantia group.

Financial payables due to other companies consist primarily of the advance on 2013 dividends due to the non-controlling shareholders of Atlantia, which went ex-div on December 23, 2013 and was paid in early January 2014.

[40] Bank loans and overdrafts

The item can be detailed as follows:

(Thousands of Euro)	12.31.2013	12.31.2012
Advances on receivables and other short-term borrowings	125,569	137,409
Current account overdrafts	64,965	59,113
Total	190,534	196,522

The Atlantia group contributed Euro 19,005, while the Benetton group accounted for Euro 28,371, essentially for drawdowns on uncommitted credit facilities.
The amount pertaining to the Autogrill group, Euro 118,756, consists of current account overdrafts (Euro 41,937) and other unsecured bank debt (Euro 76,819). The contribution of the World Duty Free group comes to Euro 21,915: Euro 11,915 in current account overdrafts and Euro 10,000 in unsecured bank debt.

COMMENTS ON INCOME STATEMENT ITEMS

(All figures in thousands of Euro)

[41] Revenues

Revenues are broken down by type as follows:

(Thousands of Euro)	2013	2012
Net sales	8,267,783	8,524,496
Tolls	3,539,300	3,392,070
Royalties	190,463	178,463
Aviation revenues	34,236	–
Other revenues	245,504	260,446
Total	12,277,286	12,355,475

Most of the change in Net sales concerned the Benetton group (decrease of Euro 199 million) and the Autogrill group (decrease of Euro 139 million), while revenues earned by the World Duty Free group increased by Euro 76 million.

Tolls amounted to Euro 3,539 million and rose by Euro 147 million on 2012, thanks in part to the different consolidation period of the Chilean and Brazilian concession holders. On a like-for-like basis and at constant exchange rates, toll revenues grew by Euro 68 million due essentially to the application of annual toll increases for 2013 for the Italian concession holders (+3.45%); this was partially offset by a 1.6% reduction in traffic on Italian motorways.

Most Royalties pertain to the Atlantia group and include fees paid by the sub-concession holders that operate rest areas.

Aviation revenues include the contribution of the Aeroporti di Roma group companies for December 2013.

Other revenues consist of the Telepass and Viacard income of the Atlantia group (Euro 125,560) and income from various services, such as sub-contracting and the development of advertising campaigns.

Revenues by business segment are shown below:

(Thousands of Euro)	2013	2012
Food & beverage	4,545,919	4,684,734
Travel retail	2,078,463	2,001,973
Infrastructures & services for mobility	4,007,648	3,814,931
Textiles & clothing	1,601,865	1,810,416
Other sectors	43,391	43,421
Total	12,277,286	12,355,475

The following table shows revenues by geographical area:

(Thousands of Euro)	2013	2012
Italy	5,786,513	5,948,429
Rest of Europe	3,162,414	3,142,500
Americas	2,561,522	2,629,215
Rest of the world	766,837	635,331
Total	12,277,286	12,355,475

See the Directors' Report for further information.

[42] Revenues from construction services

Revenues from construction services are detailed in the following table:

(Thousands of Euro)	2013	2012
Concession rights accruing from construction services for which additional economic benefits are received	422,607	740,353
Government grants for services for which additional economic benefits are not received	22,548	29,892
Revenue from investment in financial assets deriving from concession rights	325,295	296,610
Services provided by sub-operators	–	–
Total	**770,450**	**1,066,855**

This item presents the value of construction services for which additional economic benefits are received, provided during the year by Atlantia group companies. According to the application of IFRIC 12, the Atlantia group recognizes as revenues from construction services the consideration due for services performed, which it measures at fair value based on total costs incurred, comprised of operating costs and financial charges.

With respect to 2012, there was:

» a decrease in Concession rights accruing from construction services for which additional economic benefits are received, due to reduced investments in 2013 by Autostrade per l'Italia;

» an increase in Revenue from investment in financial assets deriving from concession rights, pertaining to investment in the Santiago Centro Oriente project being carried out by the Chilean concession holder Costanera Norte.

In 2013 the Atlantia group performed additional construction services for which no additional economic benefits are received, amounting to Euro 407,356, financed by Provisions for construction services required by contract Note [33]. For this kind of activity, in accordance with IFRIC 12, Atlantia recognizes as Revenues from construction services only the government grants accrued on these works (Euro 22,548), while the amount of investments realized, net of those grants, is recognized in Note [49] Use of provisions for construction services required by contract and comes to Euro 384,808.

[43] Other revenues and operating income

This item is detailed in the following table:

(Thousands of Euro)	2013	2012
Capital gains on disposal of fixed assets	216,979	26,886
Rents	82,413	95,375
Promotional contributions by suppliers	69,546	63,587
Reimbursement of costs by third parties	50,650	72,700
Commisions on premium product sales	24,492	17,668
Release of provisions	11,015	22,471
Affiliation fees	2,662	2,788
Impairment reversals	–	471
Other operating income	118,465	105,998
Total	**576,222**	**407,944**

Capital gains on disposal of fixed assets pertain to the Benetton group for Euro 213,573, mostly for the sale of two commercial buildings in Rome and Tokyo.

Rents refer mainly to income from commercial premises used for the sale of Benetton label products (Euro 68,389), leasing instalments for companies in the Autogrill group (Euro 8,289), and the leasing of properties classified as investment property (Euro 2,913).

Reimbursement of costs by third parties includes Euro 44,599 for the Atlantia group and refers to refunds and indemnities received. The change on the previous year includes a decrease of about Euro 16 million at Autostrade per l'Italia in relation to awards for damages.

The heading Other operating income covers the sublease of parts of commercial units, contingent income, operating grants and miscellaneous income.

[44] Purchases of raw materials and consumables

The decrease in this item (by Euro 292,851) pertains to the Atlantia group for Euro 174,346, as a result of lower investment and maintenance activity in 2013 and a reduction in the purchase of materials for the satellite-based tolling system for heavy vehicles in France (Eco-Taxe project). The decrease for the Autogrill group (Euro 80,672) reflects the downturn in sales revenues.

[45] Payroll costs

This item is broken down as follows:

(Thousands of Euro)	2013	2012
Wages and salaries	1,907,067	1,906,290
Social security charges	441,273	437,016
Directors' emoluments	16,662	15,023
Provision for employee termination indemnities and similar	2,969	6,446
Other payroll costs	141,004	143,901
Total	**2,508,975**	**2,508,676**

Other payroll costs concern the Autogrill group for Euro 103,128, in connection with long-term incentives, health insurance and other benefits, and the Atlantia group for Euro 28,219, and include bonuses, leaving incentives and the cost of seconded personnel.

Directors' emoluments include Euro 5,119 in fees accrued during the year by members of the Parent Company's Board of Directors for their services at other Group companies.

The following table shows the average number of employees by business segment in terms of equivalent full-time employees:

FTE	2013	2012
Food & beverage	41,646	40,692
Travel retail	8,376	7,070
Infrastructures & services for mobility	11,584	11,260
Textiles & clothing	9,114	8,784
Other sectors	537	576
Total	**71,257**	**68,382**

Other operating expenses

[46] Services
Details are as follows:

(Thousands of Euro)	2013	2012
Construction and similar	617,814	820,854
Professional and technical services	236,695	211,071
Maintenance costs	204,960	199,114
Utilities	178,089	175,060
Consultants' fees (Tax & Legal)	140,129	130,828
Subcontracted work	126,200	170,801
Transport and distribution	116,728	138,155
Advertising and promotion	76,519	85,314
Sales commissions	75,136	87,808
Cleaning and disinfestation	63,722	66,015
Banking services	61,311	58,054
Travel expenses and accommodation	45,817	46,003
Telephone and postal charges	36,018	35,206
Insurance	35,147	36,116
Surveillance	24,336	25,091
Statutory auditors' emoluments	2,666	2,890
Capitalized cost of services	216,216	224,539
Total	**2,257,503**	**2,512,919**

The items Construction and similar and Professional and technical services pertain to the Atlantia group and include construction and professional services relating to motorway infrastructure.
Construction and similar costs went down due to the decrease in motorway construction work by the group, while Professional and technical services increased in connection with the Eco-Taxe project.

Costs for Subcontracted work pertain to the Benetton group and basically reflect the decrease in sales volumes.

The change in Transport and distribution costs, Euro 17,823, concerns the reduction in motorway maintenance costs.

Statutory auditors' emoluments include Euro 158 accrued to the statutory auditors of Edizione S.r.l. for their services at other Group companies.

Other services include miscellaneous items such as public relations, graphics and design consulting, personnel recruitment and training, temporary work, money transportation and health inspections.

[47] Leases and rentals
This item increased from Euro 1,875,563 in 2012 to Euro 1,900,303. It consists primarily of concession fees paid by the Autogrill group and the World Duty Free group to third parties and by the Atlantia group to the grantor. The increase primarily concerns the World Duty Free group and correlates with the growth of revenues in the Travel retail & duty free business.

[48] Other operating expenses

In detail:

(Thousands of Euro)	2013	2012
Indirect taxes and duties	59,165	53,438
Donations	31,029	43,741
Capital losses from disposal of fixed assets	9,425	6,875
Differences in cash deposits	1,645	1,733
Other expenses	77,339	82,192
Total	178,603	187,979

Indirect taxes and duties refer to the Autogrill group for Euro 24,095, the Benetton group for Euro 13,229 and the Atlantia group for Euro 16,022.

Donations concern the Atlantia group for Euro 29,254, for the upgrading of infrastructures operated by other entities located near the motorways. The reduction reflects a decrease in 2013 for infrastructure upgrading with respect to the previous year.

Other expenses include indemnities paid to third parties, contingent losses and other miscellaneous operating costs.

[49] Use of provisions for construction services required by contract

The use of provisions for construction services required by contract in relation to works for which no additional economic benefits are received equals the value of the relative construction services provided during year. It is recognized as an indirect adjustment of the costs, classified by nature, incurred in 2013 for the construction services provided by operators of the Atlantia group.

The amount is shown net of Euro 22,548 in grants accrued on construction services for which no additional economic benefits are received, as mentioned in Note [42] Revenues from construction services.

Depreciation, amortization, impairments and provisions

[50] Depreciation of property, plant and equipment

This item is summarized as follows:

(Thousands of Euro)	2013	2012
Depreciation of buildings	28,256	26,890
Depreciation of investment property	374	1,721
Depreciation of plant, machinery and equipment	151,769	156,323
Depreciation of furniture, furnishings and electronic equipment	40,006	39,300
Depreciation of assets to be relinquished	34,710	30,369
Depreciation of leasehold improvements	90,752	91,023
Depreciation of other tangible assets	13,750	15,612
Total	359,617	361,238

[51] Amortization of intangible assets

In detail:

(Thousands of Euro)	2013	2012
Amortization of intangible assets deriving from concession rights	614,043	570,259
Amortization of industrial patents and intellectual property rights	1,362	1,955
Amortization of concessions, licenses, trademarks and similar rights	82,055	93,986
Amortization of deferred rights	15,814	16,014
Amortization of other intangible assets	30,043	33,543
Total	743,317	715,757

The increase in the Amortization of intangible assets deriving from concession rights is explained by the higher values allocated to concession rights by the Atlantia group as a result of its business combinations.

[52] Impairment of property, plant and equipment and intangible assets

Amounting to Euro 177,613, this item is made up of Euro 96,953 in impairment of property, plant and equipment and Euro 80,660 in impairment of intangible assets. Details can be found in the impairment testing section of Note [2] Intangible assets.

[53] Impairment of doubtful accounts

This item, totalling Euro 174,253, pertains to trade receivables for Euro 151,561 and to other receivables for Euro 22,692. Impairment losses on current receivables were charged mainly by the Benetton group, while those on non-current receivables were charged by the Atlantia group and refer to the trade receivables of the subsidiary Electronic Transaction Consultants in relation to disputes in course with various customers.
Movements in the provision for doubtful accounts are shown in Note [12] Trade receivables.

[54] Provisions for risks

These include provisions for general risks (Euro 50,881), provisions for sales agent indemnities (Euro 396), and other provisions (Euro 15,807) made in 2013.
They also include the net provision for the repair and replacement of motorway infrastructure assets, pertaining to the Atlantia group (Euro 6,350), and the net provisions for the refurbishment of airport infrastructure of the Aeroporti di Roma group (Euro 170).

[55] Share of income/(loss) of associated companies

This item primarily represents the positive impact of the valuation on an equity basis of Gemina S.p.A. (Euro 17,308), some associates of the World Duty Free group (Euro 2,224) and the Atlantia group (Euro 2,124), partially offset by the negative impact of the valuation of certain associates of the Atlantia group (Euro 9,520) and the Autogrill group (Euro 3,098).
The interest in Gemina S.p.A. was valued on an equity basis until the effective date of its merger with and into Atlantia S.p.A. (December 1, 2013).
This item also includes the dividends received from the associated company Eurostazioni S.p.A. (Euro 1,947).
For further information, Note [4] Equity investments in associates and joint ventures.

[56] Financial income

This item comprises:

(Thousands of Euro)	**2013**	**2012**
Gains from the bargain purchase of controlling interest in equity investments	–	27,356
Gain on the restatement of equity investments at fair value	237,751	170,764
Interest income from banks	91,187	51,350
Financial income from discounting	87,587	55,755
Financial income on derivatives	67,817	58,395
Financial income to increase financial assets	37,911	–
Dividends from other companies	10,313	10,882
Capital gains from disposal of equity investments	3,546	66,029
Financial income from non-current securities	2,966	1,923
Other financial income	72,211	76,386
Total	**611,289**	**518,840**

As discussed in Note [65] Business combinations, in the first half of 2013 the identification and fair value measurement of the assets and liabilities of Autostrade Sud America and its Chilean subsidiaries was completed, and, as required by IFRS 3, the final amounts have been recognised retrospectively from April 1, 2012, resulting in the restatement of items in the statement of financial position and the income statement as at and for the year ended December 31, 2012.
The main effects on the 2012 consolidated income statement are the recognition of:

a. a financial gain from remeasurement of the fair value of the existing interest in Autostrade Sud America (45.765%), totalling Euro 170,764 (compared with the initially estimated and provisionally recognized Euro 171,065);
b. a bargain purchase gain of Euro 27,356.

For 2013, Gain on the restatement of equity investments at fair value refers to the previously held interest in Gemina S.p.A., whose fair value was remeasured when the Atlantia group acquired control on December 1, 2013.

Interest income from banks pertains mostly to the Atlantia group and reflects the increase in cash and cash equivalents.

Financial income from discounting refers essentially to the Atlantia group's discounting of concession rights. The increase on 2012 is due to the greater contributions of Sociedad Concesionaria de Los Lagos and Ecomouv'.

Financial income on derivatives refers to the hedging transactions of the Atlantia group for Euro 55,694, of the Benetton group for Euro 6,518 and of the Parent Company for Euro 5,069.

Financial income to increase financial assets refers to the Atlantia group and relates chiefly to the sum lent to Infra Bertin Empreendimentos (the company in charge of constructing and managing the ring road southeast of São Paulo) to finance the investment plan, as discussed in Note [8].

Dividends from other companies were collected in 2013 from Pirelli & C. S.p.A. (Euro 7 million), Assicurazioni Generali S.p.A. (Euro 2.9 million) and Gruppo Banca Leonardo S.p.A. (Euro 0.3 million).

Capital gains from disposal of equity investments refers to the sale of some non-controlling interests by the Parent Company. In 2012 this item included Euro 60,971 for the disposal of the investment in IGLI S.p.A.

Financial income from non-current securities consists mainly of investment fund distributions received by the subsidiary Schemaquattordici S.p.A. and the Parent Company.

Other financial income includes the effects of the measurement at amortized cost of the security deposit paid by World Duty Free to AENA (Euro 10,177 million) and the valuation of the put options held by non-controlling shareholders of some subsidiaries of the Benetton group. It also includes interest income on non-financial receivables, mostly in the form of legally prescribed interest on past-due trade receivables.

[57] Impairment of financial assets

This item refers essentially to impairment losses on equity investments classified under IAS 39 as "available for sale", as mentioned in Note [5] Equity investments in other companies.
In 2013, impairment losses concern the interests in RCS MediaGroup S.p.A. (Euro 24,409) and Alitalia S.p.A. (Euro 13,675).

[58] Financial charges

As follows:

(Thousands of Euro)	2013	2012
Interest on bonds	618,613	507,496
Interest on bank loans	303,497	290,241
Financial charges from derivatives	187,847	167,353
Financial charges from discounting	100,675	151,428
Write-down of financial assets	–	22,682
Interest on loans from third parties	588	20,173
Bank expenses and commissions	22,502	18,559
Other financial charges	19,650	16,281
Total	1,253,372	1,194,213

Interest on bonds pertains to the bond issues of the Atlantia group and the Autogrill group.
Interest on bank loans also includes the effect of measuring loans at amortized cost. In particular, the amount for 2013 reflects the early repayment of loans by the Parent Company (Euro 4,568) and World Duty Free (Euro 4,935).

The components of Financial charges from derivatives are as follows:

» financial charges from hedges on interest rate risk: Euro 179,172;
» financial charges from hedges on exchange risk: Euro 6,947;
» premiums from capital hedging: Euro 1,728.

Financial charges from hedges on interest rate risk include a non-recurring expense of Euro 17,697 for the early termination of some of the Parent Company’s hedging contracts for a total notional amount of Euro 225 million.

Financial charges from discounting reflect the impact of discounting the provisions for construction services required by contract and the provisions for the repair of assets operated under concession pertaining to the Atlantia group. The decrease on 2012 essentially reflects the trend in the interest rate curve employed.

In 2012, Write-down of financial assets referred to a portion of the concession rights held by Autostrade Meridionali S.p.A. and recognized in Note [16] Other current financial assets, due to the revised estimate of the value of its takeover rights.

Other financial charges include the write-down of late payment interest on receivables.

[59] Foreign currency hedging gains/(losses) and exchange differences

This item states the balance of foreign exchange gains and losses over the year and the result of currency hedges, attributable mainly to the Benetton group.

[60] Income taxes

The balance includes current and deferred taxes, as detailed below:

(Thousands of Euro)	2013	2012
Current taxes	463,991	381,567
Deferred taxes	57,596	25,773
Total	**521,587**	**407,340**

The Group's tax charge for the year breaks down as follows:

(Thousands of Euro)	2013	2012
Atlantia group	421,925	327,531
Autogrill group	27,844	20,895
Benetton group	24,727	15,619
World Duty Free group	20,469	30,029
Other Group companies and consolidation adjustments	26,622	13,266
Total	**521,587**	**407,340**

Current taxes are allocated below by group:

(Thousands of Euro)	2013	2012
Atlantia group	345,046	300,708
Autogrill group	29,340	9,523
Benetton group	18,804	17,064
World Duty Free group	46,091	40,897
Other Group companies and consolidation adjustments	24,710	13,375
Total	**463,991**	**381,567**

The higher tax charge for 2013 derives from the greater taxable income of Group companies.
In 2012, current taxes were affected by a corporate income tax refund for the deduction of IRAP (regional business tax) paid in prior years, pursuant to Decree Law 16/2012.

Deferred taxes can be broken down as follows:

(Thousands of Euro)	2013	2012
Atlantia group	76,879	26,823
Autogrill group	(1,496)	11,372
Benetton group	5,923	(1,445)
World Duty Free group	(25,622)	(10,868)
Other Group companies and consolidation adjustments	1,912	(109)
Total	**57,596**	**25,773**

[61] Profit/(loss) from discontinued operations

This item refers to dividends received from the Portuguese company Lusoponte.
In 2012, it included the profit of Autostrada Torino-Savona until the date of deconsolidation (Euro 12,884), net of the capital loss resulting from its disposal (Euro 1,354).

ADDITIONAL INFORMATION

[62] Consolidated net financial position

The items making up net financial indebtedness are as follows:

(Millions of Euro)	12.31.2013	12.31.2012
Non-current financial receivables	2,363	1,955
Current financial receivables and trading securities	876	1,010
Cash and cash equivalents	5,186	3,223
Total financial assets	**8,425**	**6,188**
Bonds	10,747	10,288
Medium and long-term loans	5,532	6,697
Other non-current financial liabilities	523	386
Bank loans and overdrafts	191	197
Lease financing	26	18
Other current financial liabilities	4,671	1,965
Total financial liabilities	**21,690**	**19,551**
Net financial indebtedness	**13,265**	**13,363**
– of which medium and long-term	14,439	15,416

[63] Financial risk management

Introduction

The holding companies and the main sub-groups of the Edizione Group, such as Benetton, Autogrill, World Duty Free and Atlantia, have always paid close attention to the identification, assessment and coverage of financial risks associated with their businesses, and in particular to:

» market risk, mainly currency risk, commodity risk and interest rate risk;
» liquidity risk, with a special focus on the availability of funds and access to the credit market and financial instruments;
» credit risk, in relation to both commercial and financial transactions.

Given the varied nature of the Group's businesses and the different exposure of its companies to financial risks, there is no centralized unit for risk management and hedging transactions.
Each sub-group, consistently with its own aims, strategies and risks, has established general principles and guidelines for the management of financial risks.
For a clearer view of financial risks and their management within the Group, the following analysis is provided by sub-group.

Regarding the fair value hierarchy for the classification of assets and liabilities measured at fair value or for which fair value is disclosed herein, the prevailing level is 2 for derivatives and 1 for listed securities. There are no assets or liabilities at level 3 of the fair value hierarchy.

MARKET RISK

Currency risk, interest rate risk, commodity risk and financial asset risk

The Group is exposed to various financial market risks, such as currency fluctuations, as it operates in an international context where transactions are conducted in different currencies and at different interest rates. It is also exposed to market risks in terms of the price of commodities used in running its business and the trading price of certain financial assets.
The Group's exposure to currency risk stems from the geographical distribution of its industrial activities with respect to the geographical distribution of the markets where it sells its products, and from the borrowing of funds in foreign currency.

Exposure to interest rate risk derives from the need to finance operating activities, both industrial and financial, and to invest liquid funds. A change in market interest rates may have an adverse or a positive impact on the Group's performance, by influencing the cost of borrowing and the return on investments.
The Group's exposure to commodity risk concerns the possibility of price fluctuations for some of the raw materials employed.

Holding companies: Edizione S.r.l.

Interest rate risk
The management of interest rate risk, according to a prudent approach in line with best practices, has the following objectives:
i. to stabilize the cost of financial indebtedness; and
ii. to improve the predictability of future financial outlays in relation to that debt.

To achieve those objectives, Edizione uses Interest Rate Swaps classified as cash flow hedges.
The fair value of these instruments is based on expected discounted cash flows, using the market yield curve at the measurement date.

Derivative financial instruments were tested for effectiveness, which has to range from 80% to 125%. If the effectiveness of a hedge is 100% or greater, changes in fair value are recognized in full in a Hedging reserve under shareholders' equity. If effectiveness is less than 100%, or if the derivative does not pass the test, the ineffective portion of the hedge or the entire fair value is recognized in the statement of income.
In the event of overhedging, the notional amount in excess is measured at fair value with a contra-entry in statement of income.
The Hedging reserve includes the fair value of effective hedge derivatives outstanding on that date, net of the component already accrued.

In November 2013, derivative contracts were closed early for a notional amount of Euro 225 million as a result of reduced net financial indebtedness with third parties.
At December 31, 2013, Edizione had outstanding derivative contracts for a notional amount of Euro 125 million, with a negative fair value of Euro 8,884 (Euro 37,215 at December 31, 2012).

Sensitivity analysis of interest rate risk
The sensitivity analysis for interest rate risk is based on average annual exposure to the interest rates of financial instruments, assuming a shift of 100 bps in the interest rate curve at the beginning of the year for effects on the statement of income, and a shift of 100 bps at the valuation date for the impact of fair value changes on shareholders' equity.
According to these analyses, a 100 bps rise/decrease in market interest rates would have had an impact of ± Euro 2,358 (± Euro 75 in 2012) on the statement of income and would have affected the shareholders' equity by about ± Euro 2 million (about ± Euro 10 million in 2012).

Price risk
Edizione is exposed to the risk of changes in the market price of its financial assets, particularly with respect to its medium and long-term investments in listed companies that are classified as equity investments "available for sale" on the basis of IAS 39.

Sensitivity analysis of price risk
Concerning the sensitivity analysis of price risk in investments "available for sale", we have assumed a 500 bps shock in the price of the shares. Based on the analyses, the outcome is that a change of ±5% in the stock market price at December 31, 2013 would have affected shareholders' equity by ± Euro 23,383 (± Euro 26,939 in 2012).

Holding companies: Sintonia S.p.A.

Interest rate risk
The management of interest rate risk, according to a prudent approach in line with best practices, has the following objectives:

i. to stabilize the cost of financial indebtedness; and
ii. to improve the predictability of future financial outlays in relation to that debt.

To achieve those objectives, Sintonia S.p.A. uses Interest Rate Swaps classified as cash flow hedges. The fair value of these instruments is based on expected discounted cash flows, using the market yield curve at the measurement date.
Derivative financial instruments were tested for effectiveness, which has to range from 80% to 125%.
If the effectiveness of a hedge is 100% or greater, changes in fair value are recognized in a hedging reserve under shareholders' equity. If effectiveness is less than 100%, or if the derivative does not pass the test, the ineffective portion of the hedge or the entire fair value is recognized in the statement of income.
In the event of overhedging, the notional amount in excess is measured at fair value with a contra-entry in statement of income.
The Hedging reserve includes the fair value of effective hedge derivatives outstanding on that date, net of the component already accrued.

At December 31, 2013 Sintonia had outstanding derivative contracts for a notional amount of Euro 770 million, with a negative fair value of Euro 31,344 (Euro 63,955 at December 31, 2012).

Sensitivity analysis of interest rate risk
The sensitivity analysis for interest rates is based on average annual exposure to the interest rates of financial instruments, assuming a shift of 100 bps in the interest rate curve at the beginning of the year for effects on the statement of income, and a shift of 100 bps at the valuation date for the impact of fair value changes on shareholders' equity.
According to these analyses, a 100 bps rise/decrease in market interest rates would have had an impact of ± Euro 2,852 (± Euro 21 in 2012) on the statement of income and would have affected the shareholders' equity by about ± Euro 6 million (about ± Euro 14 million in 2012).

Holding companies: Schematrentaquattro S.p.A.

Interest rate risk
Schematrentaquattro S.p.A. is not exposed to the risk of changes in interest rate as its entire indebtedness is at fixed rate.

Price risk
Schematrentaquattro S.p.A. is exposed to the risk of changes in the market price of its financial assets, particularly with respect to its medium and long-term investments in listed companies that are classified as equity investments "available for sale" on the basis of IAS 39.
There are no financial instruments falling within level 3 of the fair value hierarchy, and in 2013 no transfers took place between the various levels.

Sensitivity analysis of price risk
The sensitivity analysis shows the theoretical impact on the statement of income and shareholders' equity of interest rate changes and movements in the stock market price of financial assets held by Schematrentaquattro.
Concerning the risk of share price movements in investments "available for sale", we have assumed a 500 bps shock in the price of the shares.
Based on the analyses, the outcome is that a change of ±5% in the stock market price at December 31, 2013 would have affected shareholders' equity by ± Euro 8,295.

Benetton group

Interest rate risk
Under its financial policy, the Benetton group can use derivative financial instruments to hedge or reduce its exposure to interest rate risk.
There are no interest rate hedges in place at December 31, 2013.
Almost all of the interest-bearing debt consists of floating-rate loans and/or deposits and so their fair value is close to the value recognized in the statement of financial position.

Sensitivity analysis of interest rate risk
At December 31, 2013 the potential pre-tax impact on the statement of income of a hypothetical 10% increase in interest rates, applied to the Benetton group's average interest-bearing debtor or creditor positions, would increase financial expenses by approximately Euro 2 million. A similar change but of opposite sign would occur if rates were to fall by 10%.

Currency risk
It is the Benetton group's policy to manage currency risk through derivative financial instruments such as currency forwards, currency swaps, currency spot transactions and currency options to reduce or hedge the exposure to such risk. According to the type of risk, the maximum duration of hedging transactions may vary from a minimum of two years to a maximum of five years. The financial policy does not allow the undertaking of any transactions for the purposes of realizing gains from exchange rate fluctuations, or any transactions in currencies to which there is not an underlying exposure or transactions in currencies designed to increase the underlying exposure. Financial instruments are designated as part of a hedging relationship at the inception of the hedge.
At December 31, 2013 the fair value of hedging instruments on currency risk is negative for Euro 16,696 (Euro 9,182 at December 31, 2012).

Sensitivity analysis of currency risk
At December 31, 2013 the potential pre-tax impact on the statement of income of a hypothetical 10% increase in exchange rates against the Euro, assuming that all other variables remain equal, would be a positive Euro 3 million. The potential pre-tax impact on the statement of income of a hypothetical 10% decrease in exchange rates would be a negative Euro 1 million. The potential pre-tax impact on Shareholders' equity would be positive for Euro 68 million or negative for Euro 60 million, respectively.

Commodity risk
The Benetton group is exposed to fluctuations in commodity prices, particularly wool and cotton, which can adversely affect its margins. The risk exposure is represented by the quantity of commodities purchased (direct) or present in purchased products (yarns, fabrics, finished products). The Benetton group's financial policy allows it to use derivative financial instruments to hedge or reduce its exposure to commodity risk.
Commodity risk continued to be hedged in 2013 through the purchase of call options on cotton.
At December 31, 2013 there were no outstanding hedging transactions in relation to commodity risk.

Autogrill group

Interest rate risk
The aim of interest rate risk management is to control financial expense and its volatility. This entails, through a mix of fixed- and floating-rate liabilities, the predetermination of a portion of financial expense out to a time horizon in keeping with the structure of debt, which in turn must be in line with capital structure and future cash flows. Where it is not possible to obtain the desired risk profile in the capital markets or through banks, it is achieved by using derivatives of amounts and maturities in line with those of the liabilities to which they refer. The derivatives used are mainly Interest Rate Swaps.
Hedging instruments are allocated to companies with significant exposure to interest rate risk where there are borrowings paying a floating rate (thus exposing the group to higher finance costs if interest rates rise) or a fixed rate (which means that lower interest rates do not bring about a reduction in financial expense).

At December 31, 2013, the ratio of fixed-rate debt to net debt (i.e., net of financial assets, which are generally floating-rate) was 62%. The percentage of fixed-rate debt is higher when considering debt denominated in US Dollars (86%) as opposed to debt in Euros (36%).
At December 31, 2013 gross debt denominated in US Dollars amounted to Usd 636.8 million, including Usd 507.1 million in bond loans. Part of the interest rate risk is hedged by fixed-to-floating Interest Rate Swaps for Usd 75 million, classified as fair value hedges, whose fair value at December 31, 2013 is positive for Euro 7,677 (Euro 11,182 at December 31, 2012).
When applying the policy described above, interest rate risk management instruments were accounted for as cash flow hedges in Autogrill group companies' financial statements where they were subject to this risk, and thus recognized as financial assets or liabilities with a specific balancing entry in comprehensive income and presented in the hedging reserve under equity. In the year ended December 31, 2013, a fair value change of Euro 11,322 was recognized in respect of derivatives found to be effective and the fair value at December 31, 2013 was negative for Euro 8,972 (Euro 20,789 at December 31, 2012).

Sensitivity analysis of interest rate risk
A hypothetical unfavourable change of 1% in the interest rates applicable to assets and liabilities and to interest rate hedges outstanding at December 31, 2013 would increase net financial expense by Euro 4,286.

Currency risk
The Autogrill group operates in countries with functional currencies other than the Euro. In these countries, the procurement policy dictates that raw material purchases and other operating costs be conducted in the same currencies, thereby minimizing currency risk. Such a risk remains with respect to intragroup loans, when granted to subsidiaries that use non-Euro currencies. Under these circumstances, the objective of currency risk management is to neutralize some of this risk in respect of payables and receivables in foreign currency arising from lending transactions in currencies other than the Euro.
Hedging instruments are allocated to companies with significant exposure to currency risk in terms of translation risk (i.e., the risk attending conversion into Euros in the parent's or its subsidiaries' financial statements of equity investments denominated in foreign currency) or financial assets or liabilities in a currency other than the reporting currency. These transactions are recognized at fair value under financial assets or liabilities.
Fluctuations in the fair value of hedges of foreign currency financial assets or liabilities are taken to statement of income, as is the corresponding change in the amount of the hedged assets and liabilities.
The fair value of hedges outstanding at December 31, 2013 is negative for Euro 14 (Euro 633 at December 31, 2012).
For instruments hedging currency risk that are therefore designated as hedges of net investments, the effective component of fair value is recognized in comprehensive income and classified to the translation reserve under equity.
The fair value of these hedges outstanding at December 31, 2013 was negative for Euro 299 (positive for Euro 316 at December 31, 2012).

Sensitivity analysis of currency risk
If the Euro had risen or fallen by 5% against Usd, Cad and Chf, at December 31, 2013 shareholders' equity would have been altered respectively by a decrease of Euro 17,819 and an increase of Euro 19,696 and Income for the year would have been altered respectively by a decrease of Euro 2,628 and an increase of Euro 2,904.

World Duty Free group

Interest rate risk
The aim of interest rate risk management is to mitigate and/or reduce financial expense volatility. This entails predetermining a portion of financial expense over a time horizon consistent with the structure of the indebtedness, which, in turn, must be in line with the capital structure and future cash flows. When the desired risk profile cannot be obtained in the capital markets or through bank facilities, it is achieved by using derivatives for amounts and maturities in line with those of the liabilities that they hedge. The derivatives used are Interest Rate Swaps.
At December 31, 2013 most of the indebtedness of the World Duty Free group paid a floating rate. At December 31, 2013 the ratio of fixed rate debt to net debt is 26.0%.
The purpose of using derivatives is to make financial expense predictable for a portion of the debt, having established sustainable fixed rates. Hedging instruments are allocated to companies with significant exposure to interest rate risk where

there are borrowings paying floating rates (thus exposing the World Duty Free group to higher finance costs if the interest rate rises) or a fixed rate (which means that a lower interest rate does not bring about a reduction in financial expense).
At December 31, 2013 the fair value of outstanding hedges was negative for Euro 1,751 (Euro 6,408 at December 31, 2012).

Sensitivity analysis of interest rate risk
A hypothetical unfavourable change of 1% in the interest rates applicable to assets and liabilities and to interest rate hedges outstanding at December 31, 2013 would increase net financial expenses by Euro 6,707.

Currency risk
Because it operates in international markets and uses different presentation currencies, the World Duty Free group is exposed to currency risk.
Fluctuations in exchange rates affect the economic results of the group in several ways. A significant impact is represented by the translation effect, which emerges when the financial statements of foreign subsidiaries are translated into Euro. In addition, because a portion of the revenue and expenses of the group are denominated in currencies other than the Euro, increases or decreases in the value of the Euro versus those currencies can have an impact on the consolidated financial statements of the group. However, because within each country revenue and expenses are usually denominated in the same currency, the group benefits to a significant extent from a natural hedging effect.
The aim of currency risk management is to neutralize in part this risk on foreign currency payables and receivables that are not denominated in Euro.
The group uses derivatives to hedge currency risk primarily in connection with intragroup transactions.
Hedging instruments are allocated to companies with significant exposure to currency risk in terms of translation risk (i.e., the risk related to conversion into Euro in the parent’s or its subsidiaries’ financial statements of equity investments in foreign currency) or financial assets or liabilities in a currency other than the reporting currency. These transactions are recognized at fair value under financial assets or liabilities.
In the case of financial instruments that hedge financial receivables and payables in a currency other than the reporting currency, any changes in fair value and the corresponding change in the carrying value of the hedged assets and liabilities are recognized in statement of income.
In the case of financial instruments that hedge the translation risk and, consequently, are designated as hedges of net investments, the effective component of fair value is recognized in comprehensive income and classified in equity in the Translation reserve.
The fair value of outstanding hedges at December 31, 2013 was negative for Euro 423 (Euro 115 at December 31, 2012).

Sensitivity analysis of currency risk
If the Euro had risen or fallen by 5% against Usd, Cad, Gbp and Mxp, at December 31, 2013 Shareholders’ equity would have been altered by Euro ±4,257 and Income would have been altered by Euro ±7,098.

Atlantia group

Interest rate risk
Interest rate risk is linked to uncertainty regarding the performance of interest rates, and takes two forms:

a. cash flow risk: linked to financial assets and liabilities with cash flows indexed to a market interest rate. In order to reduce floating rate debt, the group has entered into Interest Rate Swaps, classified as cash flow hedges. The hedging instruments and the underlying financial liabilities have matching terms to maturity and notional amounts. Following tests of effectiveness, changes in fair value were recognized in comprehensive income. Interest income or expense deriving from the hedged instruments is recognized simultaneously in statement of income;
b. fair value risk: the risk of losses deriving from an unexpected change in the value fixed rate financial assets and liabilities following an unfavourable shift in the market yield curve. As at December 31, 2013 the Atlantia group reports transactions classifiable as fair value hedges in accordance with IAS 39, regarding the previously mentioned new IPCA Linked Swaps entered into by the Brazilian companies, Triangulo do Sol and Rodovia das Colinas, with the aim of converting the real IPCA x CDI rate bonds issued in 2013 to a floating CDI rate. Changes in the fair value of these instruments are recognized in statement of income and are offset by matching changes in the fair value of the underlying liabilities.

At December 31, 2013, 90% of debt paid fixed-rate interest.

Sensitivity analysis of interest rate risk

In terms of interest rate risk, an unexpected and unfavourable 0.10% shift in market interest rates would have resulted in a negative impact on the income statement, totalling Euro 2,332, and on the statement of comprehensive income, totalling Euro 10,523, before the related taxation.

Currency risk

The Atlantia group's prime objective of currency risk is to minimize transaction exposure through the assumption of liabilities in currencies other than the presentation currency. Cross Currency Interest Rate Swaps with notional amounts and maturities matching those of the underlying financial liabilities have been entered into specifically to eliminate the currency risk to which the sterling-denominated bonds issued by Atlantia and the subsidiary, Aeroporti di Roma, and the yen-denominated bonds issued by Atlantia are exposed. These swaps also qualify as cash flow hedges and tests have shown that they are fully effective.
Of the group's total debt, 18% is denominated in currencies other than the Euro. Taking account of foreign exchange hedges and the proportion of debt denominated in the local currency of the country in which the relevant group company operates (around 10%), the group is effectively not exposed to currency risk on translation.
At December 31, 2013 the fair value of outstanding hedges for currency risk was negative for Euro 490,403, of which Euro 11,299 for fair value hedges (Euro 366,110 at December 31, 2012).

Sensitivity analysis of currency risk

In terms of currency risk, an unexpected and unfavourable 10% shift in the exchange rate would have resulted in a negative impact on the income statement, totalling Euro 15,927, and on the statement of comprehensive income, totalling Euro 262,424, due to the adverse effect on the overseas companies' after-tax results and changes in the foreign currency translation reserves.

LIQUIDITY RISK

Liquidity risk can arise through the inability to access, at economically viable conditions, the financial resources needed to guarantee the Group's ability to operate and to honour its liabilities.
The two main factors that determine the Group's liquidity situation are the resources generated or used by operating and investment activities; and the terms of expiration and renewal of debt or financial investments in conjunction with market conditions.

Holding companies: Edizione S.r.l.

Given its cash flows and its non-revocable lines of credit, Edizione believes that it has access to funds whose amounts and maturities are in line with its investment plans.

At December 31, 2013, Edizione had demand deposits totalling Euro 78 million and committed credit lines still available in the amount of Euro 265 million.

The tables below show financial liabilities outstanding at December 31, 2013 by maturity:

(Thousands of Euro)				
Non-derivative financial liabilities	Total contractual amount	Within 1 year	1-5 years	Beyond 5 years
Term Loan MB, ISP, UCI (Euro 375 million)	(118,883)	(2,807)	(116,076)	–
Bank accounts and intercompany accounts	(3,350)	(3,350)	–	–
Total	**(122,233)**	**(6,157)**	**(116,076)**	**–**

(Thousands of Euro)				
Derivative financial liabilities	Total contractual amount	Within 1 year	1-5 years	Beyond 5 years
Interest rate derivatives	(8,923)	(4,563)	(4,359)	–
Total	**(8,923)**	**(4,563)**	**(4,359)**	**–**

The tables below show financial liabilities outstanding at December 31, 2012 by maturity:

(Thousands of Euro)				
Non-derivative financial liabilities	Total contractual amount	Within 1 year	1-5 years	Beyond 5 years
Term Loan MB, ISP, UCI (Euro 225 million)	(274,761)	(11,949)	(262,812)	–
Revolving Banco Popolare (Euro 150 million)	(145,659)	(145,659)	–	–
Revolving Banco Popolare (Euro 100 million)	(50,450)	(50,450)	–	–
Bank accounts and intercompany accounts	(115)	(115)	–	–
Total	**(470,985)**	**(208,173)**	**(262,812)**	**–**

(Thousands of Euro)				
Derivative financial liabilities	Total contractual amount	Within 1 year	1-5 years	Beyond 5 years
Interest rate derivatives	(37,586)	(12,953)	(24,633)	–
Total	**(37,586)**	**(12,953)**	**(24,633)**	**–**

Holding companies: Sintonia S.p.A.

Liquidity risk is the risk that cash resources may be insufficient to fund the payment of liabilities as they fall due.
Given its cash flow and its non-revocable lines of credit, Sintonia S.p.A. believes that it has access to funds whose amounts and maturities are in line with its investment plans.

At December 31, 2013, Sintonia had demand deposits totalling Euro 285 million and committed credit lines still available in the amount of Euro 430 million.

The tables below show financial liabilities outstanding at December 31, 2013 by maturity:

(Thousands of Euro)				
Non-derivative financial liabilities	Total contractual amount	Within 1 year	1-5 years	Beyond 5 years
RBS loan (Euro 1,200 million)	(774,415)	(774,415)	–	–
Total	(774,415)	(774,415)	–	–

(Thousands of Euro)				
Derivative financial liabilities	Total contractual amount	Within 1 year	1-5 years	Beyond 5 years
Interest rate derivatives	(32,004)	(32,004)	–	–
Total	(32,004)	(32,004)	–	–

The tables below show financial liabilities outstanding at December 31, 2012 by maturity:

(Thousands of Euro)				
Non-derivative financial liabilities	Total contractual amount	Within 1 year	1-5 years	Beyond 5 years
RBS loan (Euro 1,200 million)	(778,400)	(4,739)	(773,661)	–
Total	(778,400)	(4,739)	(773,661)	–

(Thousands of Euro)				
Derivative financial liabilities	Total contractual amount	Within 1 year	1-5 years	Beyond 5 years
Interest rate derivatives	(64,742)	(32,634)	(32,108)	–
Total	(64,742)	(32,634)	(32,108)	–

Holding companies: Schematrentaquattro S.p.A.

Schematrentaquattro S.p.A. believes that it is not exposed to liquidity risk since its only outstanding liability can be fully satisfied at maturity in the form of equity securities held.

Benetton group

Liquidity requirements are monitored by Benetton Group S.p.A.'s head office functions in order to guarantee effective access to financial resources and/or adequate investment of liquidity.
Benetton Group S.p.A. coordinates credit facility management on the basis of efficiently satisfying group company needs.
At December 31, 2013 about 90% of the committed credit facilities refer to Benetton Group S.p.A.
At December 31, 2013 the Benetton group had Euro 310 million in unutilized committed credit facilities and approximately Euro 410 million in unutilized uncommitted credit facilities.
Management believes that currently available funds and credit facilities, apart from those which will be generated by operating and financing activities, will allow the group to satisfy its requirements as far as investment, working capital management, and debt repayment at natural maturity are concerned.

The group's financial liabilities at December 31, 2013 are broken down by due date in the following table; note that these amounts include cash flows arising from future financial expenses.

(Thousands of Euro)	12.31.2013	Contractual maturity within 1 year	Contractual maturity 1-2 years	Contractual maturity 2-3 years	Contractual maturity 3-4 years	Contractual maturity 4-5 years	Contractual maturity beyond 5 years
Non-current liabilities							
Medium/long-term loans	330,440	–	265,803	37,925	26,202	510	–
Other medium/long-term payables	30,127	2,068	23,813	9	15	1,528	2,694
Lease financing	1,668	–	227	203	203	191	844
Current liabilities							
Trade payables	356,413	359,379	1	33	–	–	–
Other payables, accrued expenses and deferred income	65,450	49,117	4,089	4,083	3,936	2,210	2,015
Current portion of lease financing	389	389	–	–	–	–	–
Current portion of medium/long-term loans	57,489	57,489	–	–	–	–	–
Financial payables and bank loans	65,251	65,215	29	7	–	–	–

The Benetton group's financial liabilities at December 31, 2012 are broken down by due date in the following table.

(Thousands of Euro)	12.31.2012	Contractual maturity within 1 year	Contractual maturity 1-2 years	Contractual maturity 2-3 years	Contractual maturity 3-4 years	Contractual maturity 4-5 years	Contractual maturity beyond 5 years
Non-current liabilities							
Medium/long-term loans	662,062	9,503	93,389	425,760	56,365	76,599	446
Other medium/long-term payables	39,273	4,900	1,008	27,933	244	1,944	3,244
Lease financing	262	–	232	30	–	–	–
Current liabilities							
Trade payables	465,414	465,269	145	–	–	–	–
Other payables, accrued expenses and deferred income	95,338	75,441	5,861	4,876	4,758	2,178	2,224
Current portion of lease financing	289	289	–	–	–	–	–
Current portion of medium/long-term loans	10,471	10,471	–	–	–	–	–
Financial payables and bank loans	154,635	154,591	26	13	5	–	–

Autogrill group

The Autogrill group manages liquidity by ensuring that to the extent possible, it always has sufficient funds to meet its obligations on time, without incurring excessive charges or risking damage to its reputation.
The elements that make up the group's liquidity are the resources generated or absorbed by operating and investing activities, the characteristics of its debt, the liquidity of its financial investments and financial market conditions.

Exposure and maturity data at December 31, 2013 were as follows:

	12.31.2013							
(Thousands of Euro)		Contractual cash flows						
Non-derivative financial liabilities	Carrying amount	1-3 months	3-6 months	6 months-1 year	1-2 years	2-5 years	Over 5 years	Total
Current accounts overdrafts	41,937	41,937	–	–	–	–	–	41,937
Unsecured bank loans	443,360	76,819	–	–	–	366,541	–	443,360
Lease payments due to others	11,042	255	247	391	1,700	558	7,892	11,042
Other financial liabilities	283	–	–	–	–	–	283	283
Bonds	369,911	–	–	–	–	116,122	253,789	369,911
Trade payables	396,204	388,609	664	6,557	227	144	4	396,205
Due to suppliers for investments	56,402	55,154	1,242	–	–	6	–	56,402
Total	**1,319,139**	**562,774**	**2,153**	**6,948**	**1,927**	**483,371**	**261,968**	**1,319,139**

	12.31.2013							
(Thousands of Euro)		Contractual cash flows						
Derivative financial liabilities	Carrying amount	1-3 months	3-6 months	6 months-1 year	1-2 years	2-5 years	Over 5 years	Total
Forward foreign exchange derivatives	336	336	–	–	–	–	–	336
Interest Rate Swap	8,972	1,197	–	–	7,775	–	–	8,972
Total	**9,308**	**1,533**	**–**	**–**	**7,775**	**–**	**–**	**9,308**

Exposure and maturity data at December 31, 2012 were as follows:

		12.31.2012					
(Thousands of Euro)		Contractual cash flows					
Non-derivative financial liabilities	Carrying amount	1-3 months	3-6 months	6 months-1 year	1-5 years	Over 5 years	Total
Current accounts overdrafts	57,792	54,474	–	3,318	–	–	57,792
Unsecured bank loans	1,264,731	14,540	5	56,531	1,193,654	–	1,264,731
Lease payments due to others	12,179	370	241	491	2,897	8,179	12,179
Other financial liabilities	315	27	–	–	–	288	315
Bonds	326,115	201,607	–	–	124,508	–	326,115
Trade payables	643,958	606,680	31,303	5,720	255	–	643,958
Due to suppliers for investments	86,412	86,398	–	–	14	–	86,412
Total	**2,391,503**	**964,096**	**31,549**	**66,060**	**1,321,328**	**8,467**	**2,391,501**

		12.31.2012					
(Thousands of Euro)		Contractual cash flows					
Derivative financial liabilities	Carrying amount	1-3 months	3-6 months	6 months-1 year	1-5 years	Over 5 years	Total
Forward foreign exchange derivatives	685	685	–	–	–	–	685
Interest Rate Swap	11,182	–	1,336	–	9,846	–	11,182
Total	**11,867**	**685**	**1,336**	**–**	**9,846**	**–**	**11,867**

With regard to exposure to trade payables, there is no significant concentration of suppliers, of which the top 10 account for 25% of the total and the leading supplier (Autostrade per l'Italia S.p.A., a company of the Edizione Group) for 8.6%.
In January 2013, HMSHost Corporation (formerly Autogrill Group Inc.) issued a new bond loan for a total amount of Usd 150 million, maturing in January 2023. The proceeds were used together with credit facilities existing at December 31, 2012 to pay back the private placement issued in 2003. In March 2013, additional bond loans were issued for a total of Usd 200 million, paying interest half-yearly and split into tranches maturing between 2020 and 2025.
The bond regulations call for compliance with certain financial ratios, calculated solely with respect to the companies headed up by HMSHost Corporation. They are not guaranteed by Autogrill S.p.A. There are also limits on the distribution of dividends by HMSHost Corporation to its parent company, Autogrill S.p.A., if the leverage ratio of the HMSHost subgroup exceeds a certain amount.
In 2013 HMSHost Corporation obtained a new Usd 300 million credit agreement expiring in March 2016, available solely to that subsidiary and not guaranteed by Autogrill S.p.A.
The loan contracts and bonds outstanding at December 31, 2013 require the satisfaction of certain financial ratios, specifically, the leverage ratio (Net debt/Ebitda) and interest coverage (Ebitda/Net financial expense). These are measured with different criteria and for different groupings of companies depending on the loan and the beneficiary. In particular, Autogrill S.p.A. has outstanding loans for which the above ratios are calculated on figures pertaining to the Autogrill group as a whole.
The weighted average term of bank loans and bonds, including unutilized credit lines, is approximately four years and two months (two years and six months at December 31, 2012).

World Duty Free group

The elements that make up the World Duty Free group's liquidity are the resources generated or absorbed by operating and investing activities, the characteristics of its debt, the liquidity of its financial investments and financial market conditions.

The tables that follow show the maturities of non-derivative and derivative financial liabilities at December 31, 2013:

	12.31.2013							
(Thousands of Euro)	Contractual cash flow							
Non-derivative financial liabilities	Carrying amount	1-3 months	3-6 months	6 months-1 year	1-2 years	2-5 years	Over 5 years	Total
Current accounts overdrafts	11,915	–	–	11,915	–	–	–	11,915
Unsecured bank loans	1,055,094	–	–	60,000	104,987	890,107	–	1,055,094
Other financial liabilities	5,804	5,804	–	–	–	–	–	5,804
Trade payables	235,493	235,493	–	–	–	–	–	235,493
Due to suppliers for investments	19,305	19,305	–	–	–	–	–	19,305
Other	5,036	5,036	–	–	–	–	–	5,036
Total	**1,332,647**	**265,638**	**–**	**71,915**	**104,987**	**890,107**	**–**	**1,332,647**

	12.31.2013							
(Thousands of Euro)	Contractual cash flow							
Derivative financial liabilities	Carrying amount	1-3 months	3-6 months	6 months-1 year	1-2 years	2-5 years	Over 5 years	Total
Forward foreign exchange derivatives	474	474	–	–	–	–	–	474
Interest Rate Swap	1,751	–	–	–	–	1,751	–	1,751
Total	**2,225**	**474**	**–**	**–**	**–**	**1,751**	**–**	**2,225**

As of December 31, 2013 there were no financial liabilities with a maturity longer than five years.
The loan agreement identifies certain events of default, customary for an agreement of this nature. If one of these events occurred and the lenders exercised their right, the borrowing companies would be obliged to promptly reimburse the drawn-down amounts of the loan, and this would be terminated. Said events of default include, among others, failure by the World Duty Free group to comply with certain financial covenants. The World Duty Free group has carefully assessed its ability to meet these covenants even in case of events adversely affecting its results and cash flow. Although the sustainability assessment has shown that there are adequate security margins, it cannot be ruled out that if more serious adverse events occurred as compared to the ones already considered, the financial covenants might not be satisfied.
In addition to the failure to meet the financial covenants, the loan agreement provides for further events of default or circumstances that may trigger the prepayment of the loan (or part of it), including, by way of example, a change of control in the World Duty Free group.

These tables show the maturities of non-derivative and derivative financial liabilities at December 31, 2012:

		12.31.2012						
(Thousands of Euro)		Contractual cash flow						
Non-derivative financial liabilities	**Carrying amount**	**1-3 months**	**3-6 months**	**6 months-1 year**	**1-2 years**	**2-5 years**	**Over 5 years**	**Total**
Current accounts overdrafts	3,318	–	–	3,318	–	–	–	3,318
Unsecured bank loans	504,756	–	–	60,521	–	444,235	–	504,756
Long-term loans from Autogrill	70,079	–	–	–	–	70,079	–	70,079
Trade payables	203,843	203,843	–	–	–	–	–	203,843
Other financial liabilities	640	640	–	–	–	–	–	640
Due to suppliers for investments	3,566	3,566	–	–	–	–	–	3,566
Other	3,884	3,884	–	–	–	–	–	3,884
Total	**790,086**	**211,933**	**–**	**63,839**	**–**	**514,314**	**–**	**790,086**

		12.31.2012						
(Thousands of Euro)		Contractual cash flow						
Derivative financial liabilities	**Carrying amount**	**1-3 months**	**3-6 months**	**6 months-1 year**	**1-2 years**	**2-5 years**	**Over 5 years**	**Total**
Forward foreign exchange derivatives	157	157	–	–	–	–	–	157
Interest Rate Swap	6,408	–	–	–	–	6,408	–	6,408
Total	**6,565**	**157**	**–**	**–**	**–**	**6,408**	**–**	**6,565**

In February 2013, after winning the contract to operate travel retail shops for the period 2013-2020, the group made an outlay of Euro 278,933 (plus VAT amounting to Euro 58,576) as an advance payment in relation to AENA agreements and Euro 27,318 as a security deposit. This advance payment will allow the group to obtain more operating cash flows in the future.

The World Duty Free group naturally has a negative working capital (Euro 146 million as of December 31, 2013). This peculiarity mainly arises from the following structural characteristics of the group's business: (i) a low amount of trade receivables compared to the volume of sales, since much of the sales turn quickly into cash, as is usual in the businesses of retail sale to the final consumer, and (ii) a structurally low amount of inventories compared with turnover. For these reasons, the amount of current liabilities, and trade payables in particular, usually exceeds current assets.

The World Duty Free group had unused committed bank facilities for approximately Euro 205 million as of December 31, 2013.

The objective of the World Duty Free group is to maintain sufficient liquid assets to cover the liquidity risk. Moreover, the World Duty Free group believes it has sufficient flexibility in the time management of its investments and in containing overheads to address any financial stress, while complying with the parameters required by the loan agreements.

Atlantia group

The Atlantia group believes that its ability to generate cash, the ample diversification of its sources of funding and the availability of committed and uncommitted lines of credit provides access to sufficient sources of finance to meet its projected financial needs.

At December 31, 2013 project debt allocated to specific overseas companies amounted to Euro 2,197 million. At the same date the group had cash reserves of Euro 8,380 million, consisting of:

a. Euro 4,414 million in cash and/or investments maturing within 120 days;
b. Euro 525 million in term deposits allocated primarily to finance the execution of specific construction services and to service the debt of certain Chilean companies;
c. Euro 3,441 million in undrawn committed lines of credit.

The following table shows the distribution of loan maturities outstanding at December 31, 2013:

(Thousands of Euro)	Financial liabilities					
12.31.2013	Carrying amount	Total contractual flows	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Non-derivative financial liabilities [1]						
Total bond issues (A)	**12,674,383**	**(16,373,635)**	**(3,088,467)**	**(639,628)**	**(4,958,370)**	**(7,687,170)**
Bank borrowings	4,292,416	(5,426,822)	(758,680)	(449,130)	(990,870)	(3,228,142)
Other borrowings	121,769	(105,786)	(38,935)	(9,518)	(10,191)	(47,142)
Total medium/long-term borrowings (B)	**4,414,185**	**(5,532,608)**	**(797,615)**	**(458,648)**	**(1,001,061)**	**(3,275,284)**
Total non-derivative financial liabilities (C = A + B)	**17,088,568**	**(21,906,243)**	**(3,886,082)**	**(1,098,276)**	**(5,959,431)**	**(10,962,454)**
Derivatives [2] [3]						
Interest Rate Swap [4]	(58,157)	(237,072)	(35,859)	(26,266)	(62,867)	(112,080)
IPCA x CDI Swap [4]	(11,299)	(27,742)	(10,110)	(7,460)	7,780	(17,952)
Cross Currency Swap	(421,017)	(446,972)	(25,695)	(25,575)	(77,032)	(318,670)
Total derivatives	**(490,473)**	**(711,786)**	**(71,664)**	**(59,301)**	**(132,119)**	**(448,702)**

(1) Future cash flows relating to floating rate loans have been calculated on the basis of the latest established rate and held constant to final maturity.
(2) Includes derivative instruments hedging the interest rate and currency risk associated with bond issues and loans outstanding as at year end.
(3) Expected cash flows are calculated on the basis of exchange rates established at the measurement date.
(4) Future cash flows deriving from interest rate swap (IRS) differentials are calculated on the basis of the latest established rate and held constant to maturity of the contract.

The following table shows the distribution of loan maturities outstanding at December 31, 2012:

(Thousands of Euro)	Financial liabilities					
12.31.2012	Carrying amount	Total contractual flows	Within 12 months	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Non-derivative financial liabilities [1]						
Total bond issues (A)	**(10,716,933)**	**(14,085,006)**	**(1,033,553)**	**(2,635,183)**	**(3,620,008)**	**(6,796,262)**
Bank borrowings	(4,156,328)	(5,695,561)	(742,749)	(549,336)	(1,205,710)	(3,197,766)
Other borrowings	(82,091)	(95,275)	(4,036)	(2,492)	(14,210)	(74,537)
Total medium/long-term borrowings (B)	**(4,238,419)**	**(5,790,836)**	**(746,785)**	**(551,828)**	**(1,219,920)**	**(3,272,303)**
Total non-derivative financial liabilities (C = A + B)	**(14,955,352)**	**(19,875,842)**	**(1,780,338)**	**(3,187,011)**	**(4,839,929)**	**(10,068,565)**
Derivatives [2] [3]						
Interest Rate Swap [4]	(127,264)	(260,409)	(40,340)	(33,947)	(64,315)	(121,807)
Cross Currency Swap	(238,968)	(265,244)	(10,363)	(10,363)	(31,619)	(212,899)
Total derivatives	**(366,232)**	**(525,653)**	**(50,703)**	**(44,310)**	**(95,934)**	**(334,706)**

(1) Future cash flows relating to floating rate loans have been calculated on the basis of the latest established rate and held constant to final maturity.
(2) Includes derivative instruments hedging the interest rate and currency risk associated with bond issues and loans outstanding as at year end.
(3) Expected cash flows are calculated on the basis of exchange rates established at the measurement date.
(4) Future cash flows deriving from interest rate swap (IRS) differentials are calculated on the basis of the latest established rate and held constant to maturity of the contract.

CREDIT RISK

Credit risk is the risk of incurring losses due to the failure to collect receivables due for both normal commercial transactions and financial investments. It includes the direct risk of the counterparty's insolvency or decrease in creditworthiness, as well as credit concentration risk.
The carrying value of the financial assets is the group's maximum exposure to credit risk, in addition to the face value of guarantees given for the borrowings or commitments of third parties.

Benetton group

The Benetton group has different concentrations of credit risk depending on the nature of the activities which have generated the receivables.
Sales to retail channel customers are settled in cash or using credit cards and other debit cards.
Individually significant positions can be subject to individual write-down if they are objectively considered to be partially or totally unrecoverable. The amount of the write-down takes into account a forecast of recoverable cash flows and their relevant collection date, as well as the fair value of warranties. Collective provisions are made for receivables which are not subject to individual write-down, taking into account bad debt history and statistical data.
Financial credit risk lies in the counterpart's or the issuer's inability to settle its financial obligations.
The group uses financial instruments to invest liquidity and hedge financial risks.
These instruments must have a minimum long-term issuer and/or counterparty rating of Standard & Poor's A- (or equivalent) and/or a minimum short-term issuer and/or counterparty rating of Standard & Poor's A-2 (or equivalent) and must be issued or subscribed by issuers or counterparties based in (or under the jurisdiction of) countries which have approved plans in support of their banking systems.
For the purpose of reducing risk concentration, the group may not invest more than 10% of its liquidity (except for bank deposits with a term of under two weeks) with any one issuer or counterparty, with a ceiling of Euro 20 million per issuer and/or counterparty with a rating lower than AA (or A in the case of sovereign issuers). The maximum concentration per counterparty when hedging financial risks is 20% of the total value of hedges in place.
Available for sale assets (in level 1 of the IFRS 7 fair value hierarchy) and cash and cash equivalents are stated at their fair value; furthermore, at December 31, 2013 Benetton does not have any positions with sovereign debtors carrying significant repayment risks.

Autogrill group

Exposure to credit risk depends on the specific characteristics of each customer. The Autogrill group's business model, centered on the relationship with the end consumer, means that trade receivables and thus the relative degree of risk is of little significance in relation to total financial assets, since most sales are paid for in cash. In most cases, the Autogrill group's trade receivables stem from catering service agreements and commercial affiliations. Other receivables consist mainly of amounts due by Tax Authorities and Public Administration, fees paid in advance, and advances for services or commercial investments made on behalf of concession grantors, for which the degree of credit risk is low.
Financial assets are recognized net of impairment losses calculated on the basis of the counterparty's risk of default. Impairment is determined according to local procedures, which may require impairment of individual positions, if material, where there is evidence of an objective condition of uncollectability of part or all of the amount due, or collective impairment calculated on the basis of historical and statistical data.
There is no significant concentration of credit risk: the top 10 customers account for 17.1% of total trade receivables, and the largest customer (Esso Italiana S.r.l.) for 2.84%.

World Duty Free group

The World Duty Free group's business model, centered on the relationship with the end consumer, means that trade receivables and thus the relative degree of risk is of little significance in relation to total financial assets, since most sales are paid for in cash.
Other receivables consist mainly of amounts due by Tax authorities and Public Administration, prepaid rent and advances for services, commercial investments made on behalf of concession grantors and receivables owed by credit card issuers, all of which entail a limited credit risk. The amounts corresponding to guarantee deposits and advance payments are contractually covered.
Financial assets are recognized net of impairment losses computed to reflect the risk of default by counterparties. Impairment is determined in accordance with local procedures, which may require both impairment of individual positions, if individually material, when there is evidence of an objective condition of uncollectability of all or part of the amount due, and generic impairment calculated on the basis of historical and statistical data.
There is no significant concentration of credit risk.

Atlantia group

The Atlantia group manages credit risk essentially through recourse to counterparties with high credit ratings, with no significant credit risk concentrations as required by financial policy.
Credit risk deriving from outstanding derivative financial instruments can also be considered marginal in that the counterparties involved are major financial institutions. There are no margin agreements providing for the exchange of cash collateral if a certain fair value threshold is exceeded.
Provisions for impairment losses on individually material items, on the other hand, are established when there is objective evidence that the group will not be able to collect all or any of the amount due. The amount of the provisions takes account of estimated future cash flows and the date of collection, any future recovery costs and expenses, and the value of any security and guarantee deposits received from customers. General provisions, based on the available historical and statistical data, are established for items for which specific provisions have not been made.

[64] Related party transactions

The following table shows income and costs for 2013 and balance sheet figures at December 31, 2013 as a result of related party transactions. Related party transactions are conducted at arm's length and with the utmost transparency.

(Thousands of Euro)	Receivables	Payables	Operating costs	Revenues	Other operating income	Interest income	Interest charges
Non-consolidated subsidiaries	577	164	3,696	236	27	–	–
Associated companies	116,103	18,310	720	2,666	–	5,355	50
Total	**116,680**	**18,474**	**4,416**	**2,902**	**27**	**5,355**	**50**

The amounts shown for Associated companies include Euro 110,000 in financial receivables and Euro 13,508 in financial payables with Società Autostrada Tirrenica p.A., as discussed in Note [16] Other current financial assets and in Note [39] Other current financial liabilities.

[65] Business combinations

Main business combinations occurring in 2013 are detailed below.

Merger of Gemina S.p.A. with and into Atlantia S.p.A.

The deed for the merger of Gemina S.p.A. with and into Atlantia, in accordance with the resolutions approved by the extraordinary general meetings of Atlantia's and Gemina's shareholders held on April 30, by the special general meeting of Gemina's savings shareholders held on April 29, 2013 and the merger plan approved by the respective boards of directors on March 8, 2013, was signed on November 20, 2013. The merger became effective, in compliance with the above deed, on December 1, 2013. Therefore, as of this date the Atlantia group acquired control of the assets and liabilities of Gemina and its subsidiaries (Aeroporti di Roma group).

To satisfy the merger share exchange ratio, Atlantia issued new ordinary shares in the ratio of no. 1 newly issued Atlantia ordinary share for every no. 9 Gemina ordinary shares in issue at the effective date of the merger, and no. 1 newly issued Atlantia ordinary share for every no. 9 Gemina savings shares. In addition, Gemina's shareholders also received 1 Contingent Value Right for each newly issued Atlantia ordinary share. The purpose of these Contingent Value Rights was to mitigate the potential risk of a decrease in the economic value of Atlantia's capital should an adverse ruling be handed down against Autostrade per l'Italia as a result of case 9149/2007 brought by the Public Prosecutor's Office in Florence, alleging violations committed during work on the Variante di Valico. In accordance with the terms and conditions of the Rights, from December 3, 2013 to October 3, 2014 each holder will have the right to sell to Atlantia the Contingent Value Rights held by exercising the related put options. The Put Option exercise price is an all-inclusive Euro 0.0732 for each Contingent Value Right. The newly issued Atlantia ordinary shares allotted to satisfy the merger exchange ratio rank equally in all respects from the same date with existing Atlantia shares in issue, and, as a result, the ordinary and savings shares issued by Gemina were cancelled as of the effective date of the merger. Following completion of the exchanges, Atlantia has allotted former Gemina shareholders a total of no. 163,956,398 newly issued shares with a par value of Euro 1.00 each and, after the necessary rounding, Atlantia S.p.A.'s issued capital has increased from Euro 661,827,592 to Euro 825,783,900.

In accordance with IFRS 3, the transaction has been accounted for using the acquisition method, provisionally estimating the fair value of the assets acquired and the liabilities assumed from Gemina and its subsidiaries. This involved maintaining the carrying amounts of the assets and liabilities previously recognized in the financial statements of the acquired companies, with the exception of certain financial liabilities (whose value has been increased by an estimated Euro 36.8 million) and Aeroporti di Roma's concession arrangement (whose value has been increased by an estimated Euro 3,111.8 million), taking account of the related deferred taxation. Final identification of all the fair values of the identifiable assets acquired and liabilities assumed will be completed in 2014, once all the necessary information is available.

The table below shows the carrying amounts of the assets acquired and liabilities assumed and the provisional fair values identified.

(Millions of Euro)	Carrying amount	Fair value adjustments and allocation of transaction costs	Provisional fair value
Net assets acquired			
Property, plant and equipment	8.8		8.8
Intangible assets	1,991.8	3,111.8	5,103.6
Non-current financial assets	0.5		0.5
Other non-current assets	0.4		0.4
Cash and cash equivalents	208.1		208.1
Other current financial assets	28.3		28.3
Trading and other current assets	261.1		261.1
Non-current financial liabilities	(1,023.6)	(36.8)	(1,060.4)
Deferred tax assets/(liabilities)	147.6	(1,151.8)	(1,004.2)
Other non-current liabilities	(0.2)		(0.2)
Current financial liabilities	(19.5)		(19.5)
Provisions	(364.9)		(364.9)
Trading and other current liabilities	(328.0)		(328.0)
Total net assets acquired	**910.4**	**1,923.2**	**2,833.6**
Equity attributable to non-controlling interests			119.5
Total net assets acquired by Atlantia group			**2,714.1**
Total esboursement			**2,714.1**
Capital increase (no. 163.9 million ordinary shares)			2,702.1
Conditional value rights			12.0

With regard to the consideration transferred for the acquisition, the fair value of the no. 163,956,398 ordinary shares issued by Atlantia and exchanged for the shares held by Gemina's shareholders was determined on the basis of the closing price of the Atlantia's shares on the Mercato Telematico Azionario managed by Borsa Italiana S.p.A. on November 29, 2013 (the last trading day before the effective date of the merger), being Euro 16.48. The Contingent Value Rights have been measured on the basis of the unit price of each put option embedded in the Rights to be purchased by Atlantia, resulting in Euro 12 million, and recognized with a contra-entry among financial liabilities.

It should be noted that Edizione Group already held an interest of 35.95% in Gemina S.p.A. As Gemina/Aeroporti di Roma group became a subsidiary company, the interest held by Edizione group was restated at fair value as follows:

(Millions of Euro)	12.31.2013
Fair value of 35.93% stake of Gemina S.p.A. previously held by Edizione Group	970.4
Carrying value of 35.93% stake of Gemina S.p.A. previously held by Edizione Group	(730.5)
Other impact to income statement	(2.1)
Gain from remeasurement at fair value of Gemina	**237.8**

As of the date of first-time consolidation, former Gemina Group companies report total revenue of Euro 58.0 million and an overall December net loss of Euro 4.7 million, essentially due to amortization of Aeroporti di Roma's airport concession. Had these companies been consolidated on a line-by-line basis from January 1, 2013, consolidated revenues and Atlantia group profit for the year would have been Euro 4,942.6 million and Euro 750.3 million, respectively.

As permitted by IFRS 3, measurement of the final fair values of the assets and liabilities of the acquirees will be completed within twelve months of the acquisition date. The outcome of the current measurement process may have an impact on the following principal items: intangible assets, financial assets and liabilities, deferred tax assets and liabilities and the related effects on statement of income.

Completion of identification and measurement of the assets and liabilities of Autostrade Sud America and its investee companies

Identification and measurement of the fair value of the assets and liabilities of Autostrade Sud America and its Chilean subsidiaries was completed in the first half of 2013, after the Atlantia group's acquisition of control of these companies in the second quarter of 2012.

The table below shows the carrying amounts of the assets acquired and liabilities assumed (translated at the Euro/Chilean Peso exchange rate of 649.675 at April 1, 2012, the date of first-time consolidation of Autostrade Sud America and its Chilean subsidiaries), in addition to the final fair values identified.

(Millions of Euro)	Carrying amount at 04.01.2012	Fair value adjustments (provisional)	Provisional fair value and allocation of transaction costs
Net assets acquired:			
Property, plant and equipment	14.6		14.6
Intangible assets	569.8	1,683.2	2,253.0
Non-current financial assets	701.7		701.7
Other non-current assets	0.7		0.7
Cash and cash equivalents	41.0		41.0
Other current financial assets	110.1		110.1
Trading and other current assets	131.3		131.3
Non-current financial liabilities	(1,022.3)	(54.5)	(1,076.8)
Deferred tax assets/(liabilities)	(31.4)	(578.9)	(610.3)
Other non-current liabilities	(28.7)		(28.7)
Current financial liabilities	(125.0)		(125.0)
Provisions	(30.1)		(30.1)
Trading and other current liabilities	(33.8)		(33.8)
Total net assets acquired	**297.9**	**1,049.8**	**1,347.7**
Carrying amount of 45.77% interest previously held in Autostrade Sud America			(179.3)
Gain from remeasurement at fair value of the interest previously held in Autostrade Sud America			(170.8)
Bargain purchase gain			(27.4)
Cost of acquisition			**970.2**
Cash and cash equivalents acquired			(41.0)
Net effective cash disbursement for the acquisition			**929.2**

Completion of the measurement process has resulted in a net fair value adjustment to the net assets acquired of Euro 1,049.8 million (reflecting increases in the value of the concessions held by Costanera Norte, Nororiente, Vespucio Sur and Litoral Central, amounting to Euro 1,683.2 million, increases in certain non-current financial liabilities, totalling Euro 54.5 million, and the recognition of the related tax effects), which has led to recognition of the following principal effects in the consolidated income statement:

a. a financial gain from remeasurement of the fair value of the existing interest in Autostrade Sud America (45.765%), totalling Euro 170.8 million (compared with the initially estimated and provisionally recognized Euro 171.1 million);
b. a bargain purchase gain of Euro 27.4 million.

As required by IFRS 3, the above final amounts have been recognized retrospectively from April 1, 2012, resulting in the restatement of items in the statement of financial position and the income statement at and for the year ended December 31, 2012, including amortization of the intangible assets arising from the service concession arrangements acquired.

Completion of identification and measurement of the assets and liabilities of Atlantia Bertin Concessões and its investee companies

Identification and measurement of the fair value of the assets and liabilities of the companies acquired by the Atlantia group as a result of the transaction with the Bertin group on June 30, 2012 was completed in the first half of 2013.

The table below shows the carrying amounts of the assets acquired and liabilities assumed (translated at the Euro/Brazilian Real exchange rate, amounting to 2.579, of 30 June 2012, the date of first-time consolidation of Atlantia Bertin Concessões and its subsidiaries), in addition to the final fair values identified.

The agreements entered into include an earn-out adjustment based on the effective toll revenue of Triangulo do Sol and Rodovias das Colinas during the three-year period 2012-2014, the impact of which was estimated as part of the measurement of the final fair values. This has resulted in recognition of an additional cost to be incurred by the group of Brazilian Reals 105.2 million (Euro 40.9 million) to be paid in a lump sum in 2015, compared with a contractually agreed maximum adjustment of Brl 135.0 million (approximately Euro 52 million) or a reduction in the price of up to Brl 26.0 million (approximately Euro 10 million).

(Millions of Euro)	Carrying amount at 06.30.2012	Fair value adjustments	Final fair value and allocation of transaction costs
Net assets acquired			
Property, plant and equipment	1.8		1.8
Intangible assets	365.7	870.3	1,236.0
Non-current financial assets	154.6		154.6
Other non-current assets	0.1		0.1
Cash and cash equivalents	132.0		132.0
Other current financial assets	13.5		13.5
Non-current financial liabilities	(334.0)		(334.0)
Deferred tax assets/(liabilities)	(36.3)	(295.9)	(332.2)
Other non-current liabilities	(17.7)		(17.7)
Current financial liabilities	(256.9)		(256.9)
Provisions	(63.9)		(63.9)
Trading and other current liabilities	(23.4)		(23.4)
Total net assets acquired	**(64.5)**	**574.4**	**509.9**
Equity attributable to non-controlling interests			(254.9)
Carrying value of Triangulo do Sol 's assets acquired (50%)			162.5
Cash esboursement by Atlantia (A)			42.0
Estimated adjustment of acquisition costs (earn-out) (B)			40.9
Positive effect on Shareholders' equity (fair value minus carrying value of Triangulo do Sol's net assets at June 30, 2012)			9.6
Cost of acquisition			**255.0**
Cash and cash equivalents acquired (C)			(132.0)
Net financial esboursement from acquisition (A + B + C)			**(49.1)**

Completion of the measurement process has resulted in a net fair value adjustment to the net assets acquired of Euro 574.4 million (reflecting an increase in the value of the concession held by Rodovias das Colinas, amounting to Euro 870.3 million, gross of the related deferred tax effects). After adjusting for non-controlling interests, the fair value of the net assets acquired is Euro 255 million, that substantially coincides with the cost of acquisition.
With regard to the nature of the transaction, the cost of acquisition consists on the consideration paid, amounts paid as a result of the earn-out adjustment and the consolidated carrying amount, as at June 30, 2012, of the fair value of the non-controlling interest (50% less one share) in the subsidiary, Triangulo do Sol, sold to third parties. Based on IAS 27, paragraphs 30-31, and IFRS 3, paragraph 38, and the fact that the above difference of Euro 9.6 million is entirely attributable to the greater fair value (compared with the carrying amount) of the above non-controlling interest in Triangulo do Sol sold, this difference has been accounted for as a positive impact on the group’s equity, in the form of an equity transaction (shareholder transaction).
As required by IFRS 3, the above final amounts have been recognized retrospectively from June 30, 2012, resulting in the restatement of items in the statement of financial position and the income statement at and for the year ended December 31, 2012, including amortization of the intangible assets arising from the service concession arrangements acquired.

[66] Significant events following the end of the financial year

Benetton group

- In early 2014 the initial corporate and managerial steps were taken with a view to separating the group’s three areas of business.
- On January 21, 2014 the Benetton group sold its 2% interest in Brunello Cucinelli S.p.A. for Euro 29.6 million, realizing a capital gain of Euro 19 million.

Autogrill group

- On January 16, 2014 Autogrill, through its North American division HMSHost, won a new contract to operate Food & beverage services at 25 locations inside Fort Lauderdale-Hollywood International Airport in Florida. Estimated revenues from the concession amount to Usd 1.2 billion over the period 2014-2032.
- On January 23, 2014 Autogrill signed an agreement with Rosneft, a leading Russian oil & gas company, to develop the Acafè brand under franchise at seven new service stations along the main traffic arteries connecting the city of Sochi to the airport, the Olympic Village and Krasna Poljana.
- On February 5, 2014 the Autogrill group, through the HMSHost International division, signed an early renewal of its concession at Copenhagen international airport, where it will operate Food & beverage services for an additional five years. Total revenues are expected to top Euro 80 million for the period 2014-2020.
- On March 5, 2014 Autogrill, through the HMSHost International division, debuted at Abu Dhabi international airport (the second largest in the United Arab Emirates for passenger traffic and the hub of the national airline, Etihad) by winning a contract for Food & beverage operations. For the period 2014-2019, the six locations are expected to gross approximately Euro 20 million overall.
- In the first quarter of 2014 Autogrill learned that it had been awarded 21 Food & beverage sub-concessions along motorways operated by Autostrade per l’Italia, worth a total of Euro 2.1 billion and with a weighted average duration of 14.3 years.

Atlantia group

- With a letter of March 20, 2014 the French Transport Ministry notified Ecomouv' that the government feels there are grounds for rescission of contract due to a more than six-month delay, from the original deadline of July 20, 2013, in delivering the satellite-based tolling system for heavy vehicles weighing over 3.5 tonnes on approximately 15,000 km of French motorways. Bolstered by legal opinions, with a letter of March 21, 2014 Ecomouv' challenged each of the assumptions invoked by the Transport Ministry and reserved the right to submit its own observations within the allotted time and to take all legal action necessary to protect its rights. In light of the above, the company and its lawyers are working on legal and other actions to be implemented should the negotiations in course with the Transport Ministry fail to produce an agreement that protects the legitimate interests of Ecomouv'.
- On February 18, 2014 Moody's upgraded the outlook for Atlantia and Autostrade per l'Italia to stable, confirming a Baa1 rating, following its decision on February 14 to upgrade the outlook on Italy's Baa2 government bond rating to stable from negative. On the same date, Moody's also confirmed its Baa3 rating for the unsecured debt of Aeroporti di Roma, raising the outlook from stable to positive.
- On March 12, 2014 Atlantia announced the official launch of the Santiago Centro Oriente plan agreed between the concession grantor and the operator, Costanera Norte. Under the plan, the road will be improved at seven different points in order to eliminate the main bottlenecks caused by the growth of traffic in recent years. The total cost of the works is estimated at Euro 320 million, the reimbursement of which is guaranteed in the agreement, in part through the installation of new toll portals.
- On May 12, 2014 Atlantia announced that it had reached an agreement with Abertis for the sale of 100% of TowerCo S.p.A. for Euro 94.6 million. TowerCo manages 306 host sites for the antennas and other equipment of commercial operators (mobile phone companies and radio/TV broadcasters) and institutions (law enforcement, Isoradio and traffic monitoring systems). The sale will produce an estimated capital gain of about Euro 70 million for the Atlantia group.
- On May 13, 2014, Standard & Poor's confirmed its BBB+ rating and revised its outlook from negative to stable for Atlantia, Autostrade per l'Italia and Aeroporti di Roma.

The Parent Company, Sintonia and other holding companies

- In March 2014, Edizione completed the sale of its remaining 1.07% interest in RCS Mediagroup S.p.A. The shares were sold in the open market at an average price of Euro 1.60 each, for a total intake of Euro 7.25 million and a capital loss of Euro 24.4 million, recognized as an impairment loss in the financial statements at December 31, 2013.
- On February 10, 2014 the City of Venice issued an exceptional building permit for the expansion, change of use and renovation of the property complex "Fondaco dei Tedeschi". The Italia Nostra non-profit, which on July 16, 2013 had filed an initial complaint with the Veneto Regional Administrative Court (TAR) against decisions paving the way for issuance of the building permit, on April 23, 2014 filed another complaint with the TAR against the City of Venice, the Ministry of Heritage and Cultural Activities, and Edizione, asking for the building permit and related acts to be suspended and ultimately revoked. At the hearing of May 21, 2014 Italia Nostra dropped its complaint.
- On March 20, 2014 Sintonia took out a Euro 400 million credit line to refinance debt falling due in October 2014. The credit line, offered by a group of banks from the existing financing syndicate, comes with terms and conditions equivalent to those of the expiring loan and will mature in June 2015.

[67] Atypical and/or unusual transactions

As required by the Consob Communication DEM/6064293 dated July 28, 2006, the Group companies have not undertaken any atypical and/or unusual transactions, meaning those whose significance/materiality, nature of the counterparties, purpose, method of determining the transfer price, or timing might give rise to doubts as to the fairness or completeness of the information contained in the financial statements, conflicts of interest, the safekeeping of assets and the interests of non-controlling shareholders.

[68] Guarantees given, commitments and other contingent liabilities

(Thousands of Euro)	12.31.2013	12.31.2012
Unsecured guarantees given		
Sureties	920,558	461,909
Commitments		
Purchase commitments	8,763	14,412
Sale commitments	4,821	9,347
Total	934,142	485,668

Unsecured guarantees are made up as follows:

» guarantees given to third parties by the Parent Company in the amount of Euro 260,393, of which Euro 260,000 consists of the security provided on behalf of the subsidiary Schematrentaquattro S.p.A. for the Euro 200 million bond loan convertible into shares of Pirelli & C. S.p.A.;

» guarantees given to third parties by the Benetton group for Euro 96,744, mainly referring to payment obligations to guarantee VAT credits offset between the Italian companies;

» guarantees given by the Autogrill group in the amount of Euro 192,382 in the form of performance bonds and other personal guarantees issued in favour of grantors and business counterparties;

» guarantees given by the World Duty Free group in the amount of Euro 205,200, mostly in favour of grantors and for tax audits. The guarantees for tax audits total Euro 48,330, of which Euro 42,300 (including interest) provided by the company World Duty Free Group España to the Spanish tax authorities in relation to audits for 2006, 2007 and 2008.
In 2013, further to the contracts signed with AENA, a bank issued three guarantees in favour of AENA on behalf of the World Duty Free group for a total of Euro 46.3 million;

» guarantees given to third parties by the Atlantia group, including the following of particular importance:
   a. the guarantee issued by Atlantia in favour of credit institutions on behalf of Strada dei Parchi as a safeguard against the impact on cash flow hedges of movements in interest rates. The amount of the guarantee, based on the fair value of the hedges, has been capped at Euro 40,000 as at December, 31 2013. It should be noted that this guarantee is available on-demand only in case of termination of the concession of Strada dei Parchi and that Atlantia has been guaranteed by Toto Holding. Moreover Toto Holding is under an obligation to assume Atlantia's guarantee obligations within 12 months from the date of the issuance of the guarantee, renewed at February 28, 2014;
   b. bank guarantees on behalf of Tangenziale di Napoli (Euro 32,213) in favour of the Ministry of Infrastructure and Transport, as required by the covenants in the relevant concession arrangement;
   c. Atlantia's corporate counter-indemnity issued on behalf of the subsidiary, Electronic Transaction Consultants Corporation, to the insurance companies which have issued performance bonds totalling Euro 93,588 for free-flow tolling projects.

Purchase commitments chiefly relate to the amount to be paid for the purchase of commercial properties by the Benetton group and the Autogrill group, and also include payments to be made to investment funds held by Schemaquattordici S.p.A. (Euro 1,253) and the Parent Company (Euro 5,221).

Sale commitments mainly consist of the value of sale-or-return products held at the premises of Autogrill group companies (Euro 3,641).

Also at December 31, 2013 the shares of certain of the Atlantia group’s overseas companies have been pledged to providers of project financing to those companies, as have shares in Pune-Solapur Expressways, Lusoponte and Bologna & Fiera Parking.

Furthermore, the bonds issued by Romulus Finance (Tranches A2, A3 and A4) and the medium and long-term borrowings obtained by Aeroporti di Roma until May 31, 2012 were fully secured by a series of collateral guarantees, cash collaterals and shares. These guarantees will remain in effect until the above borrowings mature. However, it should be noted that during the early months of 2014 Aeroporti di Roma has repaid the bank loan and the tranches A2/A3.

At the end of the year, the future payments due by the Group for rents and operational leases which cannot be terminated were as follows:

(Thousands of Euro)	12.31.2013	12.31.2012
Within 1 year	1,008,627	783,540
From 1 to 5 years	3,947,598	2,538,384
Beyond 5 years	2,747,786	1,815,762
Total	7,704,011	5,137,686

[69] Other commitments and rights

Benetton Korea Inc. is a Korean company, of which 50% is owned by Benetton Japan Co., Ltd. (a company indirectly wholly-owned by Benetton Group S.p.A.), 15% by Mr. Chang Sue Kim (a natural person) and 35% by F & F Co., Ltd. (a Korean company controlled by Mr. Chang Sue Kim).

The shareholder agreement gives Benetton a call option and the Korean shareholders a put option over the latter's equity interests. These options can be exercised upon expiry of the partnership agreement, which has been renewed for another five years (2010-2015). Benetton can also exercise its call option if specific contract "termination" events should occur, primarily involving breach of contract. The option exercise price is calculated using a formula based on shareholders' equity at the option exercise date and a perpetuity calculated on the basis of average net income in the previous two years. Upward or downward adjustments are made to the option exercise price, depending on the circumstances.
The estimated cost of the put option granted to the shareholders has been recognized in the group's liabilities.

[70] Contingent liabilities

Benetton group

The group has not recognized any provisions against an estimated amount of around Euro 46.6 million in liabilities associated with unsettled litigation, insofar as it considers that the risk of a related financial outlay is only "possible", in compliance with IAS 37.
Contingent liabilities for the subsidiary Bencom S.r.l. include the tax disputes (IRES/IRAP) for tax years 2004 to 2008 concerning the claimed disallowance of certain costs for commissions paid to agents resident in low-tax jurisdictions, already extensively described in previous financial statements.

World Duty Free group

World Duty Free Group España S.A. is currently undergoing tax assessments in Spain related to the application of the Spanish Corporate Income Tax for the years 2006, 2007 and 2008. The Spanish Tax Authorities are challenging the applicability of specific tax deductions to avoid double taxation on domestic dividends, in the context of a dividend received by the company, and the calculation of effective tax percentage on the merger difference arisen in 2006 from the merger between certain Spanish subsidiaries.
Tax liability and interest due according to the assessments (''actas en disconformidad'') issued by the Spanish Tax Authorities amount to Euro 41.2 million.
The World Duty Free group believes, also on the basis of authoritative independent experts' opinion, that the two transactions challenged by the Spanish Tax Authorities have been correctly and lawfully executed and that, therefore, these audits will not result in obligations giving rise to an outflow of resources from the World Duty Free group. Consequently, the World Duty Free group has decided not to record a provision regarding the above described tax assessments in Spain.

Atlantia group

In November 2013 Autogrill filed three legal charges, before Lazio Regional Administrative Court, Emilia-Romagna Regional Administrative Court and Lombardy Regional Administrative Court. The plaintiff is requesting cancellation, subject to suspensive relief, of the calls for expressions of interest and the advisor's invitations, Roland Berger, in relation to the award of food service concessions at a number of motorway service areas. In brief, Autogrill is contesting the onerous nature of the conditions forming the basis of the tenders.
Two holders of food service concessions, My Chef and Chef Express, have alleged that Autostrade per l'Italia has breached the terms of contracts relating to a number of service areas, requesting the payment of damages.
One oil service provider (Tamoil) has requested the termination of existing agreements, alleging that the terms are excessively onerous and requesting the payment of damages for breach of contract by Autostrade per l'Italia in relation to a number of service areas.

On March 26, 2013 the Ministry of the Environment filed a civil claim in connection with a criminal case pending before the Pontassieve division of the Court of Florence. The case, which dates back to 2007 and relates to events in 2005, involves two of Autostrade per l'Italia's managers and another 18 people from contractors, and regards alleged violations of environmental laws during construction of the Variante di Valico. The Ministry is claiming "equivalent damages" of approximately Euro 800 million for joint liability of the accused. The Ministry's claim was notified to Autostrade per l'Italia on April 10, 2013. The Public Prosecutor's investigation centers around categorization of the materials produced during excavation of the tunnels as "waste" (consisting of earth removed as the tunnel was excavated, mixed with other waste materials from construction and demolition containing hazardous substances). The Public Prosecutor's Office claims that, as a result, the conduct of Autostrade per l'Italia's managers and the contractors carrying out the work was illegal, given that these materials were then used in constructing motorway embankments and in the landscaping work included in the designs and approved by the relevant authorities.
Autostrade per l'Italia, also considering the uniform opinions issued by its advisors, deems the claim to be without grounds and as a result, in view of the remoteness of the risk, has not deemed it necessary to make any provision in its 2013 financial statements.

On July 28, 2013 there was an accident on the A16 Naples-Canosa motorway at km 32+700. The accident, which occurred on the Naples-bound carriageway on the Acqualonga viaduct, involved a coach and a number of cars. Forty people were killed as a result of the accident.
The investigation involves three managers and two employees of Autostrade per l'Italia, who are being investigated for multiple involuntary manslaughter and neglet of an official duty.

In 2006 Società Infrastrutture Toscane S.p.A. signed the Concession Arrangement with Tuscany Regional Authority covering the construction and management of the 10-km toll motorway link between Prato and Signa, under a project financing initiative. Società Infrastrutture Toscane is 46% owned by Autostrade per l'Italia.
At the end of 2011 Tuscany Regional Authority terminated the arrangement, deeming the costs to be excessively high and such decisions were challenged by Società Infrastrutture Toscane before the Tuscany Regional Administrative Court. Following the Arbitration Panel settled in the Concession Arrangement, the resulting arbitration award was filed on February 19, 2014. The Panel found the Regional Authority's termination of the arrangement due to its high cost to be legal, ruling that the Authority should pay Società Infrastrutture Toscane, as a result of the termination, approximately Euro 30.64 million (including Euro 9.85 million as payment for design work), and that Società Infrastrutture Toscane should return public subsidies of approximately Euro 32.16 million, with the debit and credit amounts to be offset. The Panel ruled that Società Infrastrutture Toscane should pay the difference due only following the outcome of the failed enforcement of the guarantee provided by Assicurazioni Generali in relation to the project.

In 2007 the Rome Customs Office alleged that Aeroporti di Roma had committed irregularities in the sales carried out at its duty free shops from January 1, 1993 to January 31, 1998. The findings essentially regard sales made to passengers travelling within the EU that exceeded their duty free allowances in terms of amount and value. The Customs Office ordered payment of sums totalling Euro 22.3 million for VAT, as well as excise and tobacco duties, as a result of its findings. Aeroporti di Roma filed an appeal with the Provincial Tax Commission, which was rejected in April 2009. The Customs Office then began the procedure for collecting the sum due, amounting to Euro 26.1 million (including interest and costs), which Aeroporti di Roma paid

in instalments. On September 6, 2013 the Supreme Court filed its ruling on Aeroporti di Roma's appeal, accepting only the sixth ground for appeal regarding application of the statute of limitations to the taxes assessed by the Customs Office for the period prior to March 23, 1995. The Supreme Court therefore rejected the other grounds for appeal, annulled the Tax Commission's ruling limited to the sixth ground, and referred the case to the competent Regional Tax Commission, which, in a different form, should comply with the legal principles in the ruling regarding the statute of limitations.
Pursuant to this ruling, the company is entitled to partially recover sums already paid in taxes, default interest, collection fees and accrued interest, amounting to an estimated Euro 9.6 million, from the tax authorities. The case will be transferred for acknowledgment by the Regional Tax Commission, where an application for the reinstatement of proceedings from the Supreme Court was filed on January 3, 2014.

In 2002, when IRI obtained approval for the sale of a 44.74% interest in Aeroporti di Roma to the Macquarie group, Gemina, Impregilo and Falck took over from IRI by directly assuming responsibility, in the proportions of 50.0%, 13.10% and 36.90%, for the indemnity provided by IRI during the privatisation of Aeroporti di Roma, with a view to covering 51.166% of the losses to be incurred by the company for tax claims regarding documents and declarations relating to periods prior to the privatization in July 2000. The dispute between Aeroporti di Roma and the Customs Office is covered by the above indemnity, which may be activated when a final judgment is handed down regarding Aeroporti di Roma. Impregilo and Falck refute the validity of the indemnity. Aeroporti di Roma has taken out legal proceedings against these companies in order to obtain a ruling ordering payment of the sums due, conditional on the handing down of the final judgment concerning Aeroporti di Roma. In a ruling in October 2012, the Court of Rome accepted Aeroporti di Roma's claim, against which Impregilo and Falck have lodged appeal. At a hearing on September 27, 2013 the case was adjourned until November 10, 2017 for the admission of the facts.

Edizione S.r.l.

When the interest in Olimpia S.p.A. was sold, all tax risks concerning periods up to the date of sale remained the responsibility of the sellers (Pirelli and Edizione) by contract. The dispute currently in progress can be summarized as follows. For 2001 the Tax Authorities determined that financial income had been realized on the Bell Bond Loan redeemable with Olivetti shares, with a consequent IRAP assessment of Euro 26.5 million plus penalties of the same amount. The company appealed the assessment, which is entirely groundless both legally and financially, claiming that the alleged taxable income was manifestly non-existent. Both the first- and second-instance Tax Commissions accepted the company's appeal and cancelled the assessment in full. Notwithstanding the irreprehensible double judgements against it, the Tax Authorities has appealed to the Court of Cassation and the company has filed its response. The company awaits scheduling of the hearing, which in the opinion of its advisors will not be imminent. In light of the above, in any case, it is likely that the final outcome will be favourable.
For 2002, 2003 and 2004 the Tax Authorities had characterized Olimpia as a "shell company" on the basis of reclassifications of financial statement items and wholly arbitrary interpretations of the law. All three disputes were closed when the second-instance decision became final, as the Tax Authorities did not appeal to the Court of Cassation. For 2003, however, through the State Legal Advisory Office, the Tax Authorities is proceeding with an appeal to the Court of Cassation. This dispute concerns alleged financial income from the early termination of the Bell Bond Loan, which was offset by a loss of practically the same amount, and which was therefore not included in taxable income for IRAP purposes. It should be noted that even if the financial income had been counted, taxable income for IRAP purposes would have been negative. Therefore, in any case, this finding would not give rise to any tax or associated penalty. The motivation of the Tax Authorities is purely to defend a principle, which may be useful for disputes of a similar nature, in which tax could effectively be assessed. Likewise with a view to defending a principle, the company is preparing a response based on solid arguments.

[71] Fees paid to the external auditors

The following table presents the fees paid to the Parent Company's external auditors (KPMG S.p.A.) and its network for all services provided to companies in the Edizione Group in 2013.

(Thousands of Euro)	2013
Type of service:	
Auditing	3,210
Attestation services	1,189
Other services	1,141
Total	5,540

ANNEX

LIST OF CONSOLIDATED COMPANIES AT DECEMBER 31, 2013

Company name	Registered office	Currency	Share capital	Percentage held
Companies consolidated on a line-by-line basis				
Parent Company and holding companies				
Edizione S.r.l.	Italy	Euro	1,500,000,000	
Schemaquattordici S.p.A.	Italy	Euro	1,067,494	58.99%
Sintonia S.p.A.	Italy	Euro	1,400,614	66.40%
Schematrentaquattro S.p.A.	Italy	Euro	100,000,000	100.00%
Food & beverage				
Autogrill S.p.A.	Italy	Euro	68,688,000	50.10%
Ac Restaurants & Hotels Beheer NV	Belgium	Euro	6,650,000	100.00%
Airside C F&B Joint Venture	USA	Usd	-	70.00%
Anton Airfood Inc.	USA	Usd	1,000	100.00%
Anton Airfood JFK Inc.	USA	Usd	-	100.00%
Anton Airfood of Boise Inc.	USA	Usd	-	100.00%
Anton Airfood of Cincinnati Inc.	USA	Usd	-	100.00%
Anton Airfood of Minnesota Inc.	USA	Usd	-	100.00%
Anton Airfood of Newark Inc.	USA	Usd	-	100.00%
Anton Airfood of Ohio Inc. (in liquidation)	USA	Usd	-	100.00%
Anton Airfood of Seattle Inc.	USA	Usd	-	100.00%
Anton Airfood of Texas Inc.	USA	Usd	-	100.00%
Anton Airfood of Tulsa Inc.	USA	Usd	-	100.00%
Autogrill Aéroports S.a.s.	France	Euro	2,207,344	100.00%
Autogrill Austria AG	Austria	Euro	7,500,000	100.00%
Autogrill Belux NV	Belgium	Euro	10,000,000	100.00%
Autogrill Catering UK Ltd	United Kingdom	Gbp	2,154,578	100.00%
Autogrill Centres Campus S.àr.l.	France	Euro	501,900	100.00%
Autogrill Commercial Catering France S.àr.l.	France	Euro	361,088	100.00%
Autogrill Côté France S.a.s.	France	Euro	31,579,526	100.00%
Autogrill Czech Sro	Czech Republic	Czk	154,463,000	100.00%
Autogrill Deutschland GmbH	Germany	Euro	205,000	100.00%
Autogrill DOO	Slovenia	Euro	1,342,670	100.00%
Autogrill FFH Autoroutes S.àr.l.	France	Euro	375,000	100.00%
Autogrill FFH Centres Villes S.àr.l.	France	Euro	375,000	100.00%
Autogrill Gares Métropoles S.àr.l.	France	Euro	4,500,000	100.00%
Autogrill Hellas Epe	Greece	Euro	3,696,330	100.00%
Autogrill Iberia SLU	Spain	Euro	7,000,000	100.00%
Autogrill Nederland BV	The Netherlands	Euro	41,371,500	100.00%
Autogrill Nederland Hotel Amsterdam BV	The Netherlands	Euro	150,000	100.00%
Autogrill Nederland Hotels BV	The Netherlands	Euro	1,500,000	100.00%
Autogrill Polska Sp.Zo.o.	Poland	Pln	14,050,000	100.00%
Autogrill Restauration Carrousel S.a.s.	France	Euro	2,337,000	100.00%
Autogrill Restauration Services S.a.s.	France	Euro	15,394,500	100.00%
Autogrill Russia	Russia	Euro	-	100.00%
Autogrill Schweiz AG	Switzerland	Chf	23,183,000	100.00%
Autogrill VSB F&B Company Ltd (HCH/Vietnam JV)	Vietnam	Vnm	-	100.00%

Company name	Registered office	Currency	Share capital	Percentage held
Bay Area Restaurant Group	USA	Usd	-	49.00%
Ben-Zey/Host Lottery Joint Venture	USA	Usd	-	40.00%
Carestel Nord S.àr.l. (in liquidation)	France	Euro	76,225	100.00%
Dubai Branch	Dubai	Aed	-	100.00%
East Terminal Chili's Joint Venture	USA	Usd	-	55.00%
Fresno AAI Inc.	USA	Usd	-	100.00%
HHL Cole's Lax F&B LLC	USA	Usd	-	70.00%
HK Travel Centres GP Inc.	Canada	Cad	-	51.00%
HK Travel Centres LP	Canada	Cad	-	51.00%
HMS - D/FW Joint Venture	USA	Usd	-	65.00%
HMS - D/FW Joint Venture II	USA	Usd	-	75.00%
HMSHost Family Restaurants Inc.	USA	Usd	2,000	100.00%
HMSHost Family Restaurants LLC	USA	Usd	-	100.00%
HMSHost Finland OY	Finland	Euro	-	100.00%
HMSHost Hospitality Services Bharath Pte Ltd	India	Inr	500,000	100.00%
HMSHost Motorways Inc.	Canada	Cad	-	100.00%
HMSHost Motorways LP	Canada	Cad	-	100.00%
HMSHost New Zealand Ltd	New Zealand	Nzd	1,520,048	100.00%
HMSHost (Shanghai) Catering Management Co. Ltd	China	Cny	-	100.00%
HMSHost Shanghai Enterprise Management Consulting Co. Ltd	China	Cny	-	100.00%
HMSHost Yiyeecek ve Icecek Hizmetleri AS	Turkey	Try	-	100.00%
HMS/Blue Ginger Joint Venture	USA	Usd	-	55.00%
HMS - Airport Terminal Services Inc.	USA	Usd	1,000	100.00%
HMSHost Egypt Catering & Services Ltd	Egypt	Egp	1,000,000	60.00%
HMSHost Coffee Partners Joint Venture	USA	Usd	-	50.01%
HMSHost Corporation	USA	Usd	-	100.00%
HMSHost International Inc.	USA	Usd	-	100.00%
HMSHost Ireland Ltd	Ireland	Euro	13,600,000	100.00%
HMSHost Services India Private Ltd	India	Inr	668,441,680	99.00%
HMSHost Singapore Pte Ltd	Singapore	Sgd	8,470,896	100.00%
HMSHost Sweden AB	Sweden	Sek	2,500,000	100.00%
HMSHost Tollroads Inc.	USA	Usd	-	100.00%
HMSHost USA Inc.	USA	Usd	-	100.00%
HMSHost USA LLC	USA	Usd	-	100.00%
Holding de Participations Autogrill S.a.s.	France	Euro	84,581,920	100.00%
Horeca Exploitatie Maatschappij Schiphol BV	The Netherlands	Euro	45,378	100.00%
Host - Prose Joint Venture III	USA	Usd	-	51.00%
Host & Garrett Joint Venture	USA	Usd	-	75.00%
Host (Malaysia) Sdn Bhd	Malaysia	Myr	-	100.00%
Host ATL Chefs JV 3 LLC	USA	Usd	-	97.00%
Host ATL Chefs JV 5 LLC	USA	Usd	-	95.00%
Host Canada LP	Canada	Cad	-	100.00%
Host CTI Denver Airport Joint Venture	USA	Usd	-	90.00%
Host-CTI F&B II LLC	USA	Usd	-	80.00%
Host D&D St. Louis Airport Joint Venture	USA	Usd	-	75.00%
Host DLFJV DAL F&B LLC	USA	Usd	-	51.00%
Host FDY ORF F&B LLC	USA	Usd	-	90.00%

Company name	Registered office	Currency	Share capital	Percentage held
Host Fox PHX F&B LLC	USA	Usd	-	75.00%
Host GRL LIH F&B LLC	USA	Usd	-	85.00%
Host Grove SLC F&B I LLC	USA	Usd	-	87.50%
Host H8 Terminal E F&B LLC	USA	Usd	-	60.00%
Host Havana Lax F&B LLC	USA	Usd	-	90.00%
Host Havana Lax TBIT FB. LLC	USA	Usd		70.00%
Host Honolulu Joint Venture Company	USA	Usd	-	90.00%
Host Houston 8 IAH Terminal B	USA	Usd	-	60.00%
Host Howell Terminal A F&B LLC	USA	Usd	-	76.00%
Host International (Poland) Sp.Zo.o. (in liquidation)	Poland	Pln	-	100.00%
Host International Inc.	USA	Usd	-	100.00%
Host International of Canada Ltd	Canada	Cad	75,351,237	100.00%
Host International of Maryland Inc.	USA	Usd	1,000	100.00%
Host JQE RDU Prime LLC	USA	Usd	-	65.00%
Host Lee JAX FB LLC	USA	Usd	-	70.00%
Host LGO PHX F&B LLC	USA	Usd	-	80.00%
Host of Holland BV	The Netherlands	Euro	18,151	100.00%
Host of Kahului Joint Venture Company	USA	Usd	-	90.00%
Host of Santa Ana Joint Venture Company	USA	Usd	-	75.00%
Host PJJD Jacksonville Joint Venture	USA	Usd	-	51.00%
Host Services Inc.	USA	Usd	-	100.00%
Host Services of New York Inc.	USA	Usd	1,000	100.00%
Host Services Pty Ltd	Australia	Aud	6,252,872	100.00%
Host Shellis Atlanta Joint Venture	USA	Usd	-	70.00%
Host TCC BHM F&B LLC	USA	Usd	-	70.00%
Host WAB SAN FB LLC	USA	Usd	-	85.00%
Host/Aranza Services Joint Venture	USA	Usd	-	50.01%
Host/Coffee Star Joint Venture	USA	Usd	-	50.01%
Host/Diversified Joint Venture	USA	Usd	-	90.00%
Host/Forum Joint Venture	USA	Usd	-	70.00%
Host/JQ Raleigh Durham	USA	Usd	-	75.00%
Host/JQRDU Joint Venture	USA	Usd	-	75.00%
Host/JV Ventures McCarran Joint Venture	USA	Usd	-	60.00%
Host/LJA Joint Venture	USA	Usd	-	85.00%
Host/NCM Atlanta E Joint Venture	USA	Usd	-	75.00%
Host/Tarra Enterprises Joint Venture	USA	Usd	-	75.00%
Host-Chelsea Joint Venture #3	USA	Usd	-	63.80%
Host-Chelsea Joint Venture #4	USA	Usd	-	63.00%
Host-CJ & Havana Joint Venture	USA	Usd	-	70.00%
Host-CMS San F&B LLC	USA	Usd	-	65.00%
Host CMS Lax TBIT F&B LLC	USA	Usd	-	95.00%
Host-Grant Park Chili's Joint Venture	USA	Usd	-	60.00%
Host-Love Field Partners I LLC	USA	Usd	-	51.00%
Host-Taco Joy Joint Venture	USA	Usd	-	80.00%
Host-TFC-RSL LLC	USA	Usd	-	65.00%
Host-True Flavors SAT Terminal A FB	USA	Usd	-	65.00%
HSTA JV	USA	Usd	-	60.00%
Islip AAI Inc.	USA	Usd	-	100.00%

Company name	Registered office	Currency	Share capital	Percentage held
Islip Airport Joint Venture	USA	Usd	-	50.00%
La Rambertine Snc (in liquidation)	France	Euro	1,524	100.00%
LTL ATL JV LLC	USA	Usd	-	70.00%
Marriott Airport Concessions Pty Ltd	Australia	Aud	3,910,102	100.00%
Metro-Host Joint Venture	USA	Usd	-	70.00%
Michigan Host Inc.	USA	Usd	1,000	100.00%
NAG BV Partner LLC Kompanjya N4 Russia	Russia	Euro	-	60.00%
Nuova Sidap S.r.l.	Italy	Euro	100,000	100.00%
Palm Springs AAI Inc.	USA	Usd	-	100.00%
Restair UK Ltd (in liquidation)	United Kingdom	Gbp	1	100.00%
Restoroute de Bavois SA	Switzerland	Chf	2,000,000	73.00%
Restoroute de la Gruyère SA	Switzerland	Chf	1,500,000	54.30%
Savannah Airport Joint Venture	USA	Usd	-	45.00%
Seattle Restaurant Associates	USA	Usd	-	70.00%
Shenzen Host Catering Company Ltd (in liquidation)	China	Cny	-	100.00%
SMSI Travel Centres Inc.	Canada	Cad	10,800,100	100.00%
Société Berrichonne de Restauration S.a.s. (Soberest)	France	Euro	288,000	50.01%
Société de Gestion de Restauration Routière SA (Sgrr)	France	Euro	1,537,320	100.00%
Societé de Gestion Pétrolière Autogrill S.àr.l. (Sgpa)	France	Euro	8,000	100.00%
Société de Restauration de Bourgogne SA (Sorebo)	France	Euro	144,000	50.00%
Société de Restauration de Troyes-Champagne SA (Srtc)	France	Euro	1,440,000	70.00%
Société Porte de Champagne SA (Spc)	France	Euro	153,600	53.00%
Société Régionale de Saint Rambert d'Albon SA (Srsra) (in liquidation)	France	Euro	515,360	50.00%
Southwest Florida Airport Joint Venture	USA	Usd	-	80.00%
Step 1 LLC	USA	Usd	-	100.00%
Tinsley/Host - Tampa Joint Venture Company	USA	Usd	-	49.00%
Vietnam Airport Food & Beverage Company Ltd	Vietnam	Vnm	-	100.00%
Volcarest SA	France	Euro	1,050,144	50.00%
Travel retail				
World Duty Free S.p.A.	Italy	Euro	63,720,000	50.10%
Airport Retail Pvt Limited (formerly Alpha Future Airport Retail Pvt Ltd)	India	Inr	601,472,800	100.00%
Airside E JV	USA	Usd	-	50.00%
Aldeasa Atlanta JV	USA	Usd	-	76.00%
Aldeasa Atlanta LLC	USA	Usd	1,672,000	100.00%
Aldeasa Cabo Verde SA	Cabo Verde	Cve	6,000,000	100.00%
Aldeasa Chile Ltda	Chile	Usd	2,516,819	100.00%
Aldeasa Colombia Ltda	Colombia	Cop	2,356,075,724	100.00%
Aldeasa Curaçao NV	Dutch Antilles	Usd	500,000	100.00%
Aldeasa Duty Free Comercio e Importación de Productos Ltda	Brazil	Brl	1,560,000	100.00%
Aldeasa Italia S.r.l.	Italy	Euro	10,000	100.00%
Aldeasa Jamaica Ltd	Jamaica	Jmd	23,740,394	100.00%
Aldeasa Jordan Airports Duty Free Shops	Jordan	Usd	705,218	100.00%
Aldeasa México SA de CV	Mexico	Pxm	60,962,541	100.00%
Aldeasa Servicios Aeroportuarios Ltda	Chile	Usd	15,000	99.99%
Alpha Airports Group (Channel Islands) Ltd	United Kingdom	Gbp	21	100.00%

Company name	Registered office	Currency	Share capital	Percentage held
Alpha Airports Retail Holdings Pvt Limited	India	Inr	-	100.00%
Alpha Keys Orlando Retail Associates Llp	USA	Usd	100,000	85.00%
Alpha Retail Ireland Ltd	Ireland	Euro	1	100.00%
Alpha-Kreol (India) Pvt Ltd	India	Inr	100,000	50.00%
Audioguiarte SL	Spain	Euro	251,000	100.00%
Autogrill Holdings UK Pension Trustees Ltd	United Kingdom	Gbp	100	100.00%
Autogrill Holdings UK Ltd	United Kingdom	Gbp	1,000	100.00%
Cancouver Uno SLU	Spain	Euro	3,010	100.00%
Houston 8-WDFG JV	USA	Usd	-	60.00%
Miami Airport Retail Partners JV	USA	Usd	-	70.00%
Orient Lanka Ltd	Sri Lanka	Slr	30,000,000	99.00%
Palacios y Museos SLU	Spain	Euro	160,000	100.00%
Panalboa SA	Panama	Pab	150,000	80.00%
Phoenix-WDFG JV	USA	Usd	-	70.00%
Prestadora de Servicios en Aeropuertos SA de CV	Mexico	Pxm	50,000	100.00%
Sociedad de Distribución Comercial Aeroportuaria de Canarias SL	Spain	Euro	667,110	60.00%
WDFG Adevco JV	USA	Usd	-	70.00%
WDFG Bush Lubbock Airport JV	USA	Usd	-	90.00%
WDFG Canada Inc.	Canada	Cad	1,000	100.00%
WDFG Germany GmbH	Germany	Euro	5,250,000	100.00%
WDFG Helsinki OY	Finland	Euro	2,500	100.00%
WDFG Italia S.r.l. (in liquidation)	Italy	Euro	10,000	100.00%
WDFG Jersey Limited	United Kingdom	Gbp	4,100	100.00%
WDFG JV Holdings LLC	USA	Usd	-	100.00%
WDFG North America LLC	USA	Usd	72,047,935	100.00%
WDFG Prose JV II	USA	Usd	-	70.00%
World Duty Free Group UK Holdings Limited	United Kingdom	Gbp	12,484,395	100.00%
WDFG UK Limited	United Kingdom	Gbp	360,000	100.00%
WDFG US Inc.	USA	Usd	149,072,737	100.00%
WDFG Vancouver LP	Canada	Cad	9,500,000	100.00%
WDFG-Chelsea JV 1	USA	Usd	-	65.00%
WDFG-DFW AF LLC	USA	Usd	-	50.01%
WDFG-Diversified JV	USA	Usd	-	90.00%
WDFG-DMV DTW Retail LLC	USA	Usd	-	79.00%
WDFG-ELN MSP Terminal 2 Retail LLC	USA	Usd	-	90.00%
WDFG-Houston 8 San Antonio JV	USA	Usd	-	63.00%
WDFG-Houston 8 Terminal E. LLC	USA	Usd	-	60.00%
WDFG-Howell Mickens JV III	USA	Usd	-	51.00%
WDFG-Howell Mickens Terminal A Retail I JV	USA	Usd	-	65.00%
WDFG-Howell-Mickens JV	USA	Usd	-	65.00%
WDFG-Howell-Mickens. Terminal A Retail II. LLC	USA	Usd	-	65.00%
WDFG-Java Star JV	USA	Usd	-	50.01%
WDFG-Love Field Partners II. LLC	USA	Usd	-	51.00%
WDFG-Love Field Partners III. LLC	USA	Usd	-	51.00%
WDFG-Solai MDW Retail. LLC	USA	Usd	-	66.00%
WDFG-SPI DEN Retail LLC	USA	Usd	-	75.00%
WDFG-Tinsley JV	USA	Usd	-	84.00%

Company name	Registered office	Currency	Share capital	Percentage held
World Duty Free Group España SA	Spain	Euro	10,772,462	99.93%
World Duty Free Group SAU	Spain	Euro	1,800,000	100.00%
World Duty Free US Inc.	USA	Usd	1,400,000	100.00%
Textiles & clothing				
Aerre S.r.l.	Italy	Euro	15,000	60.00%
Ben Mode AG	Switzerland	Chf	500,000	90.00%
Bencom S.r.l.	Italy	Euro	150,000,000	100.00%
Benetton 2 Retail Comércio de Produtos Texteis SA	Portugal	Euro	500,000	100.00%
Benetton Agency Ireland Ltd	Ireland	Euro	260,000	100.00%
Benetton Asia Pacific Ltd	Hong Kong	Hkd	41,400,000	100.00%
Benetton Australia Pty Ltd (in liquidation)	Australia	Aud	500,000	100.00%
Benetton Canada Inc.	Canada	Cad	7,500,000	100.00%
Benetton Comercio de Produtos Texteis do Brasil Ltda	Brazil	Brl	20,000,000	100.00%
Benetton Commerciale Tunisie S.àr.l.	Tunisia	Tnd	2,429,000	100.00%
Benetton de Commerce International Tunisie S.àr.l.	Tunisia	Tnd	150,000	100.00%
Benetton Denmark APS	Denmark	Dkk	125,000	100.00%
Benetton France Commercial Sas	France	Euro	10,000,000	100.00%
Benetton France S.àr.l.	France	Euro	99,495,712	100.00%
Benetton Giyim Sanayi ve Ticaret AS	Turkey	Try	87,000,000	100.00%
Benetton Group S.p.A.	Italy	Euro	237,482,716	100.00%
Benetton Hellas Agency of Clothing Single Partner EPE	Greece	Euro	50,010	100.00%
Benetton Holding International NV SA	The Netherlands	Euro	92,759,000	100.00%
Benetton India Pvt Ltd	India	Inr	2,900,000,000	100.00%
Benetton Industrielle Tunisie S.àr.l.	Tunisia	Tnd	2,000,000	100.00%
Benetton International Kish Pjsc	Iran	Irr	100,000,000	100.00%
Benetton International SA	Luxembourg	Euro	133,538,470	100.00%
Benetton Istanbul Real Estate Emlak Yatirim ve Insaat Ticaret Ltd	Turkey	Try	34,325,000	100.00%
Benetton Japan Co. Ltd	Japan	Jpy	400,000,000	100.00%
Benetton Korea Inc.	South Korea	Krw	2,500,000,000	50.00%
Benetton Latvia LLC	Lettony	Lvl	630,000	100.00%
Benetton Manufacturing Tunisia S.àr.l.	Tunisia	Tnd	700,000	100.00%
Benetton Mexicana SA de CV	Mexico	Mxn	357,000,405	100.00%
Benetton Nekretnine Doo - Benetton Real Estate Ltd	Bosnia-Herzegovina	Bam	20,000	100.00%
Benetton Pars Pjsc	Iran	Irr	50,000,000	100.00%
Benetton Real Estate Austria GmbH	Austria	Euro	2,500,000	100.00%
Benetton Real Estate Belgique SA	Belgium	Euro	14,500,000	100.00%
Benetton Real Estate International SA	Luxembourg	Euro	116,600,000	100.00%
Benetton Real Estate Kazakhstan LLP	Kazakhstan	Kzt	62,920,000	100.00%
Benetton Realty France SA	France	Euro	94,900,125	100.00%
Benetton Realty Portugal Imobiliaria SA	Portugal	Euro	100,000	100.00%
Benetton Realty Spain SL	Spain	Euro	15,270,450	100.00%
Benetton Realty Sukhbaatar LLC	Mongolia	Mnt	115,000,000	100.00%
Benetton Retail (1988) Ltd	United Kingdom	Gbp	61,000,000	100.00%
Benetton Retail Deutschland GmbH	Germany	Euro	2,000,000	100.00%
Benetton Retail Italia S.r.l.	Italy	Euro	5,100,000	100.00%
Benetton Retail Poland Sp.Zo.o.	Poland	Pln	8,300,000	100.00%

Company name	Registered office	Currency	Share capital	Percentage held
Benetton Retail Spain SL	Spain	Euro	10,180,300	100.00%
Benetton Russia OOO	Russia	Rub	473,518,999	100.00%
Benetton Serbia DOO	Serbia	Rsd	1,138,444,166	100.00%
Benetton Services SA de CV	Mexico	Mxn	50,000	100.00%
Benetton Services II SA de CV	Mexico	Mxn	50,000	100.00%
Benetton Tekstil DOO	Croatia	Hrk	155,750,000	100.00%
Benetton Trading Taiwan Ltd	Taiwan	Twd	115,000,000	100.00%
Benetton Trading Ungheria Kft (in liquidation)	Hungary	Huf	50,000,000	100.00%
Benetton Trading Usa Inc.	USA	Usd	959,147,833	100.00%
Benetton Ungheria Kft	Hungary	Euro	89,190	100.00%
Benetton USA Corp.	USA	Usd	215,654,000	100.00%
Benind S.p.A.	Italy	Euro	26,000,000	100.00%
Fabrica S.p.A.	Italy	Euro	4,128,000	100.00%
Filatura di Vittorio Veneto S.r.l.	Italy	Euro	110,288	50.00%
Hotel Union LLC	Kosovo	Euro	3,200,000	100.00%
Kaliningrad Real Estate Zao	Russia	Rub	10,000	100.00%
Kazan Real Estate Zao	Russia	Rub	12,010,000	100.00%
Milano Report S.r.l.	Italy	Euro	1,000,000	100.00%
New Ben GmbH	Germany	Euro	5,000,000	100.00%
Olimpias S.p.A.	Italy	Euro	47,988,000	100.00%
Olimpias Knitting Serbia DOO	Serbia	Euro	10,000	60.00%
Olimpias Retail RS DOO	Serbia	Euro	10,000	100.00%
Olimpias Tunisia S.àr.l.	Tunisia	Tnd	100,000	100.00%
Ponzano Children S.r.l.	Italy	Euro	110,000	100.00%
Progetto Uno S.r.l.	Italy	Euro	20,000	100.00%
Property Russia Zao	Russia	Rub	10,000	100.00%
Real Estate Russia Zao	Russia	Rub	120,010,000	100.00%
Real Estate Ukraine LLC	Ukraine	Usd	7,921	100.00%
Sc Anton Industries S.r.l.	Rumania	Ron	1,162,460	60.00%
Sc Benrom S.r.l.	Rumania	Ron	1,416,880	100.00%
Shanghai Benetton Trading Company Ltd	China	Usd	37,821,056	100.00%
United Colors Communication SA	Switzerland	Chf	1,000,000	100.00%
Villa Minelli Società agricola ar.l.	Italy	Euro	110,000	100.00%
Infrastructures and services for mobility				
Atlantia S.p.A.	Italy	Euro	825,783,990	45.56%
Atlantia Bertin Concessões SA	Brazil	Brl	773,739,894	50.00%
AD Moving S.p.A.	Italy	Euro	1,000,000	100.00%
Autostrade Concessões e Participações Brasil Ltda	Brazil	Brl	729,590,863	100.00%
Autostrade dell'Atlantico S.r.l.	Italy	Euro	1,000,000	100.00%
Autostrade Holding do Sur SA	Chile	Clp	51,496,805,692	100.00%
Autostrade Indian Infrastructure Development Pvt Ltd	India	Inr	500,000	100.00%
Autostrade Mazowsze SA (in liquidation)	Poland	Pln	20,000,000	88.36%
Autostrade Meridionali S.p.A.	Italy	Euro	9,056,250	58.98%
Autostrade per l'Italia S.p.A.	Italy	Euro	622,027,000	100.00%
Autostrade Portugal - Concessões de Infraestructuras SA	Portugal	Euro	30,000,000	100.00%
Autostrade Tech S.p.A.	Italy	Euro	1,120,000	100.00%
Concessionaria das Rodovia MG050 SA	Brazil	Brl	53,976,022	50.00%
Dannii Holding GmbH	Austria	Euro	10,000	100.00%

Company name	Registered office	Currency	Share capital	Percentage held
Electronic Transaction Consultants Co.	USA	Usd	16,692	61.41%
Ecomouv' D&B Sas	France	Euro	500,000	75.00%
Ecomouv' Sas	France	Euro	30,000,000	70.00%
EsseDiEsse Società di Servizi S.p.A.	Italy	Euro	500,000	100.00%
Giove Clear S.r.l.	Italy	Euro	10,000	100.00%
Grupo Costanera S.p.A.	Chile	Clp	465,298,430,418	50.01%
Infoblu S.p.A.	Italy	Euro	5,160,000	75.00%
Infra Bertin Participações SA	Brazil	Brl	738,652,989	50.00%
Maximumed Zao	Russia	Rub	10,000	99.00%
Mizard S.r.l.	Italy	Euro	10,000	100.00%
Newpass S.p.A.	Italy	Euro	1,747,084	100.00%
Pavimental Polska Sp.Zo.o.	Poland	Pln	3,000,000	99.40%
Pavimental S.p.A.	Italy	Euro	10,116,452	99.40%
Raccordo Autostradale Valle d'Aosta S.p.A.	Italy	Euro	343,805,000	24.46%
Rodovias das Colinas SA	Brazil	Brl	226,145,401	50.00%
Sociedad Concesionaria AMB SA	Chile	Clp	5,875,178,700	50.01%
Sociedad Concesionaria Autopista Nororiente SA	Chile	Clp	22,738,904,654	50.01%
Sociedad Concesionaria Autopista Nueva Vespucio Sur SA	Chile	Clp	166,967,672,229	50.01%
Sociedad Concesionaria Vespucio Sur SA	Chile	Clp	52,967,792,704	50.01%
Sociedad Concesionaria de Los Lagos SA	Chile	Clp	53,602,284,061	100.00%
Sociedad Concesionaria Costanera Norte SA	Chile	Clp	58,859,765,519	50.01%
Sociedad Concesionaria Litoral Central SA	Chile	Clp	18,368,224,675	50.01%
Sociedad Gestion Vial SA	Chile	Clp	397,237,788	50.01%
Sociedad Operacion y Logistica de Infraestructuras SA	Chile	Clp	11,736,819	50.01%
Società Italiana p.A. per il Traforo del Monte Bianco	Italy	Euro	109,084,800	51.00%
Spea Ingegneria Europea S.p.A.	Italy	Euro	5,160,000	100.00%
Spea do Brasil Projectos e Infraestructura Ldta	Brazil	Brl	1,000,000	100.00%
Stalexport Autoroute S.àr.l.	Luxembourg	Euro	56,149,500	61.20%
Stalexport Autostrada Dolnoslaska SA	Poland	Pln	10,000,000	61.20%
Stalexport Autostrada Malopolska SA	Poland	Pln	66,753,000	61.20%
Stalexport Autostrady SA	Poland	Pln	185,446,517	61.20%
Tangenziale di Napoli S.p.A.	Italy	Euro	108,077,490	100.00%
Tech Solution Integrators S.a.s.	France	Euro	2,000,000	100.00%
Telepass S.p.A.	Italy	Euro	26,000,000	100.00%
Telepass France S.a.s.	France	Euro	1,000,000	100.00%
TowerCo S.p.A.	Italy	Euro	20,100,000	100.00%
Triangulo do Sol Auto-Estradas SA	Brazil	Brl	71,000,000	50.00%
Triangulo do Sol Participações SA	Brazil	Brl	1,122,539,010	50.00%
VIA4 SA	Poland	Pln	500,000	33.66%
Aeroporti di Roma S.p.A.	Italy	Euro	62,224,743	95.91%
ADR Engineering S.p.A.	Italy	Euro	774,690	95.91%
ADR Tel S.p.A.	Italy	Euro	600,000	95.91%
ADR Advertising S.p.A.	Italy	Euro	1,000,000	24.46%
ADR Sviluppo S.r.l.	Italy	Euro	100,000	95.91%
ADR Assistance S.r.l.	Italy	Euro	6,000,000	95.91%
ADR Mobility S.r.l.	Italy	Euro	1,500,000	95.91%
ADR Security S.r.l.	Italy	Euro	400,000	95.91%

Company name	Registered office	Currency	Share capital	Percentage held
Fiumicino Energia S.r.l.	Italy	Euro	741,795	87.14%
Leonardo Energia S.c.ar.l.	Italy	Euro	10,000	88.02%
Romulus Finance S.r.l.	Italy	Euro	10,000	
Other companies				
Edizione Property S.p.A.	Italy	Euro	8,780,500	100.00%
Edizione Alberghi S.r.l.	Italy	Euro	5,000,000	100.00%
Edizione Realty Czech SRO	Czech Republic	Czk	100,000,000	100.00%
Realty Capri S.r.l.	Italy	Euro	100,000	100.00%
Maccarese società agricola p.A.	Italy	Euro	34,485,805	100.00%
Cia de Tierras Sud Argentino SA	Argentina	Ars	253,000,000	100.00%
San Giorgio S.r.l.	Italy	Euro	100,000	100.00%
Allevamento San Giorgio S.r.l.	Italy	Euro	50,000	100.00%
Verde Sport S.p.A.	Italy	Euro	8,000,000	100.00%
Asolo Golf Club S.r.l.	Italy	Euro	100,000	100.00%
Associates valued on a proportional basis				
Alpha ASD Ltd	United Kingdom	Gbp	20,000	50.00%
Caresquick NV	Belgium	Euro	3,300,000	50.00%
Associates valued on an equity basis				
Creuers del Port de Barcelona SA	Spain	Euro	3,005,061	23.00%
Souk Al Mohuajir DF Shops	Morocco	Mad	6,500,000	36.00%
Dewina Host Sdn Bhd	Malaysia	Myr	-	49.00%
TGIF National Airport Restaurant Joint Venture	USA	Usd	-	25.00%
HKSC Developments LP (Projecto)	Canada	Cad	-	49.00%
HKSC Opco LP (Opco)	Canada	Cad	-	49.00%
Autostrade for Russia GmbH	Austria	Euro	60,000	25.50%
Biuro Centrum Sp.Zo.o.	Poland	Pln	80,000	40.63%
A&T Road Construction Management and Operation Pvt Ltd	India	Inr	100,000	50.00%
Concesionaria Rodovias do Tieté SA	Brazil	Brl	223,578,476	50.00%
Arcea Lazio S.p.A.	Italy	Euro	1,983,469	34.00%
Bologna & Fiera Parking S.p.A.	Italy	Euro	9,000,000	32.50%
GEIE del Traforo del Monte Bianco	Italy	Euro	2,000,000	50.00%
Pedemontana Veneta S.p.A. (in liquidation)	Italy	Euro	6,000,000	29.77%
Società Infrastrutture Toscane S.p.A.	Italy	Euro	30,000,000	46.60%
Pune Solapur Expressways Pvt Ltd	India	Inr	100,000,000	50.00%
Società Autostrada Tirrenica p.A.	Italy	Euro	24,460,800	24.98%
Subsidiaries and associates carried on at cost or fair value				
Eurostazioni S.p.A.	Italy	Euro	160,000,000	32.71%
Domino S.r.l.	Italy	Euro	10,000	100.00%
Gemina Fiduciary Services SA	Luxembourg	Euro	150,000	99.99%
Anton Industries Macedonia LLC (non operating)	Republic of Macedonia	Euro	10,000	60.00%
Benetton Beograd DOO	Serbia	Euro	500	100.00%
Benetton Real Estate Azerbaijan LLC	Azerbaijan	Usd	130,000	100.00%
Bensec S.c.ar.l.	Italy	Euro	110,000	78.00%
Schematrentatre S.p.A.	Italy	Euro	120,000	100.00%
Schematrentasei S.r.l.	Italy	Euro	15,000	100.00%
Benetton Rugby Treviso S.r.l.	Italy	Euro	52,000	100.00%
Pallacanestro Treviso Società Sportiva Dilettantistica a r.l.	Italy	Euro	50,000	100.00%

REPORT OF THE INDEPENDENT AUDITORS

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(Translation from the Italian original which remains the definitive version)

Report of the auditors in accordance with article 14 of Legislative decree no. 39 of 27 January 2010 and article 165-bis of Legislative decree no. 58 of 24 February 1998

To the quotaholders of
Edizione S.r.l.

1 We have audited the consolidated financial statements of the Edizione Group as at and for the year ended 31 December 2013, comprising the statement of financial position, statement of income, statement of comprehensive income, statement of changes in equity, cash flow statement and notes thereto. The parent's directors are responsible for the preparation of these financial statements in accordance with the International Financial Reporting Standards endorsed by the European Union. Our responsibility is to express an opinion on these financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards recommended by Consob, the Italian Commission for Listed Companies and the Stock Exchange. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement and are, as a whole, reliable. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by directors. We believe that our audit provides a reasonable basis for our opinion.

The consolidated financial statements present the prior year corresponding figures for comparative purposes. As disclosed in the notes, the parent's directors restated some of the corresponding figures included in the prior year consolidated financial statements, as required by IFRS 3 – "Business combinations" and as a result of the retrospective application of IAS 19 (revised) – "Employee benefits". We audited such consolidated financial statements and issued our report thereon on 7 June 2013. We have examined the methods used to restate the prior year corresponding figures and related disclosures for the purposes of expressing an opinion on the consolidated financial statements at 31 December 2013.

3 In our opinion, the consolidated financial statements of the Edizione Group as at and for the year ended 31 December 2013 comply with the International Financial Reporting Standards endorsed by the European Union. Therefore, they are clearly stated and give a true and fair view of the financial position of the Edizione Group as at 31 December 2013, the results of its operations and its cash flows for the year then ended.

Edizione Group
Report of the auditors
31 December 2013

4 The directors of Edizione S.r.l. are responsible for the preparation of a directors' report on the financial statements in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the directors' report with the financial statements to which it refers, as required by the law. For this purpose, we have performed the procedures required by the Italian Standard on Auditing 001 issued by the Italian Accounting Profession and recommended by Consob. In our opinion, the directors' report is consistent with the consolidated financial statements of the Edizione Group as at and for the year ended 31 December 2013.

Treviso, 4 June 2014

KPMG S.p.A.

(signed on the original)

Alessandro Ragghianti
Director of Audit

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