CONSOLIDATED FINANCIAL STATEMENTS

2018

EDIZIONE

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EDIZIONE

CONTENTS

GROUP KEY DATA

PARENT COMPANY OFFICERS

Board of Directors

Fabio Cerchiai
Chairman

Marco Patuano
Chief Executive Officer

Alessandro Benetton
Director

Carlo Benetton [1]
Director

Christian Benetton [2]
Director

Franca Bertagnin Benetton
Director

Gilberto Benetton [3]
Director

Sabrina Benetton [4]
Director

Fabio Buttignon
Director

Giovanni Costa
Director

1 Director whose term of office ended on July 10, 2018
2 Director in office since September 24, 2018
3 Deputy Chairman whose term of office ended on October 22, 2018
4 Director in office since January 7, 2019

In office until approval of the financial statements at December 31, 2018

General Manager

Carlo Bertazzo

Board of Statutory auditors

Angelo Casò
Chairman

Giovanni Pietro Cunial
Aldo Laghi
Auditors

Alberto Giussani
Maria Martellini
Alternate auditors

In office until approval of the financial statements at December 31, 2019

Independent auditors

Deloitte & Touche S.p.A.

In office until approval of the financial statements at December 31, 2023

GROUP STRUCTURE

At December 31, 2018, the company Edizione S.r.l., fully owned by the Benetton family, held equity investments in the following industries: Transport Infrastructure, Digital Infrastructure, Food and Beverage, Clothing and Textiles, Real Estate and Agriculture and Financial Institutions.

INVESTMENT PHILOSOPHY

Edizione, in exercising its prerogatives as a shareholder with respect to the companies of the Group, combines an entrepreneurial approach with solid financial discipline, putting finance at its companies' service in order to improve their competitive position and returns.

Edizione maintains an ongoing dialogue with the managers of its holdings, while fully respecting their autonomy.

Edizione aims to develop its investments over the long term and to help its holdings expand by strengthening their presence in their respective sectors.

This goal can also be pursued through acquisitions, which leverage global relationships built over the years. Specifically, Edizione's new investments are mainly focused on target companies that:
- have a strong international exposure and are industry leaders, with sustainable distinctive factors;
- are managed by a team with a strong business vision;
- are in sectors not related with the existing portfolio, within the framework of a clear growth trend;
- can produce a significant increase in value in the medium to long term, with a view to generating Total Shareholders Return;
- can assure Edizione exercises a strategic influence.

Partners that share Edizione's strategic lines may be involved in the investment projects.

GROUP CHART

EDIZIONE	100% **Sintonia**	◤30.25% **Atlantia** [1]	88.06% **Autostrade per l'Italia**	Transport Infrastructure
			100% **Autostrade dell'Atlantico**	
			50% + 1 share **Abertis**	
			99.38% **Aeroporti di Roma**	
			62.50% **Azzurra Aeroporti** — 64% **Aéroports de la Côte d'Azur**	
			100% **Telepass**	
			◤23.86% **Hochtief**	
			◤15.49% **Getlink**	
		60% **ConnecT**	◤29.9% **Cellnex Telecom**	Digital Infrastructure
	100% **Schematrentaquattro**		◤50.10% **Autogrill**	Food and Beverage
	100% **Benetton**		100% **Benetton Group**	Clothing and Textiles
			100% **Olimpias Group**	
	100% **Edizione Property**		100% **Compañia de Tierras Sud Argentino**	Real Estate and Agriculture
	100% **Maccarese**			
	100% **Schematrentatre**		◤3.33% **Assicurazioni Generali**	Financial Institutions
			◤2.10% **Mediobanca**	

◤ Listed company

[1] At December 31, 2018 Atlantia holds 0.95% of treasury shares

FINANCIAL HIGHLIGHTS

The Group's results in 2018 and 2017, stated according to the International Financial Reporting Standards (IAS/IFRS), are summarised below.

(Millions of Euro)	2018	2017 *	Change	%
Revenues	**13,119**	**12,106**	**1,013**	**8.4**
EBITDA[1]	4,203	4,170	33	0.8
EBIT	2,301	2,624	(323)	(12.3)
Net income, Group	**197**	**234**	**(37)**	**(15.8)**
Net working capital	**(1,099)**	**(754)**	**(345)**	
Net assets held for sale	**1,302**	**3**	**1,299**	
Intangible assets, property, plant and equipment	58,765	27,825	30,940	
Non-current financial assets	6,062	1,154	4,908	
Other non-current assets/(liabilities), net	(4,829)	(2,806)	(2,023)	
Total non-current assets	**59,998**	**26,173**	**33,825**	
Net capital employed	**60,201**	**25,422**	**34,779**	
Shareholders' equity, Group	7,082	7,270	(188)	
Non-controlling interests	14,717	9,426	5,291	
Total shareholders' equity	**21,799**	**16,696**	**5,103**	
Net financial indebtedness	**38,402**	**8,726**	**29,676**	
Cash flow [2]	3,389	2,861	528	
Net income, Group / Shareholders' equity (ROE) [3]	2.8%	3.2%		
EBIT / Capital employed (ROI) [3]	3.8%	10.3%		

1 EBITDA: calculated as EBIT plus depreciation, amortisation, impairment and operating provisions.
2 Cash Flow: calculated as Net income before minority interests plus depreciation, amortisation, impairment and provisions.
3 Calculated considering the contribution of Abertis to the Net income of the Group and the EBIT for two months.

* The 2017 figures show several differences from those published in the Consolidated Financial Statements for 2017:
- aviation revenues were restated in application of IFRS 15;
- the allocations to and uses of the provisions for the repair and replacement of motorway infrastructure and the allocations to provisions for risks and charges are stated in EBITDA;
- the different presentation of the impacts on the income statement of several works for the refurbishment of airport infrastructure of Aéroports de la Côte d'Azur and motorway infrastructure of Traforo del Monte Bianco. Moreover, as a result of the application of IFRS 9, an increase of Euro 32 million was recognised in consolidated shareholders' equity.

The results for 2018 reflect the effects of the consolidation of the Abertis group starting from the end of October 2018.

In order to adequately read the economic results of the Group and its statement of financial position, it must be considered that, following the acquisition of the Abertis group, the Atlantia group provides the predominant share of the consolidated results of the Edizione Group. Specifically, the Atlantia group contributed 50.5% to consolidated revenues in 2018, 89.6% to consolidated EBITDA for 2018 and 98.8% to consolidated net financial indebtedness at December 31, 2018.

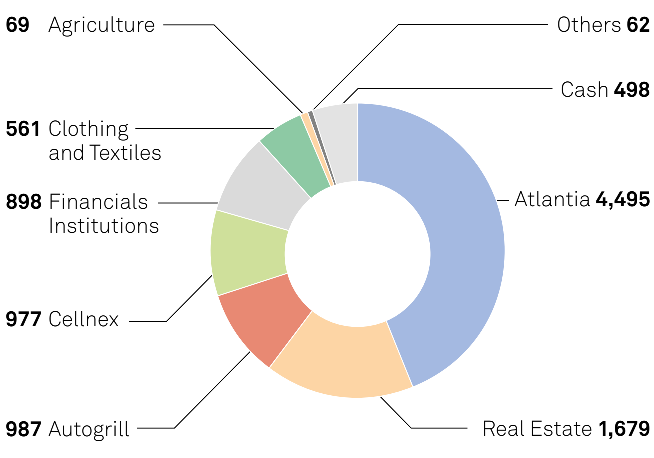
NET ASSET VALUE

The table below shows a breakdown of the Net Asset Value ("NAV") of Edizione at December 31, 2018 compared to the values at December 31, 2017:

(Millions of Euro)	12.31.2018		12.31.2017		Change	
	Value	**% on GAV**	**Value**	**% on GAV**	**Absolute**	**%**
Atlantia	4,495	46%	6,778	61%	(2,283)	(34%)
Cellnex	977	10%	-	-	977	100%
Autogrill	987	10%	1,419	13%	(432)	(30%)
Assicurazioni Generali	757	8%	331	3%	426	n.s.
Mediobanca	141	1%	178	2%	(37)	(21%)
Listed companies	**7,357**	**76%**	**8,706**	**78%**	**(1,349)**	**(15%)**
Real Estate and Agriculture	1,748	18%	1,554	14%	194	13%
Clothing and Textiles	561	6%	618	6%	(57)	(9%)
Other	62	1%	40	-	22	54%
Non-listed companies	**2,371**	**24%**	**2,212**	**20%**	**159**	**7%**
Financial Investments	**-**	**-**	**262**	**2%**	**(262)**	**(100%)**
Gross Asset Value ("GAV")	**9,728**	**100%**	**11,180**	**100%**	**(1,452)**	**(13%)**
Cash and Cash equivalents	498		1,639		(1,141)	(70%)
Net Asset Value	**10,226**		**12,819**		**(2,593)**	**(20%)**

The total asset value at December 31, 2018 was determined by using the following valuation criteria:
- equity investments in listed companies are valued based on the arithmetic average of the closing prices, in the 20 trading days prior to the valuation date;
- equity investments in unlisted companies are valued at the purchase cost in the 12 months following acquisition. Subsequently, the equity investments are valued at the carrying value or the value corresponding to the *pro-rata* equity, referring to the last statement of financial position available at the valuation date;
- investment properties are valued at market value, as determined by third-party and internal appraisals;
- net cash and cash equivalents of Edizione S.r.l. and the 100% owned sub-holdings include cash and cash equivalents and liquid financial investments at the valuation date, minus financial payables at the same date;
- assets and liabilities denominated in foreign currency are converted at the exchange rate at the date of calculation of the NAV.

(Millions of Euro)



DIRECTORS' REPORT

Dear Shareholders,

Before examining the performance of operations, we would like to turn our thoughts to the premature passing, in the second half of 2018, of the Founding Shareholders, Carlo Benetton and Gilberto Benetton, remembering their humanity, professionalism and enthusiasm, which characterised them, as well as their extreme sense of responsibility in relation to Edizione and the Group. Their passing has been a significant loss to all those that knew and looked up to them.

ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS

The year ended at December 31, 2018 was marked by the achievement of significant extraordinary operations, specifically, the acquisition of the Abertis group, consolidated line-by-line by the Atlantia group since the end of October 2018, and the acquisition of the Cellnex Telecom group, whose equity investment, equal to 29.9% of the share capital, was measured using the equity method. The year 2018 was also marked by the tragic collapse of a section of the Polcevera road bridge on the A10 Genoa-Ventimiglia motorway, managed by the subsidiary Autostrade per l'Italia S.p.A.

The Edizione Group's growing international scope and diversified business segments allowed it to gain ground in 2018, in both revenues (+8.4%) and EBITDA (+0.8%). The Group's share of net income amounts to Euro 197 million, compared to Euro 234 million in the previous year. At December 31, 2018, the Edizione Group had consolidated shareholders' equity of Euro 21,799 million (Euro 16,696 million at December 31, 2017) and net consolidated financial indebtedness of Euro 38,402 million (Euro 8,726 million at December 31, 2017).

CONSOLIDATED INCOME STATEMENT

The Group's key financial data for the years 2018 and 2017 are as follows:

(Millions of Euro)	2018	2017 *	Change	%
Revenues	**13,119**	**12,106**	**1,013**	**8.4**
Materials and subcontracted work	(2,903)	(2,831)	(72)	2.5
Payroll costs	(2,948)	(2,820)	(128)	4.5
Other costs and general expenses, net	(3,065)	(2,285)	(780)	34.1
EBITDA	**4,203**	**4,170**	**33**	**0.8**
Depreciation, amortisation, impairment and provisions	(1,902)	(1,546)	(356)	23.0
EBIT	**2,301**	**2,624**	**(323)**	**(12.3)**
Net financial income/(charges)	(780)	(609)	(171)	28.1
Income/(Losses) from equity investments	44	64	(20)	(31.3)
Income/(Charges) from currency hedges and exchange differences	(6)	-	(6)	n.s.
Income before taxes	**1,559**	**2,079**	**(520)**	**(25.0)**
Income taxes	(480)	(704)	224	(31.8)
Profit from continuing operations	**1,079**	**1,375**	**(296)**	**(21.5)**
Profit/(Loss) from assets held for sale and discontinued operations	4	(1)	5	n.s.
Non-controlling interests	886	1,140	(254)	(22.3)
Net income, Group	**197**	**234**	**(37)**	**(15.8)**

* The 2017 figures show a few differences from those published in the Consolidated Financial Statements for 2017. In particular:
- aviation revenues were restated in application of IFRS 15;
- the different classification of the allocations to and uses of the provision for the repair and replacement of motorway infrastructure and allocations to provisions for risks and charges, now stated in EBITDA;
- the different presentation of the impacts on the income statement of several works for the refurbishment of airport infrastructure of Aéroports de la Côte d'Azur and motorway infrastructure of Traforo del Monte Bianco.

Revenues

In 2018, Revenues increased by Euro 1,013 million (+8.4%) compared to 2017, by effect of the higher revenues of the sector of Transport Infrastructure, which benefited from the contribution of the Abertis group for November and December 2018 (Euro 812 million), as well as from the increase in sales in the Food and Beverage sector. Revenues are broken down below by business segment (net of intercompany sales):

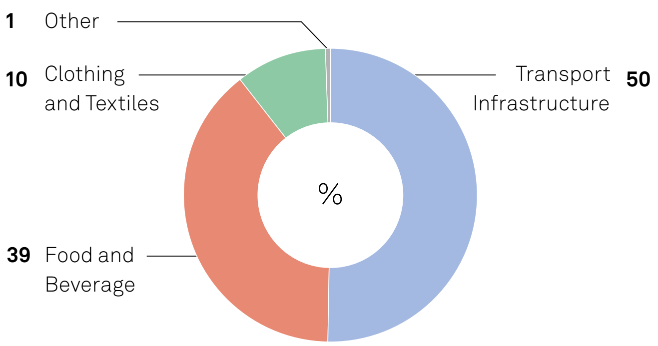
(Millions of Euro)	2018	%	2017	%	Change	%
Transport Infrastructure	6,631	50.5	5,697	47.1	934	16.4
Food and Beverage	5,113	39.0	4,990	41.2	123	2.5
Clothing and Textiles	1,325	10.1	1,366	11.3	(41)	(3.0)
Other	50	0.4	53	0.4	(3)	(5.7)
Total	**13,119**	**100**	**12,106**	**100**	**1,013**	**8.4**

The following table shows revenues by geographical area:

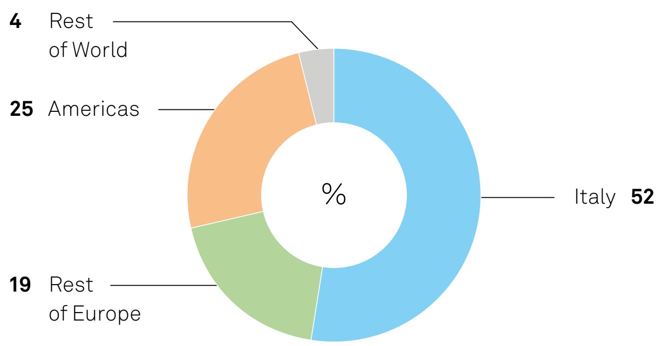
(Millions of Euro)	2018	%	2017	%	Change	%
Italy	6,880	52.4	6,713	55.4	167	2.5
Rest of Europe	2,539	19.4	1,933	16.0	606	31.4
Americas	3,241	24.7	3,037	25.1	204	6.7
Rest of World	459	3.5	423	3.5	36	8.5
Total	**13,119**	**100**	**12,106**	**100**	**1,013**	**8.4**

The change in revenues in the Rest of Europe is mainly attributable to the consolidation of the Abertis group, specifically due to the higher revenues in France and Spain (Euro 476 million).

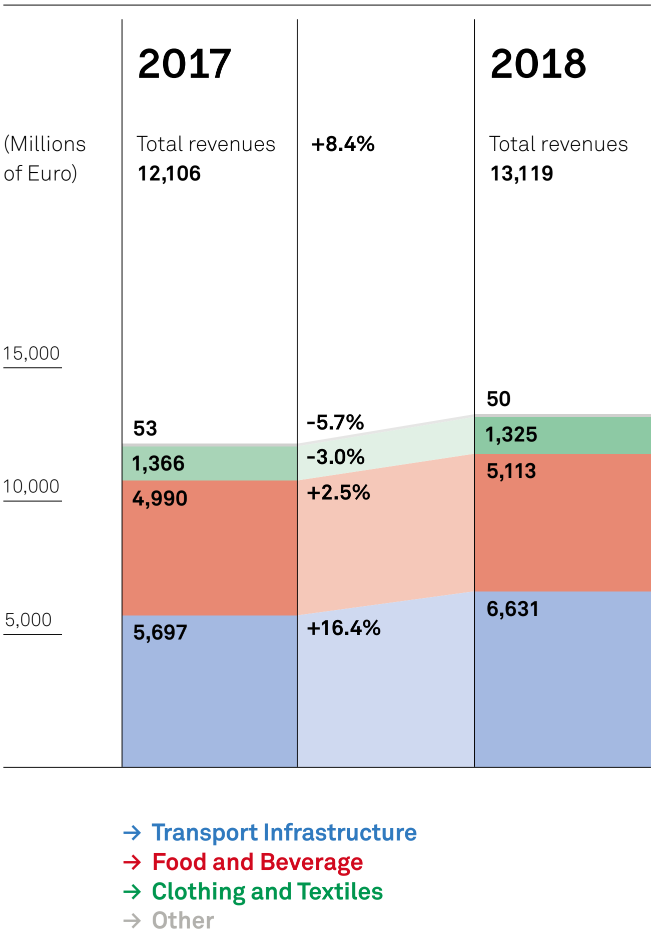
Revenues by sector 2018



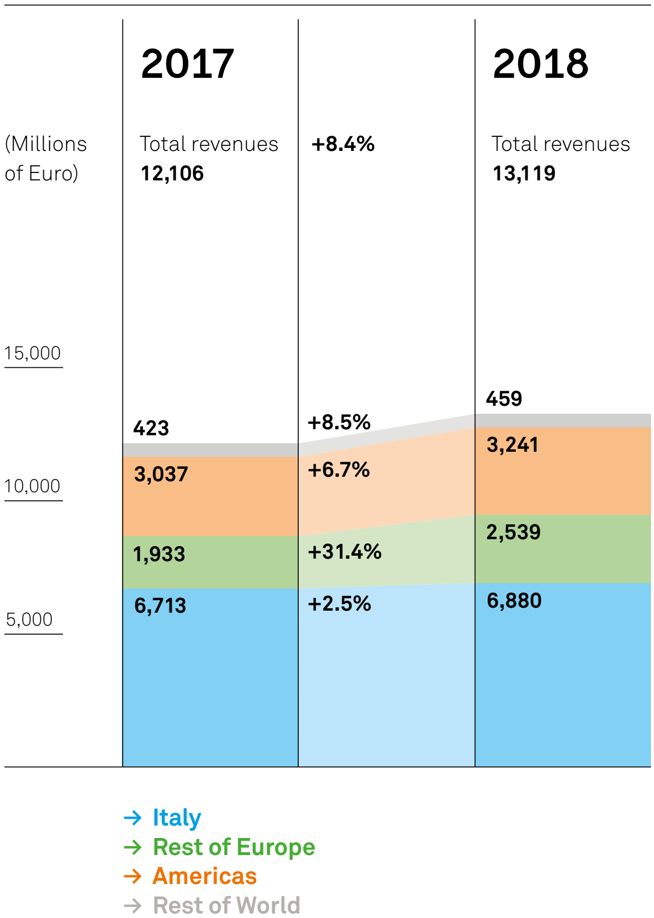
Revenues by region 2018



Revenues by sector



Revenues by region



Other items

EBITDA for 2018 came to Euro 4,203 million, up by 0.8% compared to the EBITDA for 2017. It comprises Euro 513 million in charges connected with the collapse of a section of the Polcevera road bridge, recognised by the Atlantia group, offset by the positive contribution to the EBITDA of the Abertis group (Euro 550 million).

Depreciation, amortisation, impairment and provisions, amounting to Euro 1,902 million in 2018, increased by Euro 356 million on 2017 which comprised Euro 222 million attributable to the depreciation and amortisation of the Abertis group for November and December 2018.

Net financial charges stood at Euro 780 million in 2018 (Euro 609 million in the previous year). This change was impacted by the financial charges of Euro 92 million incurred on the whole by the Atlantia group in relation to the acquisition of the Abertis group and the interest charges recognised by the Abertis group from the date of consolidation to the end of the year.

Income/(Losses) from equity investments had a positive balance of Euro 44 million in 2018, comprising Euro 40.5 million referring to the dividends collected from Assicurazioni Generali S.p.A., which increased on the previous year due to the increase in the equity investment held in the capital of that company and Euro 8.7 million referring to the dividends collected from Mediobanca S.p.A. The balance of the item also includes the effect of the measurement of the equity investment in Cellnex using the equity method, which came to a negative Euro 13 million. In 2017, the positive balance of Euro 64 million included the capital gain of Euro 45 million deriving from the transfer of the 22.1% share held by Atlantia S.p.A. in Save S.p.A. to the Public Tender Offer.

Income taxes for 2018 amount to Euro 480 million, down by Euro 224 million on the previous year, both as a result of the decrease in taxable income of the Group companies and the lack of the tax expense generated by the corporate reorganisation operations carried out by the Atlantia group in 2017, which had negatively impacted the balance.

As a result of the above, Profit from continuing operations amounted to Euro 1,079 million in 2018, down by Euro 296 million compared to 2017 (Euro 1,375 million).

Profit/(Loss) from assets held for sale and discontinued operations was positive for Euro 4 million (negative for Euro 1 million in 2017).

Income pertaining to non-controlling interests decreased in 2018 compared to the previous year, due to the decrease of around Euro 354 million in the income of the Atlantia group and the resulting lower attribution of income to non-controlling interests.

The Group's share of net income amounts to Euro 197 million, compared to Euro 234 million in 2017.

FINANCIAL SITUATION

The Group's main financial figures at December 31, 2018 and 2017, duly restated, are as follows:

(Millions of Euro)	12.31.2018	12.31.2017 *	Change
Net working capital:			
– inventories	600	591	9
– receivables, accrued income and prepaid expenses	4,272	2,475	1,797
– payables, accrued expenses and deferred income	(5,971)	(3,820)	(2,151)
Total net working capital	**(1,099)**	**(754)**	**(345)**
Net assets/(liabilities) held for sale	**1,302**	**3**	**1,299**
Non-current assets:			
– intangible assets	23,479	6,565	16,914
– concession rights, net	32,573	19,025	13,548
– property, plant and equipment	2,713	2,235	478
– non-current financial assets	6,062	1,154	4,908
– other non-current assets/(liabilities), net	(4,829)	(2,806)	(2,023)
Total non-current assets	**59,998**	**26,173**	**33,825**
Net capital employed	**60,201**	**25,422**	**34,779**
Shareholders' equity:			
– shareholders' equity, Group	7,082	7,270	(188)
– non-controlling interests	14,717	9,426	5,291
Total shareholders' equity	**21,799**	**16,696**	**5,103**
Net financial indebtedness	38,402	8,726	29,676
Sources of funding	**60,201**	**25,422**	**34,779**

* As a result of the application of IFRS 9, the effects of several financial transactions finalised during 2017 were restated, recognised, as permitted by the standard, in the balances of the statement of financial position at January 1, 2018, with an increase of Euro 32 million in consolidated shareholders' equity.

Intangible assets includes the statement of financial position balances of the Abertis group at the date of acquisition and the provisional recognition under Goodwill of the difference, amounting to Euro 16,774 million, between the price paid by the Atlantia group and the net assets acquired of the Abertis group. The change in Concession rights, net includes the carrying amount of the concession rights of the Abertis group at the acquisition date (Euro 14,364 million).

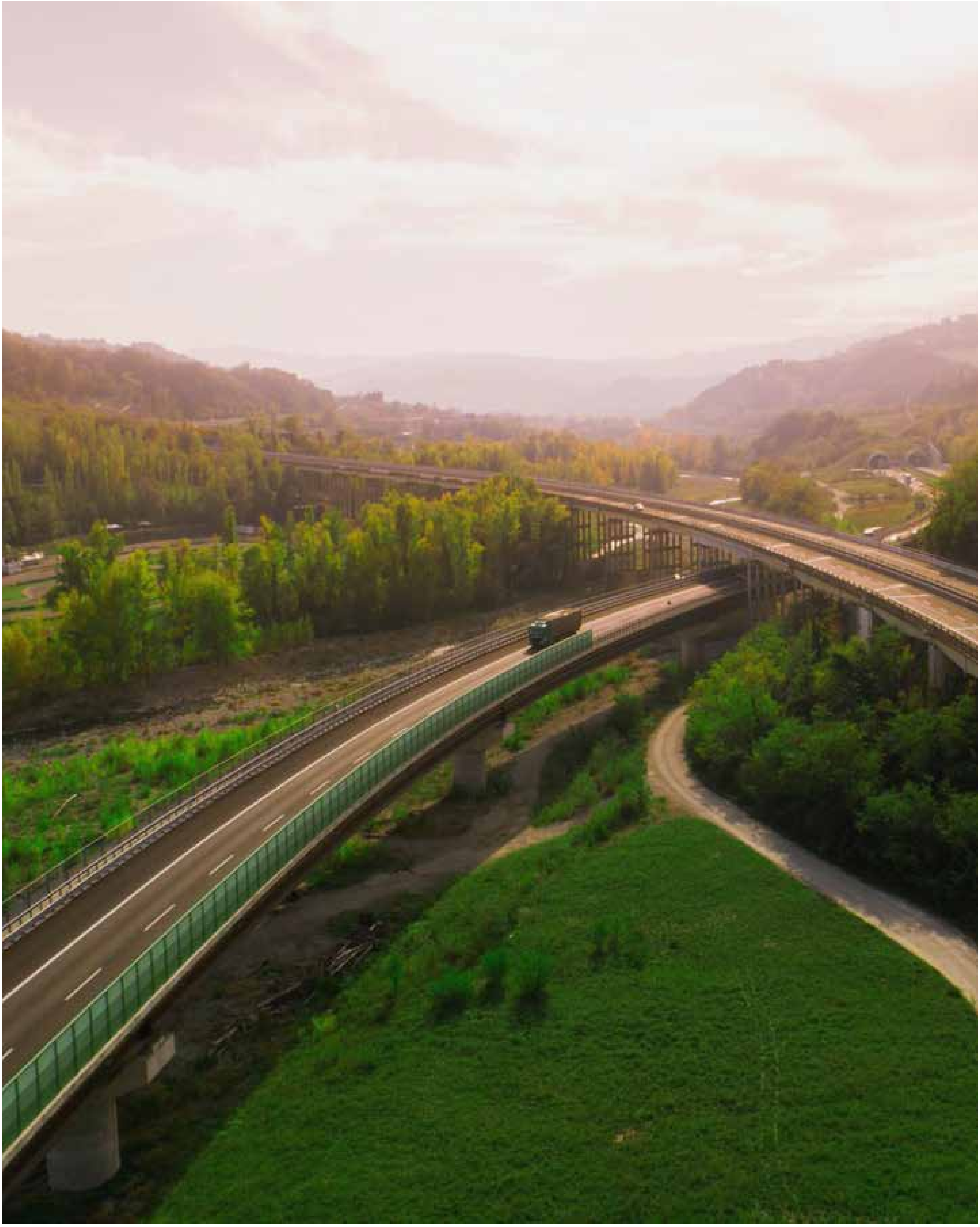
Net financial indebtedness, equal to Euro 38,402 million at December 31, 2018 increased by Euro 29,676 million on December 31, 2017 (Euro 8,726 million), mainly due to the effects of the acquisition and consolidation of the Abertis group (totalling Euro 25,847 million), and the acquisition of the equity investment in Hochtief (Euro 2,411 million).
A breakdown of net financial indebtedness of the Group is presented below:

(Millions of Euro)	12.31.2018	12.31.2017	Change
Atlantia group	37,931	9,496	28,435
Autogrill group	671	544	127
Benetton group	91	114	(23)
Olimpias group	(2)	(23)	21
Edizione Property group	225	231	(6)
Edizione S.r.l.	(490)	(1,609)	1,119
Holding companies	(30)	(30)	-
Other companies	6	3	3
Net financial indebtedness	**38,402**	**8,726**	**29,676**

PERFORMANCE BY BUSINESS SEGMENT

2018 key events and the performance of the main Group companies are discussed hereinafter by business segment.

TRANSPORT INFRASTRUCTURE



A1 Motorway — Variante di Valico

Sintonia S.p.A. ("Sintonia") is the holding company that directly oversees the Group's investments in the Transport Infrastructure segment, through an equity investment of 30.25% in the share capital of Atlantia S.p.A. ("Atlantia"). The company also holds an equity investment of 60% in ConnecT S.p.A. ("ConnecT").

Aeroporti di Roma

ATLANTIA

Transport Infrastructure

www.atlantia.it

The corporate mission of Atlantia, the main asset of Edizione, reflects the holding company's drive towards globalisation including through international partnerships that share the same strategies: high growth trends with a view to developing personal mobility. Atlantia, through constant investments in motorways and airports, affirms the Edizione philosophy, based on maximising long-term portfolio value.

2000	year of acquisition	**23**	countries
30.25 %	stake held	**14,000**	km of motorway
7.3 bn Euro	EBITDA pro-forma 2018*	**63+** mln	airport passengers
11.3 bn Euro	revenues pro-forma 2018*	**31,000**	employees

* Considering the 12-month Abertis group contribution.

Following the acquisition of the Abertis group, Atlantia has become the world leader in the transport infrastructure segment, with total pro-forma revenues for 2018 of Euro 11.3 billion, EBITDA of Euro 7.3 billion and around 31,000 employees. The group operates in 23 countries, with 14,000 km of toll motorway, the Fiumicino and Ciampino airports in Italy and the three airports of Nice, Cannes-Mandelieu and Saint Tropez in France. It is also the global leader in electronic tolling and traffic information technologies.

Two significant events occurred in 2018: the tragic collapse of a section of the Polcevera road bridge on the A10 Genoa-Ventimiglia motorway, managed by the subsidiary Autostrade per l'Italia, in August, which caused the death of 43 people, and the consolidation of the Abertis Infraestructuras S.A. group ("Abertis") starting from the end of October.

Whilst awaiting the outcome of the ongoing investigation into the causes of the collapse of a section of the Polcevera road bridge, the collapse resulted in the recognition in the consolidated financial statements of the Atlantia group for 2018 of reduced toll revenues, expenses and provisions linked to the cost of demolition and reconstruction of the road bridge, compensation to the victim's families and the injured, legal fees and financial help to enable the purchase of basic necessities, for a total amount, net of taxes, of Euro 371 million. Those values prudently do not take into account of the positive impact of any eventual insurance proceeds.

With regard to the acquisition of the Abertis group, note that in May 2017, Atlantia promoted a voluntary Public Tender Offer in cash and/or in shares on the total of Abertis shares, which was subsequently withdrawn on April 12, 2018 in execution of the agreements reached with Hochtief A.G. ("Hochtief") and Actividades de Construcciòn y Servicios S.A. ("ACS") in March 2018, for a joint investment in Abertis.

On October 29, 2018, Atlantia, ACS and Hochtief finalised the agreements signed in March 2018 and, in particular:

- Abertis Participaciones S.A. was established. This Spanish-registered company is wholly-owned by Abertis HoldCo S.A., a newly-established Spanish-registered company whose capital is held by the following shareholders: Atlantia 50% (plus one share), ACS 30% and Hochtief 20% (less one share). At a price of Euro 18.36 per share, Abertis Participaciones S.A. purchased 98.7% of the capital of Abertis held by Hochtief, deriving from the voluntary Public Tender Offer on the company, terminated on May 18, 2018 and increased with subsequent purchases on the market – before the delisting of Abertis from the Madrid Stock Market – and following transactions. The total outlay for the purchase of 98.7% of the capital of Abertis came to Euro 16.5 billion;
- in a separate transaction, Atlantia acquired 23.9% of the capital of Hochtief from ACS, at a price of Euro 143.04 per share, for a total consideration of Euro 2.4 billion.

Atlantia financed its capital contribution to Abertis HoldCo (Euro 3.5 billion) and the acquisition of 23.9% of Hochtief using its liquidity and bank loans maturing in 2022 and 2023.

Lastly, in March 2018, Atlantia acquired a 100% interest in Aero 1 Global & International S.àr.l., an investment vehicle which owns 85,170,758 shares in Getlink S.E. (equal to 15.49% of the capital and representing 26.64% of the voting rights of the company), which holds the concession for the Channel Tunnel between the UK and France.

The 2018 consolidated figures for the Atlantia group are not directly comparable with those of 2017 due to several non-recurring effects, including, in particular:

- the consolidation of the Abertis group for November and December 2018 and the expenses relating to its acquisition;
- the economic effects connected with the collapse of a section of the Polcevera road bridge.

Consolidated economic and financial highlights in 2018 and 2017 are as follows:

(Millions of Euro)	2018 [1]	2017 [2]	Change	%
Toll revenues	4,992	4,195	797	19.0
Aviation revenues	834	792	42	5.3
Other revenues	1,090	979	111	11.3
Total revenues	**6,916**	**5,966**	**950**	**15.9**
EBITDA	**3,768**	**3,679**	**89**	**2.4**
EBIT	**2,243**	**2,578**	**(335)**	**(13.0)**
Net financial income/(charges)	(724)	(513)	(211)	41.1
Income taxes	(440)	(632)	192	(30.4)
Profit from continuing operations	**1,079**	**1,433**	**(354)**	**(24.7)**
Profit/(Loss) from discontinued operations	4	(1)	5	n.s.
Non-controlling interests	265	260	5	1.9
Net income, group	**818**	**1,172**	**(354)**	**(30.2)**
Operating cash flow (FFO)	2,984	2,566	418	
Operating investments	1,125	1,076	49	
	12.31.2018	**12.31.2017**	**Change**	
Capital employed	54,263	21,259	33,004	
Shareholders' equity [3]	16,332	11,763	4,569	
Net financial indebtedness	37,931	9,496	28,435	

1 The 2018 data includes the contribution of the Abertis group starting from the end of October 2018.

2 The 2017 figures show several differences from those published in the Consolidated Annual Report for 2017. In particular:
- aviation revenues were restated in application of IFRS 15;
- the different classification of the allocations to and uses of the provision for the repair and replacement of motorway infrastructure and allocations to provisions for risks and charges, now stated in EBITDA;
- the different presentation of the impacts on the income statement of several works for the refurbishment of airport infrastructure of Aéroports de la Côte d'Azur and motorway infrastructure of Traforo del Monte Bianco.

3 As a result of the application of IFRS 9, the effects of several financial transactions finalised during 2017 were restated, recognised, as permitted by the standard, in the balances of the statement of financial position at January 1, 2018, with an increase of Euro 32 million in consolidated shareholders' equity.

Revenues

Total revenues in 2018 amounted to Euro 6,916 million and increased by Euro 950 million (+15.9%) compared to 2017.

Toll revenues amounted to Euro 4,992 million with a total increase of Euro 797 million (+19%) compared to 2017. After adjusting for the impact of the exchange rate movements, which in 2018 had a negative impact of Euro 57 million, and the Abertis group's contribution of Euro 754 million, consolidated for the last two months of the year, toll revenues increased by Euro 100 million, due to the following factors:
- application of annual tariff increases for the group's Italian motorway operators (+ Euro 51 million);
- increase in traffic (+0.2%) on the Italian network (+ Euro 15 million);
- higher contribution from foreign operators (+ Euro 32 million), both due to positive traffic dynamics in Chile (+4.6%), Brazil (+0.7%) and Poland (+5.2%), and due to tariff increases.

Aviation revenues amounted to Euro 834 million and increased by Euro 42 million (+5%) compared to 2017, primarily due to traffic growth at Aéroports de la Côte d'Azur (+4.1%) and at Aeroporti di Roma (+4.2%).

Other operating revenues came to Euro 1,090 million, up by Euro 111 million compared with 2017 (Euro 979 million). After stripping out the Abertis group's contribution (Euro 73 million), the increase of Euro 38 million is mainly due to the increase in commercial revenues and real estate sub-concessions of the Aéroports de la Côte d'Azur group and the Aeroporti di Roma group, as well as higher Telepass revenues.

Operating margins

EBITDA came to Euro 3,768 million, increasing by Euro 89 million on 2017 (Euro 3,679 million), and was impacted by higher operating costs of Euro 584 million, mainly deriving from the expenses resulting from the collapse of a section of the Polcevera road bridge in August 2018.

The EBIT amounted to Euro 2,243 million, down by Euro 335 million (-13%) relative to 2017, specifically reflecting the higher depreciation and amortisation for the year, of Euro 345 million, of which Euro 222 million pertaining to the Abertis group.

The Atlantia group's share of consolidated profit (Euro 818 million) decreased by Euro 354 million compared to 2017 (Euro 1,172 million). On a like-for-like basis, the group's share of the profit decreased by Euro 20 million (-2%).

Investments

In 2018 the Atlantia group made operating investments of Euro 1,125 million, an increase compared to 2017 (Euro 1,076 million).

Net financial indebtedness

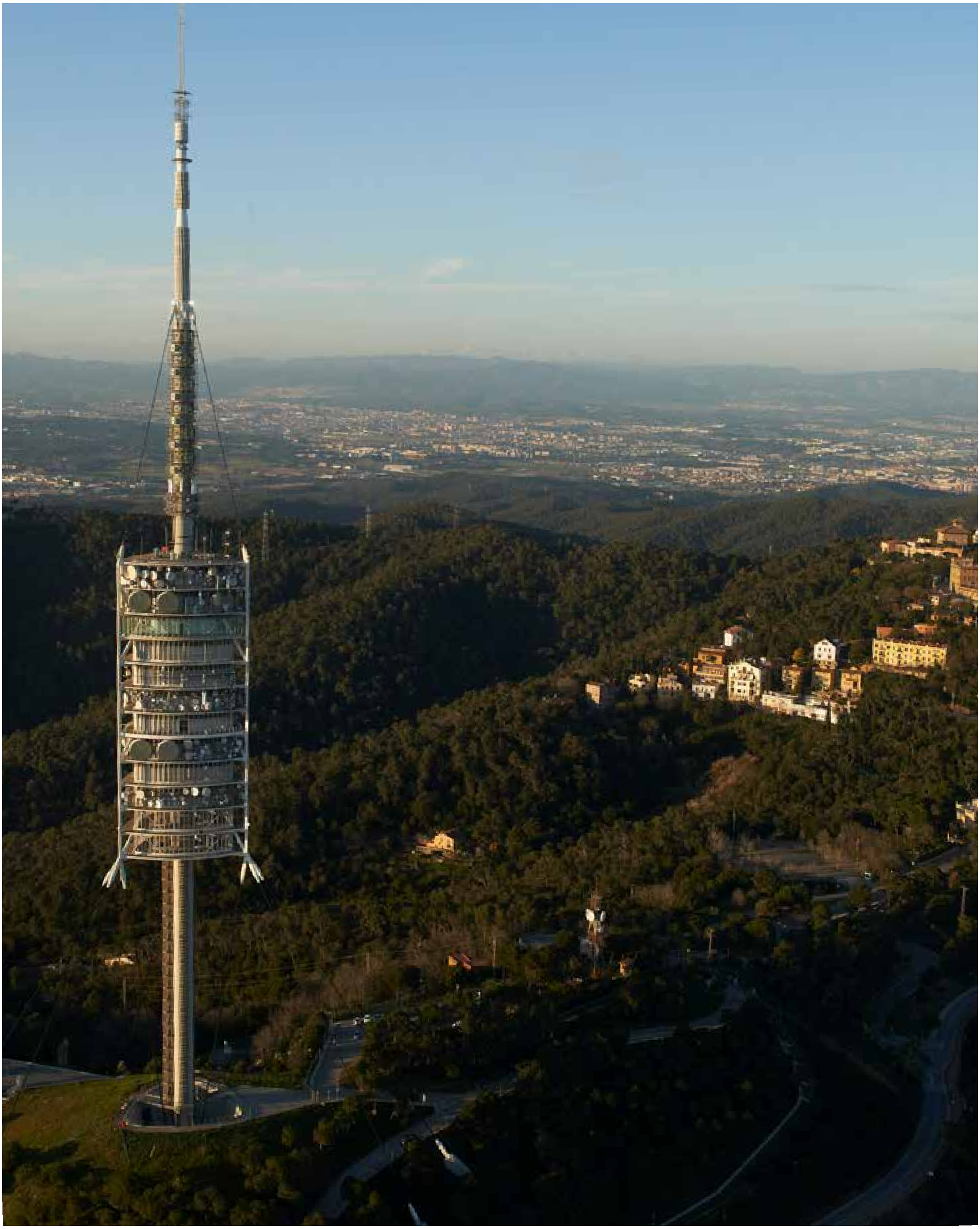
At December 31, 2018, the group's net indebtedness stood at Euro 37,931 million (Eur 9,496 million at December 31, 2017). The change essentially refers to the acquisition of the Abertis group and the equity investment in Hochtief. At December 31, 2018, the group had a liquidity reserve (comprised of cash and cash equivalents, term deposits and unused committed credit lines) of Euro 15,416 million.

Key indicators for the Atlantia group for the year 2018 are broken down below by sector:

(Millions of Euro)	**Italian motorways**	**Overseas motorways**	**Italian airports**	**Overseas airports**	**Atlantia S.p.A. and other activities**	**Abertis**	**Total**
Revenues from third parties	3,954	625	934	305	271	827	6,916
EBITDA	1,991	457	580	139	51	550	3,768
Operating cash flow (FFO)	1,708	388	437	98	(1)	354	2,984
Operating investments	592	64	183	67	44	175	1,125

Performance of Atlantia shares in 2018

DIGITAL INFRASTRUCTURE

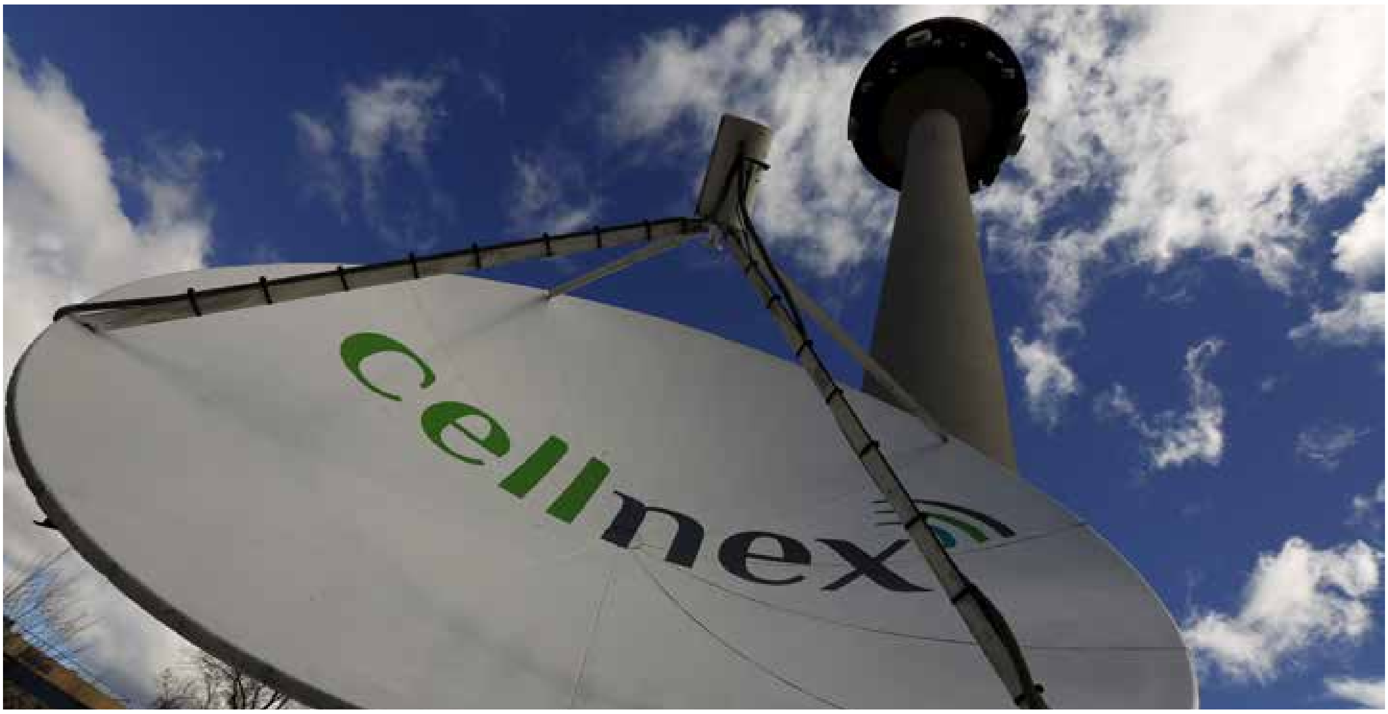


Cellnex

ConnecT is the holding company that directly oversees the Group's investments in the Digital Infrastructure segment and holds an affiliated equity investment of 29.9% in the share capital of Cellnex Telecom S.A. ("Cellnex"). In these consolidated financial statements, that equity investment has been measured using the equity method.

Montserrat

CELLNEX TELECOM



Digital Infrastructure

www.cellnextelecom.com

In 2018, Edizione decided to invest in Cellnex, the leading infrastructure provider for wireless telecommunications and broadcasting in Europe. In accordance with the Group's values, this investment was inspired by confidence in global macro-trends, with the purpose of guaranteeing interesting prospects at international level.

2018	year of acquisition
29.9 %	stake held
901 mln Euro	revenues 2018
6	countries
29,000	towers *
1,400+	employees

* Of which about 4,000 under construction.

Cellnex is a wireless telecommunication and broadcasting infrastructure operator, the European leader, that operates in Spain, Italy, the Netherlands, France, Switzerland and the United Kingdom, with a total portfolio of over 25 thousand sites, of which 23,440 towers and 1,592 DAS and small cell nodes at December 31, 2018. Cellnex conducts its business in three main areas of services: Telecommunication Infrastructure Services, Broadcasting Infrastructure and Other Network Services, which include security and emergency service networks and solutions for smart management of urban infrastructure and services – Smart cities and "Internet of Things" (IoT).

Key figures from the financial statements of the Cellnex Telecom group for the year ended as at December 31, 2018 are summarised below, with comparative figures from the previous year:

(Millions of Euro)	**2018** [1]	**2017** [2]	**Change**	**%**
Revenues from Telecom Infrastructure Services	586.2	474.3	111.9	23.6
Revenues from Broadcasting Infrastructure	232.8	237.3	(4.5)	(1.9)
Revenues from Other Network Services	82.3	80.5	1.8	2.2
Total revenues	**901.3**	**792.1**	**109.2**	**13.8**
Adjusted EBITDA	**590.6**	**500.0**	**90.6**	**18.1**
EBIT	**112.5**	**128.6**	**(16.1)**	**(12.5)**
Net financial income/(charges)	(148.8)	(109.1)	(39.7)	36.4
Income taxes	18.5	4.3	14.2	n.s.
Non-controlling interests	2.8	2.5	0.3	12.0
Net income/(loss), group	**(15.0)**	**26.3**	**(41.3)**	**n.s.**
Operating investments	272.7	165.2	107.5	
Recurring Leverage Free Cash Flow [3]	304.7	277.6	27.1	
	12.31.2018	**12.31.2017**	**Change**	
Capital invested, net	3,781.6	3,272.2	509.4	
Shareholders' equity	615.4	609.6	5.8	
Net financial indebtedness	3,166.2	2,662.6	503.6	

1 The group chose early adoption of the international accounting standard IFRS 16, which requires that operating leases be recorded using the financial method.

2 2017 figures were restated following the adoption of the international accounting standards IFRS 16 and IFRS 9.

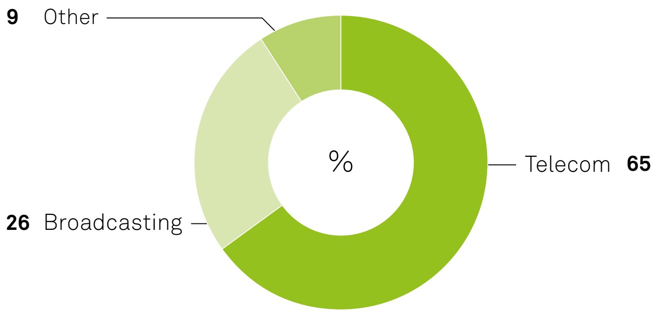
3 Recurring Leverage Free Cash Flow equals the Adjusted EBITDA minus maintenance investments, plus/minus the change in working capital, plus interest collected, minus interest paid, minus taxes paid and net of income pertaining to non-controlling interests.

Revenues

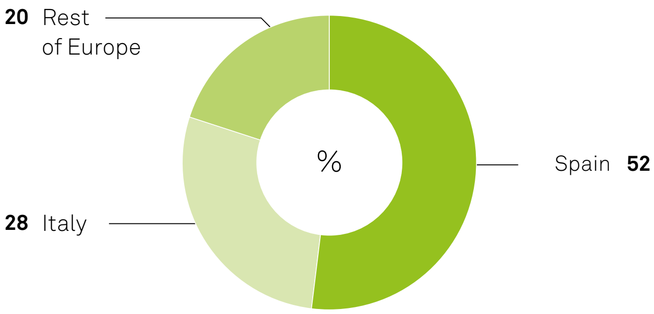
Total revenues for 2018 amounted to Euro 901.3 million, up by Euro 14% compared to the previous year. Revenues from Telecom Infrastructure Services represented 65% of total revenues (Euro 586.2 million), up by 24% compared to the previous year, due to organic growth and the coming on stream of the acquisitions made in the second half of 2017 and in the current year. Revenues from Broadcasting Infrastructure represented 26% of total revenues (Euro 232.8 million), down slightly (-2%) on 2017.

Revenues from Other Network Services (safety and emergency networks and solutions for smart management of urban infrastructures, IoT and Smart Cities) came to 9% of total revenues (Euro 82.3 million) an increase of 2% on the previous year.
In 2018, 48% of revenues were generated outside the Spanish market. Italy is its second-largest market, where 28% of group revenues are generated.

Revenues by channel 2018



Revenues by region 2018



Operating margins

The Adjusted EBITDA came to Euro 590.6 million in 2018, up by 18% on the previous year, and substantially reflects the increase in revenues.

EBIT for 2018, amounting to Euro 112.5 million, decreased by 13% on the comparison year. Specifically, it was affected by the higher costs linked to the personnel reorganisation plan for several of the Spanish subsidiaries operating in the broadcasting network sector (Euro 55 million) and greater depreciation and amortisation (Euro 51 million) of assets coming on stream.

Net loss pertaining to the group amounted to Euro 15 million, compared to income of Euro 26.3 million in the comparison year: in addition to the reasons illustrated above, the loss for the year was due to the increase in financial charges for debt servicing (Euro 40 million).

Investments

At December 31, 2018, Cellnex had a total of 23,440 sites (8,589 in Spain, 8,308 in Italy, 6,543 in the Netherlands, France, the United Kingdom and Switzerland), with a further 1,592 DAS and Small Cells nodes.
In 2018, recurring operating investments, relating to the maintenance of existing sites, came to Euro 30.7 million. The group made additional investments relating to: the expansion of installed capacity and the improvement of efficiency in existing sites (Euro 93.8 million), the construction of new sites (Euro 147.3 million), and investments linked to M&A (acquisition of new companies or portfolios of sites) for Euro 395.3 million.
The Recurring Leveraged Free Cash Flow came to Euro 304.7 million, up on Euro 277.6 million in 2017.

Net financial indebtedness

Net financial indebtedness at December 31, 2018 amounted to Euro 3,166.2 million, compared to Euro 2,662.6 million at December 31, 2017. The growth of debt was mainly linked to the trend in investments, both for maintenance of existing sites and to increase production capacity and to acquire new infrastructure sites.

Performance of Cellnex shares in 2018

FOOD AND BEVERAGE

Acafè — New Fiera di Milano exhibition center

Schematrentaquattro S.p.A. ("Schematrentaquattro") is the holding company that directly oversees the Group's investments in the Food and Beverage segment and holds an equity investment of 50.10% in Autogrill S.p.A. ("Autogrill").

Chicago O'Hare International Airport (USA)

AUTOGRILL

Food and Beverage

www.autogrill.com

Autogrill is the world's leading operator of Food and Beverage services for travellers.
Edizione invests in human-centric and future-oriented macro-trends: the constant challenge is to tackle the rapid and radical changes in consumer habits, to ensure sustainability, tradition and innovation at global level.
It is thanks to Autogrill that Edizione was able to launch its first major internationalisation process in 1999, in accordance with its original philosophy: to be an active majority shareholder to create value and success stories.

1995	year of acquisition
50.10 %	stake held
4,695 mln Euro	revenues 2018
60,000+	employees
32	countries
4,000+	points of sale
1,000+	locations
900+ mln	travellers served

Autogrill is the leading global operator in food and beverage services for travellers, with leadership in North America and in Italy. Located in 32 countries, with over 60,000 workers, it manages about 4,000 points of sale in around 1,000 locations and has a portfolio of roughly 300 brands.

Its external development operations in 2018 included:
- on February 28, 2018, the Autogrill group acquired the entire share capital of Le CroBag GmbH & Co. KG and of F.F.N. GmbH, which manage the Food and Beverage activities under the Le CroBag brand in railway stations in Germany, Austria and Poland;
- on August 31, 2018, through its US subsidiary HMSHost Corporation, the Autogrill group acquired Avila Retail Development & Management, a company that manages 25 points of sale in four US airports.

The airport channel is the group's primary business channel, generating approximately 58% of total revenues, with a widespread presence in North America, Europe, Asia and the Pacific. In North America, the largest airport market for the group, passengers increased by 5.1% in 2018 with respect to the previous year, with a growth of 4.8% in domestic traffic and of 6.4% in international traffic. In particular, in the United States, traffic grew by 4.8% in 2018. In Europe, passengers increased by 6.2% compared to the previous year. In Asia-Pacific, traffic increased by 6.6%, while in the Middle East it grew by 2.2%.

In the motorway channel, the group operates mainly in Europe, with a strong presence in Italy, France, Belgium, Germany, Switzerland and Spain. In Italy, the main motorway market for the group, traffic increased by 0.4% overall (November figure) in 2018. Traffic growth was driven by heavy traffic, up by 2.6%, while light traffic decreased by 0.3%. The presence of the group in the motorway channel in North America is concentrated in the Eastern part of the United States and of Canada. In the United States, traffic increased by 0.3% in 2018 compared to 2017.

Key figures for the Autogrill group in 2018 and 2017 are shown below:

(Millions of Euro)	**2018**	**2017**	**Change**	**%**
Revenues from sales and services to customers	4,695	4,595	100	2.2
Oil sales	418	396	22	5.6
Other revenues and income	111	96	15	15.6
Total revenues and other operating income	**5,224**	**5,087**	**137**	**2.7**
EBITDA	**387**	**399**	**(12)**	**(3.0)**
Depreciation and amortisation	(237)	(213)	(24)	11.3
Impairment losses on property, plant and equipment and intangible assets	-	(1)	1	n.s.
EBIT	**150**	**185**	**(35)**	**(18.9)**
Net financial income/(charges) and impairment losses on financial assets	(29)	(26)	(3)	11.5
Income before taxes	**121**	**159**	**(38)**	**(23.9)**
Income taxes	(34)	(46)	12	(26.1)
Profit from continuing operations	**87**	**113**	**(26)**	**(23.0)**
Non-controlling interests	18	17	1	5.9
Net income, group	**69**	**96**	**(27)**	**(28.1)**
Cash flow from operating activities	324	314	10	
Investments, net	301	262	39	

	12.31.2018	**12.31.2017**	**Change**
Capital employed	1,412	1,239	173
Shareholders' equity	741	695	46
Net financial indebtedness	671	544	127
Net financial indebtedness/EBITDA	1.73	1.36	

Revenues

The Autogrill group earned consolidated revenues of Euro 4,695 million, up by 2.2% compared to the previous year (+5% on a like-for-like basis).
In the airport channel, sales increased by 3.1% (+7.2% at constant exchange rates), supported by good traffic performance in North America and the International sector.

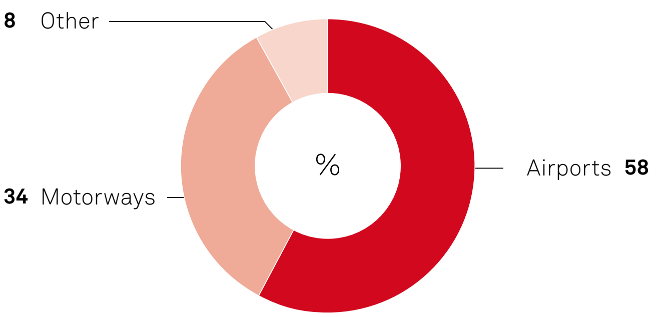
Revenues in the motorway channel decreased by 2.5% (-1.3% at constant exchange rates), due to the selective renewals in the Italian network, which resulted in a decrease in the scope of operations, and due to the weakness of motorway traffic.
Sales in other channels (+19.3%; +20% at constant exchange rates) reflect the opening of new points of sale in Europe and the acquisition of Le CroBag.
Sales are broken down below by channel:

(Millions of Euro)	2018	%	2017	%	Change
Airports	2,742	58.4	2,660	57.9	82
Motorways	1,589	33.8	1,629	35.4	(40)
Other	364	7.8	306	6.7	58
Total	**4,695**	**100**	**4,595**	**100**	**100**

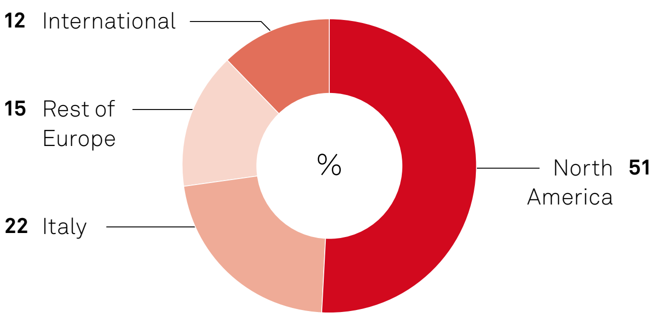
Sales are broken down below by geographical area:

(Millions of Euro)	2018	%	2017	%	Change
North America	2,389	50.9	2,397	52.2	(8)
Italy	1,024	21.8	1,029	22.4	(5)
Rest of Europe	698	14.9	657	14.3	41
International	584	12.4	512	11.1	72
Total	**4,695**	**100**	**4,595**	**100**	**100**

Revenues by channel 2018



Revenues by region 2018



Operating margins

In 2018, the group's EBITDA stood at Euro 386.9 million, down by 3.0% (+0.5% at constant exchange rates) compared to 2017. The reduction mainly reflects the impact of the costs relating to the early retirement plan launched in Italy in March 2018 and the increase in lease and concession payments connected with the award of new tenders which, in some cases, have not yet reached the expected level of operating efficiency (Spain and Norway). The table below shows the EBITDA of the Autogrill group broken down by geographical area for 2018 and 2017:

(Millions of Euro)	2018	%	2017	%	Change
North America	262	67.6	269	67.4	(7)
Europe	65	16.9	72	18.1	(7)
International	60	15.5	58	14.5	2
Total	**387**	**100**	**399**	**100**	**(12)**

EBIT for 2018 amounted to Euro 150 million, down on 2017, both due to the effects discussed above and the increase in depreciation, amortisation and impairment.

In 2018, the group's share of income for the year amounted to Euro 68.7 million, compared to Euro 96.2 million in 2017.

Investments

In 2018 net investments were mainly targeted to the airport channel and amounted to Euro 301 million, compared to Euro 262 million in 2017. Investments are broken down below by geographical area below:

(Millions of Euro)	2018	%	2017	%	Change
North America	154	51.1	134	51.1	20
Europe	111	37.0	98	37.4	13
International	36	11.9	30	11.5	6
Total	**301**	**100**	**262**	**100**	**39**

Net financial indebtedness

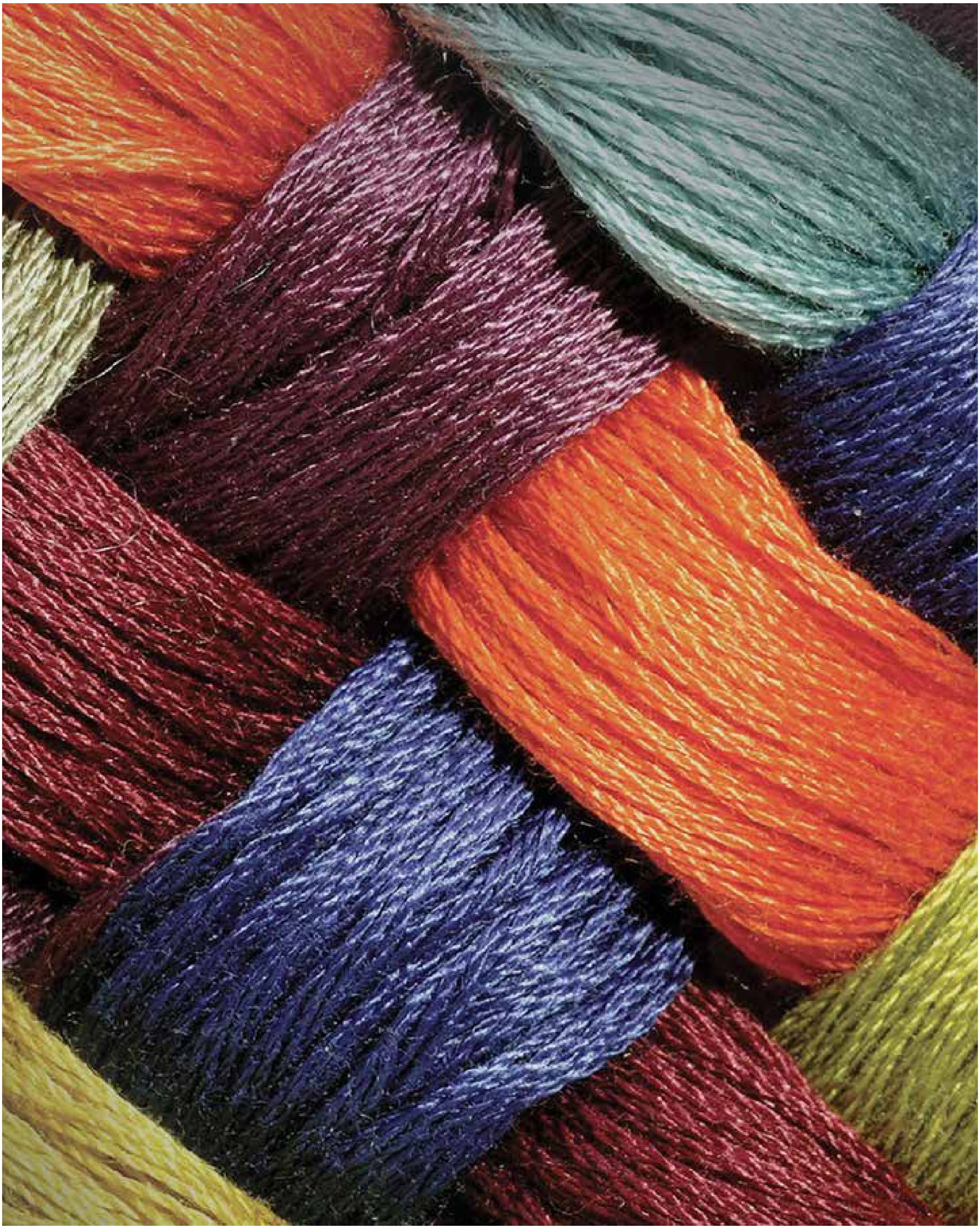
Net financial indebtedness at December 31, 2018 stood at Euro 671 million, up from Euro 544 million at December 31, 2017. 63% of the group's financial indebtedness is denominated in US dollars (compared to 83% at December 31, 2017); the remaining portion is denominated in Euro.

Performance of Autogrill shares in 2018

CLOTHING AND TEXTILES

United Colors of Benetton — 89 Oxford Street, London

Benetton S.r.l wholly-owns the equity investments in Benetton Group S.r.l. ("Benetton Group") and Olimpias Group S.r.l. ("Olimpias Group"), which head the Clothing and Textiles sectors, respectively.



Olimpias

BENETTON GROUP

Clothing and Textiles

www.benettongroup.com

The story of the Benetton family begins with the Benetton brand in the 1950s. World famous, it has been synonymous for decades with the success of so-called made in Italy products, representing values of sustainability, tradition and innovation, an international outlook and creation of value. A global vision and significant entrepreneurial capabilities, these are the foundations of the Benetton family's success.

1955		year of foundation
100	%	stake held
1,230	mln Euro	revenues 2018
80+		countries
7,600+		employees
4,700		stores

Benetton Group S.r.l., which holds the United Colors of Benetton and Sisley brands, is one of the most famous companies in the world, present in leading markets with a sales network of around 4,700 stores, of which around 1,200 directly managed and around 3,500 indirectly managed.

The year 2018 was confirmed as a transitional year for the Benetton group, during which the group acted on organisation, product, communication and distribution channels, in accordance with the Three-Year Plan 2018-2020. Due to the timely corrective actions implemented from the end of 2017, in 2018 the group was able to significantly reduce the operating loss and improve the profit margin.

Key figures for the Benetton group in 2018 and 2017 are shown below:

(Millions of Euro)	**2018**	**2017**	**Change**	**%**
Revenues	**1,230**	**1,280**	**(50)**	**(3.9)**
Cost of sales	(712)	(748)	36	(4.8)
Gross operating profit	**518**	**532**	**(14)**	**(2.6)**
Distribution and transport costs	(113)	(113)	-	-
Contribution margin	**405**	**419**	**(14)**	**(3.3)**
EBIT	**(96)**	**(144)**	**48**	**(33.3)**
Net financial income/(charges)	(4)	(14)	10	(71.4)
Foreign currency hedging gains/(losses) and exchange differences	(2)	(3)	1	(33.3)
Income before taxes	**(102)**	**(161)**	**59**	**(36.6)**
Income taxes	(13)	(20)	7	(35.0)
Net income/(loss), group	**(115)**	**(181)**	**66**	**(36.5)**
EBITDA	(41)	(75)	34	
Cash flow provided/(used) by operating activities	(27)	(38)	11	
Operating investments, net	33	57	(24)	
	12.31.2018	**12.31.2017**	**Change**	
Capital employed	474	543	(69)	
Shareholders' equity	383	429	(46)	
Net financial indebtedness	91	114	(23)	

Revenues

The 2018 revenues stood at Euro 1,230 million, down by Euro 50 million compared to the previous year (-3.9%). Revenues by channel were as follows:

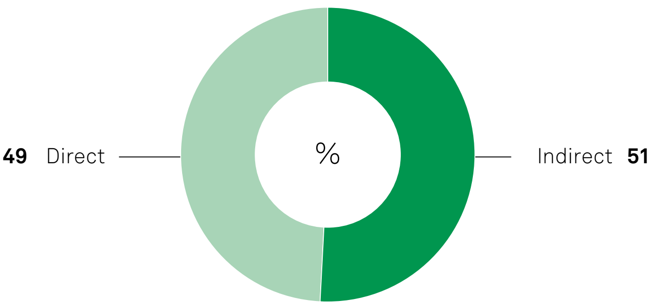
(Millions of Euro)	**2018**	**%**	**2017**	**%**	**Change**
Indirect channel	627	51.0	654	51.1	(27)
Direct channel	603	49.0	626	48.9	(23)
Total	**1,230**	**100**	**1,280**	**100**	**(50)**

Revenues by geographical area are shown below:

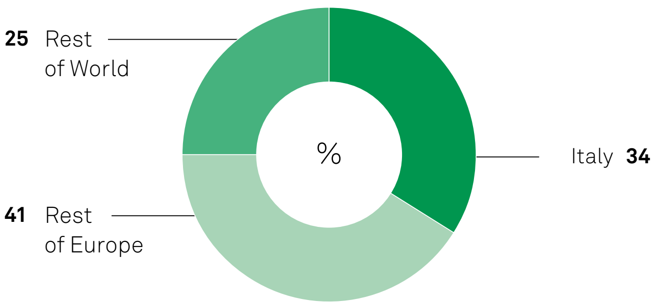
(Millions of Euro)	**2018**	**%**	**2017**	**%**	**Change**
Italy	418	34.0	465	36.3	(47)
Rest of Europe	506	41.1	502	39.2	4
Rest of World	306	24.9	313	24.5	(7)
Total	**1,230**	**100**	**1,280**	**100**	**(50)**

Revenue performance was due to the following factors:
- the negative impact of exchange rates for a total of Euro 28 million;
- a reduction in sales volumes of the 2018 Spring/Summer and Fall/Winter collections, particularly in the indirect channel, partly as a result of the decrease in the number of shops managed by third parties;
- a slightly negative performance of directly managed comparable store sales, specifically in Europe;
- an increase in the sales of the E-commerce channel of 32.5%.

Revenues by channel 2018



Revenues by region 2018



Operating margins

In 2018, the Gross operating profit came to Euro 518 million or 42.1% of revenues, compared with 41.6% the previous year. EBITDA in 2018 was negative by Euro 41 million, recovering 34 million on the negative EBITDA of Euro 75 million in 2017.

EBIT was a negative Euro 96 million in 2018, compared to Euro 144 million in 2017, benefitting from lower provisions for impairment of doubtful accounts, inventories and fixed assets.

In 2018, the net loss for the period amounted to Euro 115 million, compared to the loss of Euro 181 million in the previous year.

Operating cash flow and investments

The cash flow absorbed by operating activities amounted to Euro 27 million. Total operating investments amounted to Euro 33 million (Euro 57 million in 2017), and were allocated to support the development of the direct sales network and the refurbishment and expansion of existing points of sale, especially in Italy, the United Kingdom, Spain and India.

Net financial indebtedness

The net financial indebtedness at December 31, 2018 was a negative Euro 91 million (Euro 114 million at December 31, 2017), benefiting from a shareholders' loan and/or loss coverage of Euro 55 million from the holding company, received in November 2018.

OLIMPIAS GROUP

Clothing and Textiles

www.olimpias.com

Created from the union of a number of industrial firms, Olimpias is now an important group in the European textiles sector.
With its two main business, textiles and clothing, Olimpias combines respect for the environment and for sustainability with research and the use of the most advanced technologies, in line with the Group's philosophy.

100 %	stake held
288 mln Euro	revenues 2018
2,800+	employees
6	countries
9	sites

The Olimpias group operates both in Italy and in foreign countries such as Romania, Croatia, Serbia, Hungary and Tunisia, manufacturing yarns for knitwear, cotton fabrics, labels and, specifically, men's, women's and children's apparel. Production in the textiles segment are targeted to the market of third party customers, while the clothing segment is mainly targeted for the main customer Benetton Group S.r.l.

Key figures for the Olimpias group in 2018 and 2017 are shown below:

(Millions of Euro)	2018	2017	Change	%
Revenues	**288.4**	**299.1**	**(10.7)**	**(3.6)**
Cost of sales	(268.0)	(285.2)	17.2	(6.0)
Gross operating profit	**20.4**	**13.9**	**6.5**	**46.8**
Distribution and transport costs	(5.4)	(5.0)	(0.4)	8.0
Contribution margin	**15.0**	**8.9**	**6.1**	**68.5**
Payroll costs	(7.5)	(7.6)	0.1	(1.3)
Provisions for risks and charges	(1.2)	(1.6)	0.4	(25.0)
Depreciation and amortisation	(1.2)	(0.8)	(0.4)	50.0
Sales and general expenses	(14.8)	(13.2)	(1.6)	12.0
EBIT	**(9.7)**	**(14.3)**	**4.6**	**(32.2)**
Net financial income/(charges)	(0.5)	(0.5)	-	-
Foreign currency hedging gains/(losses) and exchange differences	(0.5)	0.1	(0.6)	n.s.
Income before taxes	**(10.7)**	**(14.7)**	**4.0**	**(27.4)**
Income taxes	(0.6)	1.0	(1.6)	n.s.
Non-controlling interests	(1.1)	(0.2)	(0.9)	n.s.
Net income/(loss), group	**(12.4)**	**(13.9)**	**1.5**	**(11.0)**

EBITDA	1.4	(1.7)	3.1
Cash flow from operating activities	(15.8)	11.1	(26.9)
Operating investments	5.5	5.8	(0.3)

	12.31.2018	12.31.2017	Change
Capital employed	175.9	166.0	9.9
Shareholders' equity	178.1	189.3	(11.2)
Net financial indebtedness/(Cash)	(2.2)	(23.3)	21.1

Revenues

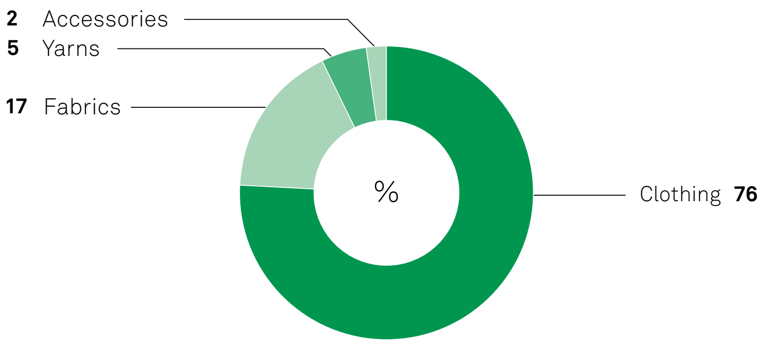
Revenues stood at Euro 288.4 million compared to Euro 299.1 million in 2017, a decrease of Euro 10.7 million, or approximately 3.6%, attributable to the Clothing segment.

(Millions of Euro)	**2018**	**%**	**2017**	**%**	**Change**
Clothing	218.5	75.7	237.2	79.3	(18.7)
Yarns	15.4	5.4	13.9	4.7	1.5
Fabrics	47.9	16.6	42.0	14.0	5.9
Accessories	6.6	2.3	6.0	2.0	0.6
Total	**288.4**	**100**	**299.1**	**100**	**(10.7)**

Revenues of the Clothing business were primarily from the customer Benetton Group S.r.l. and for Euro 6.9 million from third-party customers.

Total revenues from third-party customers in 2018 amounted to Euro 74.4 million with an increase of Euro 10.6 million compared to 2017 (Euro 65.8 million).

Revenues by channel 2018



Operating margins

The Gross operating profit amounted to Euro 20.4 million compared to Euro 13.9 million in the previous year, an increase of Euro 6.5 million.

In 2018, EBITDA was positive by Euro 1.4 million, compared to the negative 2017 EBITDA (Euro 1.7 million).

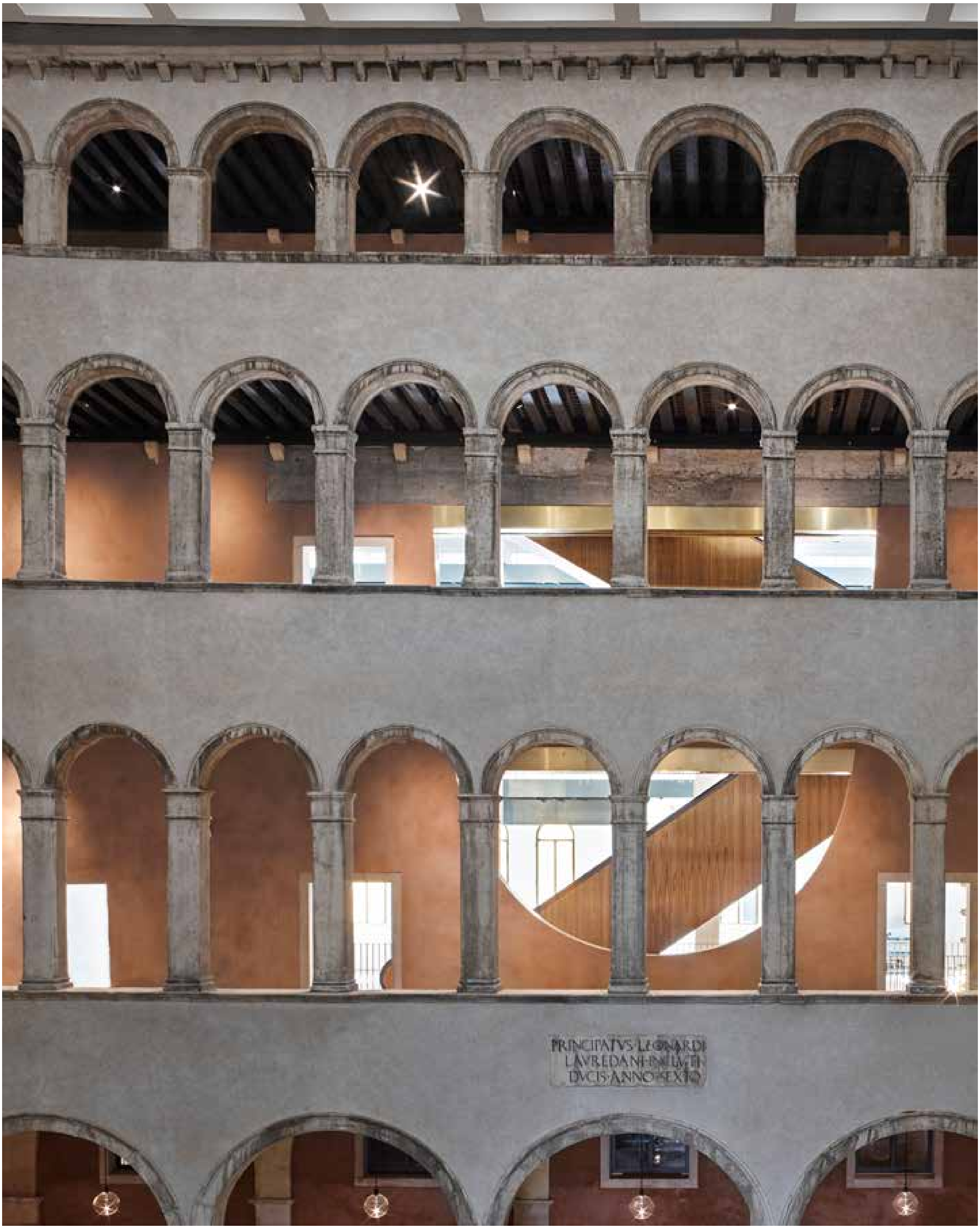
The 2018 EBIT was negative by Euro 9.7 million (negative by Euro 14.3 million in 2017).

The net loss for the Group in 2018 amounted to Euro 12.4 million (net loss of Euro 13.9 million in 2017).

Net financial indebtedness/(Cash)

The net cash of Olimpias at December 31, 2018 amounted to Euro 2.2 million (net cash of Euro 23.3 million at December 31, 2017).

REAL ESTATE AND AGRICULTURE



Fondaco dei Tedeschi, Venice


Compañia de Tierras Sud Argentino

EDIZIONE PROPERTY

Real Estate and Agriculture

As a result of the comprehensive programme of reorganisation and rationalisation of the real estate assets held by the holding company, Edizione Property now owns a portfolio of prestige properties, including the Fondaco dei Tedeschi in Venice and the Champs-Élysées building in Paris. With a clear goal of growth, through further acquisitions on the world's major international locations, Edizione is confirming its strategy to diversify and expand on global markets.

100 %	stake held
44 mln Euro	revenues 2018
111	properties
16	countries
213,000	gross sqm
1.8 bn Euro	value of the real estate portfolio

At December 31, 2018, the real estate assets owned by the Edizione Property group consist of a portfolio of 111 properties in 16 countries worldwide, including 60 in Italy.

During the year, the administrative and technical activities aimed at increasing the value of the property complex in Florence, named Palazzo Borsa Merci, continued.
In September 2018 the property named *Ex-Intendenza di Finanza*, located in Treviso, of approximately 11,000 square metres, was purchased for a total of Euro 11 million and, as part of the larger process of reorganising the property portfolio, a portion of the property in Villorba (Treviso), the last property in Kazakhstan and a portion of property and a plot of land in Russia (Omsk and Samara) were sold.
On December 11, 2018, the company finalised the purchase of a historical property of around 25,000 square metres in the historical centre of Rome, for a total investment of Euro 150 million. The asset has unique characteristics due to its location, visibility, size, quality and architectonic prestige, along with the perfect functionality of its spaces for future use as a hotel.

Note that in 2018 and the previous year, the economic results and statement of financial position balances referring to the agriculture segment were reclassified into a single row in the income statement and the statement of financial position, respectively, due to the planned demerger of agricultural operations to a newly-established company in the Edizione Group. Consolidated economic and financial highlights in 2018 and 2017 are as follows:

(Millions of Euro)	Real Estate	Agriculture	Hotels	Total 2018 *	Total 2017 *	Change
Rents	43.9	-	-	43.9	46.2	(2.3)
Property management cost, net	(5.5)	-	-	(5.5)	(5.5)	-
Real Estate EBITDA	**38.4**	**-**	**-**	**38.4**	**40.7**	**(2.3)**
Amortisation and depreciation	(16.5)	-	-	(16.5)	(15.4)	(1.1)
Income from disposal of properties and impairment reversals	12.9	-	-	12.9	1.9	11.0
Losses from disposal of properties and impairment	(18.0)	-	-	(18.0)	(2.0)	(16.0)
Linearisation of lease revenues	0.6	-	-	0.6	2.5	(1.9)
Real Estate EBIT	**17.4**	**-**	**-**	**17.4**	**27.7**	**(10.3)**
Other revenues	1.9	-	17.0	18.9	20.4	(1.5)
Other costs	(3.3)	-	(7.4)	(10.7)	(10.5)	(0.2)
Payroll costs	(5.3)	-	(5.6)	(10.9)	(10.7)	(0.2)
Depreciation/amortisation of other assets not directly relating to properties	(0.1)	-	(0.4)	(0.5)	(0.4)	(0.1)
EBIT	**10.6**	**-**	**3.6**	**14.2**	**26.5**	**(12.3)**
Net financial income/(charges) and exchange differences	(4.8)	-	-	(4.8)	(6.2)	1.4
Income taxes	5.2	-	(0.3)	4.9	(3.9)	8.8
Profit/(Loss) from discontinued operation	-	1.5	-	1.5	4.0	(2.5)
Non-controlling interests	-	-	-	-	-	-
Net income, group	**11.0**	**1.5**	**3.3**	**15.8**	**20.4**	**(4.6)**

	12.31.2018 *	12.31.2017 *	Change
Capital employed	789.6	769.4	20.2
Shareholders' equity	568.5	542.8	25.7
Net financial indebtedness	221.1	226.6	(5.5)

* The economic results and statement of financial position balances referring to the agriculture segment were reclassified into a single row in the income statement and the statement of financial position in accordance with the provisions of IFRS 5.

Rents

In 2018, the Company earned rental income of Euro 43.9 million from the management of properties mainly intended for commercial use. This figure decreased compared to Euro 46.2 million recorded in the previous year.

Operating margins

Real Estate EBITDA stood at Euro 38.4 million, a reduction on the year of comparison (Euro 40.7 million) due to the decrease in revenues.

Real Estate EBIT amounted to Euro 17.4 million in 2018, compared to Euro 27.7 million in 2017. The change is attributable to greater impairment losses during the year.

The Group's share of net income amounts to Euro 15.8 million (Euro 20.4 million in 2017).

Net financial indebtedness

The Edizione Property group's net financial indebtedness at the end of 2018 amounted to Euro 221.1 million, compared to Euro 226.6 million at December 31, 2017.

FINANCIAL INSTITUTIONS

Assicurazioni Generali, piazza Tre Torri, Milan

SCHEMATRENTATRE

Through transfers in kind, Schematrentatre S.p.A. ("Schematrentatre", wholly owned by Edizione) received the equity investments in Assicurazioni Generali S.p.A. ("Assicurazioni Generali") and Mediobanca S.p.A. ("Mediobanca") held by Edizione, and becomes the holding company that heads up the Group's investments in the Financial Institutions segment.

In 2018 and the previous year, the company achieved the following results:

(Millions of Euro)	Separate financial statements		Change	
	2018	**2017**	**Absolute**	**%**
Dividends and other income from equity investments	49.2	-	49.2	n.s.
Operating costs	(0.3)	0.0	(0.3)	n.s.
Income taxes	(0.5)	-	(0.5)	n.s.
Income for the year	**48.4**	**0.0**	**48.4**	**n.s.**
	12.31.2018	**12.31.2017**	**Change**	
Shareholders' equity	974.5	0.1	974.4	
Net financial indebtedness	18.1	-	18.1	

Following such transfers in kind, Schematrentatre further increased its interest in the share capital of Assicurazioni Generali and, at December 31, 2018, held 52,130,000 Assicurazioni Generali shares, equal to 3.331% of the share capital. The equity investment held in Mediobanca, 18,625,029 shares, equal to 2.10% of the share capital, remained unchanged on the date of transfer.

Dividends and other income from equity investments comprises Euro 40.5 million for the dividends received from Assicurazioni Generali on May 23, 2018 and Euro 8.7 million for the dividends received from Mediobanca on November 21, 2018.

The change in shareholders' equity reflects the effects of the capital increase by Edizione through the transfer in kind of the equity investments discussed above.

Net financial indebtedness included the debt of the intercompany current account with Edizione and the payable to a brokerage company for the purchase of Assicurazioni Generali shares, which occurred at the end of the year and was settled in 2019, net of cash and cash equivalents.

THE PARENT COMPANY

www.edizione.com

The main events that occurred in 2018 are shown below.

Purchases of Assicurazioni Generali shares and reorganisation of the minority interests in listed companies in Financial Institutions
In the first months of 2018, the Parent Company acquired on the market 25,987,256 shares of Assicurazioni Generali, amounting to 1.664% of the share capital, for an amount of Euro 401.2 million. On May 7, 2018 the Parent Company underwrote a capital increase of the subsidiary Schematrentatre totalling Euro 926 million, by the transfer of all shares held in Assicurazioni Generali (47,616,056 shares, amounting to 3.049% of the share capital), for an amount of Euro 745 million, and all shares held in Mediobanca (18,625,029 shares, amounting to 2.10% of the share capital) for an amount of Euro 181 million. This transaction concentrated in a vehicle the minority interests held by Edizione in listed companies in the Financial Institutions segment.

Acquisition of an equity investment of 29.9% in the capital of Cellnex Telecom S.A.
As part of the binding agreements stipulated between Atlantia, Hochtief and ACS to carry out the joint investment in Abertis, Atlantia was granted a right to exercise a Call Option on a part or all of the 34% equity investment held by Abertis in Cellnex, to be exercised directly or by a designated party, by March 23, 2018.
On March 20, 2018 Edizione sent a letter to Atlantia (subsequently supplemented on March 23, 2018) whereby it undertook to grant Atlantia a right to sell ("Put Option") on an interest in Cellnex equal to 29.9% of the share capital, at an exercise price of Euro 21.50 per share of Cellnex (cum dividend), amounting to a maximum price of Euro 1,489 million, at the terms and conditions summarised below:
- the assumption, by Edizione, of the commitments contained in the Call Option, including the terms and conditions of a possible price adjustment in the form of an earn-out in the 12 months following the transfer;
- recognition by Edizione to Atlantia of the right (personal and non-transferable) to co-invest in Cellnex, acquiring up to 20% of the investment (equal, transparently, to approximately 6% of the Cellnex issued capital) within two years of execution of the sale, as well as a "right of first offer" and a "pre-emptive right" in the case that Edizione intends to sell, directly or indirectly, all or part of the investment within seven years following execution of the sale;
- exercise of the Put Option not later than April 16, 2018.

On March 23, 2018 the Board of Directors of Atlantia resolved to exercise the Call Option on a part or all of the equity investment in Cellnex. Subsequently, on April 16, 2018 having completed the process of gauging the interest of potential third party investors in acquiring all or part of the Cellnex shares, as no improved offer had been received, Atlantia exercised the Put Option on 29.9% of the share capital of Cellnex granted by Edizione.

On May 9, 2018 Edizione presented to its subsidiary Sintonia – as the sub-holding for the Group's infrastructural investments – the opportunity to invest in Cellnex, and on May 23, 2018 Sintonia established ConnecT as the vehicle company through which to make the investment, into which the capital contributions of Sintonia and of any minority co-investors could flow.
The terms and conditions of the investment in Cellnex are those set out in the agreements entered into by Atlantia and Edizione to govern the Put Option, which Edizione communicated to Sintonia and Sintonia to ConnecT.
In order to provide the subsidiary Sintonia with the financial resources necessary to support ConnecT in acquiring Cellnex, Edizione:

- underwrote and paid in a capital increase of Euro 900 million on July 9, 2018 approved by Sintonia on June 29, 2018;
- subscribed a shareholders' loan agreement with Sintonia for Euro 200 million on July 6, 2018.

In turn, on July 4, 2018, Sintonia entered into a bullet five-year loan with a pool of banks, for an amount of Euro 1 billion, structured in one Term Loan tranche of Euro 200 million and one Revolving Facility tranche of Euro 800 million, of which Euro 400 million has been used.
Those financial resources allowed the subsidiary Sintonia to:

- underwrite and pay in on July 9, 2018, the share capital increase resolved by the shareholders' meeting of the investee company ConnecT on July 3, 2018 for Euro 965.6 million;
- subscribe a shareholders' loan with ConnecT of Euro 521 million on July 6, 2018 as temporary coverage of a portion of the amounts that would be contributed by co-investors in the syndication of the investment.

On July 12, 2018 the subsidiary ConnecT subscribed the purchase and sale agreement with Abertis, at the terms and conditions set out in the Put Option and the Call Option.
On July 24, 2018, for the purpose of more detailed governance of the additional rights granted to Atlantia by Edizione as part of the Put Option agreement, Atlantia, Sintonia, ConnecT and Edizione signed a Co-Investment Agreement.
On October 12, 2018 the entry into the shareholding structure of the subsidiary ConnecT was finalised for two shareholders: Infinity Investments S.A. ("Infinity"), a company wholly-owned by the Abu Dhabi Investment Authority fund and Raffles Infra Holdings Limited ("Raffles"), a company wholly-owned by GIC, a sovereign fund of Singapore. The two shareholders each own around 20% of the capital of ConnecT. As part of the shareholders' agreements signed by Sintonia, Infinity, Raffles and ConnecT, Sintonia granted a call option to Infinity and Raffles for each of them to separately purchase an additional stake of 2.5% in the share capital of ConnecT. That call option can be exercised by July 31, 2019 at a price in line with that of the original investment, pro-rata on 2.5% of the capital of ConnecT.

Loan in favour of the subsidiary Schematrentasette S.r.l. and merger by incorporation of Schematrentotto S.r.l. into Schematrentasette S.r.l.
In March 2018, Edizione made available to the subsidiary Schematrentasette S.r.l. financial means totalling Euro 105 million, of which Euro 50 million by way of loan and Euro 55 million by way of shareholders' loan.
On May 11, 2018, the deed of merger by incorporation of Schematrentotto S.r.l. in Schematrentasette S.r.l., both wholly owned by Edizione was signed. Schematrentasette S.r.l. then changed its name to Benetton S.r.l.

Reorganisation of the equity investments in the agricultural sector
On May 28, 2018, the Board of Directors of the Parent Company approved the plan for demerger of the equity investments held directly and indirectly in the agricultural sector (Maccarese S.p.A., Compañìa de Tierras Sud Argentino S.A. and Ganadera Condor S.A.) in a newly established beneficiary company.

Other equity investments and investment funds
In April 2018 the Parent Company finalised the sale of the entire stake of 1.83% held in Banca Leonardo S.p.A., for an amount of Euro 2.9 million.
In October 2018 the Parent Company liquidated the residual 50% of the units held in Quaestio Opportunity Fund for an amount of Euro 254.8 million.
In December 2018, the Parent Company acquired 1,162,165 shares of Prysmian S.p.A., amounting to 0.43% of the share capital, for an amount of Euro 19.7 million.

Below are the economic and financial highlights of 2018 compared with those of 2017:

(Millions of Euro)	2018	2017	Change	%
Dividends from equity investments	186.6	774.0	(587.4)	(75.9)
Income from investment funds	5.6	0.6	5.0	n.s.
Dividends and income from investment funds	**192.2**	**774.6**	**(582.4)**	**(75.2)**
Other revenues and income	0.8	0.6	0.2	30.3
Operating costs	(17.5)	(15.7)	(1.8)	11.4
Depreciation, amortisation and impairment	(0.1)	(1.3)	1.2	(92.4)
Net financial income/(charges)	2.1	2.3	(0.2)	(8.7)
Income taxes	4.0	(2.6)	6.6	n.s.
Net operating income	**181.5**	**757.9**	**(576.4)**	**(76.1)**
Fair value adjustment of investment funds	(2.2)	13.8	(16.0)	n.s.
Capital gains/(losses) from investment funds	(7.3)	5.9	(13.2)	n.s.
Impairment of equity investments	(0.1)	(399.9)	399.8	(100)
Income for the year	**171.9**	**377.7**	**(205.8)**	**(54.5)**

	12.31.2018	12.31.2017	Change
Equity investments	3,413.5	2,021.2	1,392.3
Other assets, net	40.9	275.3	(234.4)
Capital employed	**3,454.4**	**2,296.5**	**1,157.9**
Shareholders' equity	3,944.0	3,905.7	38.3
Net financial indebtedness/(Cash)	(489.6)	(1,609.2)	1,119.6
Sources of funding	**3,454.4**	**2,296.5**	**1,157.9**

Dividends stood at Euro 186.6 million in 2018, down compared to Euro 774 million in 2017. The change is specifically attributable to:
- the lower dividends distributed by the subsidiary Schematrentaquattro, which distributed dividends of Euro 17.1 million and income-related reserves of Euro 442.1 million in the previous year;
- the reduction in dividends received from Sintonia due to the fact that its direct subsidiary Atlantia did not distribute the interim dividend for 2018;
- the lack of dividends from the equity investments in Assicurazioni Generali and Mediobanca due to the transfer of these companies to the subsidiary Schematrentatre in May 2018.

Fair value adjustment of investment funds includes the effect of the fair value measurement of the investment funds managed by 21 Invest based on their Net Asset Value at year end. In the previous year, the positive balance of this item was specifically attributable to the changes in fair value of Quaestio Opportunity Fund (Euro 12.9 million).

Capital gains/(losses) from investment funds in 2018 refers to the capital loss realised following the liquidation of the residual 50% of the units held in Quaestio Opportunity Fund. As discussed above, in the previous year the Parent Company adjusted the value of those shares upwards by Euro 12.9 million.

In 2017, the item Impairment of equity investments related to the impairment of the carrying values of the subsidiaries Schematrentaquattro (Euro 392.7 million), San Giorgio S.r.l. (Euro 4.2 million), Verde Sport S.r.l. (Euro 0.3 million) and the investee company Banca Leonardo S.p.A. (Euro 2.7 million) in order to align its carrying value to the recoverable amount deriving from the sale of the equity investment, which occurred in April 2018.

The balance of Equity investments at December 31, 2018 increased on 2017 due to the following main changes:

(Millions of Euro)	
Value of equity investments at December 31, 2017	**2,021.2**
Purchases of Assicurazioni Generali shares	401.2
Transfer in kind of Assicurazioni Generali	(745)
Transfer in kind of Mediobanca	(181)
Capital increase of Schematrentatre	926
Capital gain from transfer in kind of Assicurazioni Generali to Shareholders' equity	13.0
Capital gain from transfer in kind of Mediobanca to Shareholders' equity	3.5
Disposal of Banca Leonardo	(2.9)
Capital increase of Benetton (formerly Schematrentasette)	55
Capital increase of Sintonia	900
Capital increase of Verde Sport	3.5
Purchases of Prysmian shares	19.7
Liquidation of subsidiaries	(0.5)
Capital loss from liquidation of subsidiaries	(0.2)
Value of equity investments at December 31, 2018	**3,413.5**

Other assets, net, decreased following the collection of Euro 254.8 deriving from the liquidation of the residual 50% of the units held in Quaestio Opportunity Fund.

At December 31, 2018 Edizione had net cash and cash equivalents for Euro 489.6 million, compared to net cash and cash equivalents of Euro 1,609.2 million at the end of 2017.

ADDITIONAL INFORMATION

At the reporting date, the Parent Company did not hold own quotas and its subsidiaries did not own quotas or shares 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.
Edizione S.r.l. has a secondary office in Milan, in Corso di Porta Vittoria, 16.

Note 59 – Financial risk management, describes the financial risks of the main companies of the Group.
With regard to risks of another nature, research and development activities, information about personnel and the environment, please refer to the annual financial reports approved by each group.
In particular, for a detailed description of the event of August 14, 2018 relating to the collapse of a section of the Polcevera road bridge in Genoa, refer to Note 10.7 Significant legal and regulatory aspects of the 2018 Annual report of the Atlantia group.

SIGNIFICANT EVENTS FOLLOWING THE END OF THE FINANCIAL YEAR

Transport Infrastructure

Atlantia
On February 12, 2019, through its subsidiary Abertis Telecom Satélites, Abertis Infraestructuras reached an agreement with Red Eléctrica for the sale of its 89.7% interest in Hispasat, for a value of Euro 949 million.
The condition precedent for the sale is the receipt of authorisation from the Spanish government and the Spanish and Portuguese competition and market authorities and all other regulatory authorisations required. The operation is expected to be finalised by the end of the first half of 2019.
On May 3, 2019, Autostrade per l'Italia responded to the requests for clarifications received from the Ministry of Infrastructure and Transport on 16 August and 20 December 2018 and on 5 April 2019. The document, which has been presented within the deadline set by the grantor, substantiates the company's belief that it has acted properly and reiterates its reservations and objections with regard to the procedure initiated.

Digital Infrastructure

Cellnex
On March 6, 2019 the shareholders' meeting of the subsidiary ConnecT resolved a capital increase of Euro 354 million, of which Sintonia's *pro-rata* share amounted to around Euro 212.4 million, for the purpose of underwriting the capital increase of Cellnex Telecom S.A. resolved on February 28, 2019, for a total of Euro 1.2 billion.
On May 7, 2019, Cellnex, Iliad and Salt announced the signing of agreements for long-term strategic cooperation in France, Italy and Switzerland. In France, those agreements entail the acquisition of 70% of the new company that will manage 5,700 sites currently headed by Free, the French mobile operator. In Italy, Cellnex will acquire the 2,200 towers held by Iliad. Cellnex signed an agreement with the Swiss Salt, the third largest operator in the country, to acquire 90% of the new company that will manage 2,800 sites currently headed by Salt.
The total investment planned by Cellnex for the acquisition of the 10,700 sites is Euro 2.7 billion. The agreements also comprise a plan to build 4,000 new sites by 2027, for a total investment of Euro 1.35 billion.

Real Estate and Agriculture

Edizione Property
With regard to the purchase on December 11, 2018 of the Augusto Imperatore property located in Rome, on February 20, 2019, with the fulfilment of the condition precedent on which the effectiveness of the purchase depended, the price of Euro 150 million was paid.

Financial Institutions

Schematrentatre
In the first months of 2019, Schematrentatre acquired on the market 10,670,000 shares of Assicurazioni Generali, amounting to 0.682% of the share capital, for an amount of Euro 161.2 million. Overall, Schematrentatre holds 62,800,000 shares of Assicurazioni Generali, amounting to 4.012% of the share capital, for a total investment of Euro 972.8 million.

The Parent Company

Purchases of Prysmian shares
In the first months of 2019, the Parent Company acquired on the market 6,614,018 shares of Prysmian S.p.A., amounting to 2.467% of the share capital, for an amount of Euro 120.6 million. In total, Edizione holds 7,776,183 shares, amounting to 2.9% of the share capital, for a total investment of Euro 140.3 million.

Reorganisation of the equity investments in the agricultural sector
On February 25, 2019, the Shareholders' Meeting of Edizione approved the plan for demerger of the equity investments held directly and indirectly in the agricultural sector (Maccarese S.p.A. società agricola, Compañia de Tierras Sud Argentino S.A. and Ganadera Condor S.A.) in a newly established beneficiary company.

OUTLOOK FOR 2019

Transport Infrastructure

Atlantia
The group's operating performance leads to expect positive operating results in 2019 across the Atlantia group's various operating platforms, with stronger growth in the group's overseas and airports businesses. The Italian motorway segment is expected to be broadly stable (excluding non-recurring items linked to the collapse of the road bridge in Genoa), despite the fact that the performance of traffic could potentially be affected by the current economic slowdown in Italy.
The process of integrating Abertis will continue during the year. The group will be consolidated for 12 months and the integration will lead to the achievement of synergies that we expect to result in improved operating margins.
The potential risks resulting from the letter of complaint sent to Autostrade per l'Italia by the Ministry of Infrastructure and Transport on August 16, 2018 alleging serious breaches of the company's contractual obligations in relation to the collapse of the Polcevera road bridge should be taken into account. In its response dated August 31, 2018 Autostrade per l'Italia presented its counterarguments, rejecting the accusation that it had failed to meet its contractual obligations and, in addition, asserting that any decision by the Ministry to activate the procedures provided for in articles 8, 9 and 9 *bis* of the Concession Arrangement would be inadmissible and without effect.
Subsequently, in a letter dated December 20, 2018 the Ministry of Infrastructure and Transport added further to its letter of complaint and, in accordance with the procedure required under the arrangement, requested the company to provide further counterarguments, giving it a period of 120 days to respond.
On May 3, 2019, Autostrade per l'Italia responded to the requests for clarifications received from the Ministry of Infrastructure and Transport on August 16 and December 20, 2018 and on April 5, 2019. The document, which has been presented within the deadline set by the grantor, substantiates the company's belief that it has acted properly and reiterates its reservations and objections with regard to the procedure initiated.

Food and Beverage

Autogrill
2019 began in line with forecasts, with a good level of growth in revenues in North America and in the International Area, and stable revenues in Europe. In 2019 the Autogrill group will complete its three-year plan, whose main elements are the growth in revenues, structural streamlining and improving profitability, in addition to carrying out acquisitions in strategic geographical areas and streamlining non-core operations.

Clothing and Textiles

Benetton Group
During 2019 the group will continue on the path begun in the previous year, and will benefit from the positive effects of the actions implemented in 2018 in line with that set out in the three-year plan 2018-2020.

Olimpias Group
2019 will be marked by a slight decrease in revenues in the Clothing segment, with an improvement expected in profitability, as a result of the reorganisation and streamlining of the manufacturing network.

Real Estate and Agriculture

Edizione Property
In 2019 the group will continue its business, aiming to position itself as a leading investor and operator in Italy and in foreign countries with developed real estate markets.
For 2019, results of operation are expected to be positive.

The Parent Company

On the basis of resolutions taken by Edizione's subsidiaries, dividends are expected to increase in 2019, while operating costs are likely to be stabilised.

CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2018

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Thousands of Euro)	12.31.2018	12.31.2017	Note
ASSETS			
Non-current assets			
Property, plant and equipment			1
Land and buildings	707,478	648,526	
Investment property	315,585	324,427	
Plant, machinery and equipment	561,523	443,357	
Furniture, furnishings and electronic equipment	266,720	85,593	
Assets to be relinquished	74,501	70,454	
Leasehold improvements	496,679	457,484	
Other property, plant and equipment	108,471	59,155	
Assets under construction and advances	182,516	145,726	
Total property, plant and equipment	**2,713,473**	**2,234,722**	
Intangible assets			2
Goodwill and other intangible assets of indefinite useful life	22,822,474	6,005,077	
Intangible assets deriving from concession rights	35,788,040	22,412,570	
Intangible assets of finite useful life	656,557	560,128	
Total intangible assets	**59,267,071**	**28,977,775**	
Other non-current assets			
Equity investments in subsidiaries	1,599	972	3
Equity investments in associates and joint ventures	2,907,388	193,579	4
Equity investments in other companies	3,089,897	595,163	5
Investment securities	16,721	276,250	6
Other non-current financial assets	4,471,352	2,278,982	7
Other non-current receivables	280,404	118,470	8
Deferred tax assets	1,788,068	1,434,788	9
Total other non-current assets	**12,555,429**	**4,898,204**	
Total non-current assets	**74,535,973**	**36,110,701**	
Current assets			
Inventories	599,533	591,449	10
Trade receivables	2,415,861	1,958,136	11
Tax receivables	951,307	127,693	12
Other current receivables, accrued income and prepaid expenses	906,583	391,840	13
Other current financial assets	1,049,304	824,218	14
Other investments	25	47	15
Cash and cash equivalents	5,819,620	7,542,661	16
Total current assets	**11,742,233**	**11,436,044**	
Assets held for sale	1,566,423	14,506	17
TOTAL ASSETS	**87,844,629**	**47,561,251**	

(Thousands of Euro)	12.31.2018	12.31.2017	Note
SHAREHOLDERS' EQUITY			
Shareholders' equity attributable to the Parent Company			
Share capital	1,500,000	1,500,000	18
Fair value and hedging reserve	(110,948)	100,303	19
Other reserves and retained earnings	5,788,162	5,650,325	20
Translation reserve	(292,726)	(214,595)	21
Net income for the year	197,116	233,726	
Total	**7,081,604**	**7,269,759**	
Equity attributable to non-controlling interests	14,717,328	9,426,519	22
Total shareholders' equity	**21,798,932**	**16,696,278**	
LIABILITIES			
Non-current liabilities			
Bonds	21,174,911	11,652,503	23
Medium and long-term loans	22,511,560	4,479,303	24
Other non-current liabilities	581,926	162,344	25
Lease financing	6,525	7,076	26
Other non-current financial liabilities	1,549,400	596,775	27
Provisions for employee benefits	461,931	276,453	28
Deferred tax liabilities	3,302,919	2,299,986	29
Non-current provisions and liabilities	2,421,480	1,482,240	30
Provisions for construction services required by contract	2,786,839	2,960,647	31
Total non-current liabilities	**54,797,491**	**23,917,327**	
Current liabilities			
Trade payables	2,736,855	2,178,926	32
Other payables, accrued expenses and deferred income	1,704,166	1,088,737	33
Income tax liabilities	243,753	162,017	34
Current provisions and liabilities	1,286,477	390,285	30
Current portion of provisions for construction services required by contract	428,493	426,846	31
Current portion of bonds	1,615,204	1,118,502	23
Current portion of medium and long-term loans	1,169,659	319,869	24
Current portion of lease financing	779	726	26
Other current financial liabilities	1,071,580	478,900	35
Bank loans and overdraft	452,700	776,572	36
Total current liabilities	**10,709,666**	**6,941,380**	
Liabilities held for sale	538,540	6,266	17
Total liabilities	**66,045,697**	**30,864,973**	
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**87,844,629**	**47,561,251**	

CONSOLIDATED INCOME STATEMENT

(Thousands of Euro)	2018	2017	Note
Revenues	**13,118,830**	**12,106,364**	**37**
Revenues from construction services	516,246	415,479	38
Other revenues and operating income	406,319	419,512	39
Change in inventories of finished products and work in progress	26,093	7,613	
Purchases and changes of raw materials and consumables	(2,814,715)	(2,719,556)	40
Payroll costs	(2,947,534)	(2,820,171)	41
Costs of services	(2,335,971)	(2,124,167)	42
Leases and rentals	(1,494,376)	(1,427,806)	43
Other operating expenses	(235,552)	(164,761)	44
Use of provisions for construction services required by contract	367,884	419,191	45
Depreciation of property, plant and equipment	(360,826)	(325,878)	46
Amortisation of intangible assets	(1,310,164)	(1,057,445)	47
Impairment of property, plant and equipment and intangible assets	(34,366)	(23,199)	48
Impairment of doubtful accounts	(33,918)	(57,108)	49
Provisions for risks	(566,431)	(23,702)	50
Operating result	**2,301,519**	**2,624,366**	
Income/(Losses) from associates	(5,771)	(763)	51
Financial income	463,100	429,039	52
Impairment of equity investments and investment funds	(3,363)	(8,354)	53
Financial charges	(1,189,570)	(965,593)	54
Foreign currency hedging gains/(losses) and exchange differences	(6,167)	258	55
Income before taxes	**1,559,748**	**2,078,953**	
Income taxes	(480,480)	(704,424)	56
Profit/(Loss) from assets held for sale and discontinued operations	3,596	(1,245)	57
Net income for the year (Group and non-controlling interests)	**1,082,864**	**1,373,284**	
Income/(Loss) attributable to:			
– Parent Company	197,116	233,726	
– Non-controlling interests	885,748	1,139,558	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Thousands of Euro)	2018	2017
Income for the year	**1,082,864**	**1,373,284**
Income/(Losses) from fair value measurement of cash flow hedges	(91,002)	67,841
Income/(Losses) from fair value measurement of equity investments	(505,083)	71,213
Gains/(Losses) from translation of assets and liabilities of consolidated companies in functional currencies other than Euro	(388,389)	(277,149)
Other comprehensive income for the year	13,758	7
Tax effect	23,876	(16,319)
Total other comprehensive income for the year	**(946,840)**	**(154,407)**
– of which discontinued operations	-	-
Comprehensive income/(loss) for the year attributable to:	**136,024**	**1,218,877**
– Parent Company	(89,052)	229,063
– Non-controlling interests	225,076	989,814

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Thousands of Euro)	Share capital	Fair value and hedging reserve	Other reserves and retained earnings	Translation reserve	Income/ (Loss) for the year	Equity attributable to the Parent Company	Equity attributable to non-controlling interests	Total
Balance at 12.31.2016	**1,500,000**	**33,935**	**4,994,070**	**(143,630)**	**388,245**	**6,772,620**	**8,061,373**	**14,833,993**
Carry forward of 2016 income	-	-	388,245	-	(388,245)	-	-	-
Dividends distributed	-	-	(140,000)	-	-	(140,000)	(823,631)	(963,631)
Capital increases/ (reimbursements)	-	-	-	-	-	-	(77,846)	(77,846)
Transactions with non-controlling interests	-	-	414,619	-	-	414,619	1,267,755	1,682,374
Change in scope of consolidation	-	-	-	-	-	-	-	-
Other movements	-	-	(6,543)	-	-	(6,543)	9,054	2,511
Comprehensive income for the year	-	66,368	(66)	(70,965)	233,726	229,063	989,814	1,218,877
Balance at 12.31.2017	**1,500,000**	**100,303**	**5,650,325**	**(214,595)**	**233,726**	**7,269,759**	**9,426,519**	**16,696,278**
IFRS 9 Restatement	-	-	8,726	-	-	8,726	22,930	31,656
Carry forward of 2017 income	-	-	233,726	-	(233,726)	-	-	-
Dividends distributed	-	-	(150,000)	-	-	(150,000)	(662,282)	(812,282)
Capital increases/ (reimbursements)	-	-		-	-	-	3,399,186	3,399,186
Transactions with non-controlling interests	-	-	299	-	-	299	593,228	593,527
Change in scope of consolidation	-	-	(108)	-	-	(108)	1,714,501	1,714,393
Other movements	-	-	41,980	-	-	41,980	(1,830)	40,150
Comprehensive income for the year	-	(211,251)	3,214	(78,131)	197,116	(89,052)	225,076	136,024
Balance at 12.31.2018	**1,500,000**	**(110,948)**	**5,788,162**	**(292,726)**	**197,116**	**7,081,604**	**14,717,328**	**21,798,932**

CONSOLIDATED CASH FLOW STATEMENT

(Thousands of Euro)	2018	2017
Operating activities		
Income for the year (Group and non-controlling interests)	1,082,864	1,373,284
Income taxes	480,480	704,424
Income before taxes	**1,563,344**	**2,077,708**
Adjustments:		
– depreciation and amortisation	1,670,990	1,383,323
– (capital gains)/capital losses/impairment of intangible assets and property, plant and equipment	6,396	(62,274)
– net provisions charged to income statement	654,545	161,912
– (income)/losses from associates	9,477	(9,259)
– dividends from associates	(3,706)	8,495
– dividends from other companies	(53,497)	29,457
– (capital gains)/capital losses/impairment of other equity investments	3,363	(40,344)
– net financial (income)/charges	779,967	662,125
Cash flow from operating activities before changes in working capital	**4,630,879**	**4,211,143**
Cash flow provided/(used) by changes in working capital	(210,275)	(147,839)
Cash flow provided/(used) by changes in non-current assets and liabilities	795,051	(72,390)
Payment of taxes	(701,967)	(500,283)
Payment of employee termination indemnities	(33,463)	(22,377)
Net interest received/(paid)	(789,692)	(686,573)
Cash flow provided/(used) by operating activities	**3,690,533**	**2,781,681**
Investing activities		
Operating investments	(1,472,536)	(1,554,859)
Operating divestments	16,059	73,772
Increase in financial assets deriving from concession rights (related to capital expenditure)	(25,888)	74,969
Purchase of equity investments	(4,384,567)	(367,956)
Purchase of consolidated companies	(17,654,479)	(113,246)
Net cash and cash equivalents contributed by newly consolidated companies	2,478,573	-
Disposal of equity investments	8,694	307,491
Disposal of consolidated companies	-	1,871,867
Operations in non-current financial assets	250,109	268,701
Cash flow provided/(used) by investing activities	**(20,784,035)**	**560,739**
Financing activities		
Change in shareholders' equity	3,401,970	(145,093)
New medium and long-term loans	15,063,056	3,022,295
Repayment of medium and long-term loans	(2,264,282)	(1,407,140)
Net changes in other sources of financing	12,830	(1,150,740)
Dividend payments and distribution of capital reserves	(812,282)	(905,860)
Cash flow provided/(used) by financing activities	**15,401,292**	**(586,538)**
Increase/(Decrease) in cash and cash equivalents	**(1,692,210)**	**2,755,882**
Cash and cash equivalents at the beginning of the period	**7,492,467**	**4,755,670**
Translation differences and other movements	(33,567)	(17,621)
Cash and cash equivalents at the beginning of the period of activities recognised as held for sale	-	(1,464)
Cash and cash equivalents at the end of the period	**5,766,690**	**7,492,467**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GROUP ACTIVITIES

Set up in 1981, Edizione S.r.l. at December 31, 2018 held controlling and non-controlling interests in companies operating in the following business segments:
- Transport Infrastructure;
- Digital Infrastructure;
- Food and Beverage;
- Clothing and Textiles;
- Real Estate and Agriculture; and
- Financial Institutions.

FORM AND CONTENT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The scope of consolidation includes subsidiaries for which the Group, pursuant to IFRS 10, is exposed to or has rights to variable returns and is able to affect those returns through power over these investees.
The scope of consolidation also includes joint arrangements, pursuant to IFRS 11 (joint ventures and joint operations), and associates over which the Group has a significant influence in accordance with IAS 28.

A list of the companies included in the scope of consolidation is annexed to these notes.
More in detail, Edizione Group's consolidated financial statements include the financial statements at December 31, 2018 of Edizione S.r.l. and all the Italian and foreign companies over which the Parent Company has direct or indirect control or a dominating influence.

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, 2018 the interim statements prepared as of the Group reporting date. Please note that HMSHost Corporation and its subsidiaries close their fiscal year on the Friday closest to December 31, and subdivide it into 13 periods of 4 weeks each, in turn grouped into 12-week "quarters", except the last one which has 16 weeks. Consequently, the respective accounting situations included in the consolidated financial statements at December 31, 2018 refer to the period from December 30, 2017 to December 28, 2018, while the comparison figures refer to the period from December 31, 2016 to December 29, 2017. This practice has no significant effects on the statement of financial position at December 31, 2018, and the operating result.
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.

The results of subsidiaries acquired or sold during the year are included in the consolidated income statement as from the effective date of acquisition and until the effective date of disposal, with slight timing adjustments where these dates do not coincide with monthly reporting dates.
The scope of consolidation at December 31, 2018, is different from that at December 31, 2017 due to:
- the acquisition of 100% of the capital of Aero 1 Global & International S.à r.l., a Luxembourg investment vehicle which owns 15.49% of the capital of Getlink S.E. ("Getlink"), a company which manages the concession for the Channel Tunnel between the UK and France, as illustrated in Note 62 – Business combinations, below. Note that the consolidation of Aero 1 Global & International from March 2018 did not have significant effects on the consolidated income statement for 2018;
- the acquisition of 50% plus one share of Abertis HoldCo S.A., a Spanish-registered company established in 2018 with the minority shareholders of Actividades de Construccion y Servicios ("ACS") and Hochtief Aktiengesellschaft ("Hochtief").
  In execution of the shareholders' agreements signed during 2018, Abertis HoldCo S.A. in turn established the Spanish-registered 100%-owned subsidiary Abertis Participaciones S.A., which at the end of October 2018 acquired from Hochtief 98.7% of the shares representing the share capital of Abertis Infraestructuras S.A. ("Abertis") and its subsidiaries. The Abertis

group manages motorway administration concessions in Europe, the Americas and India, and was listed on the stock markets of Barcelona, Madrid, Bilbao and Valencia up to July 31, 2018. Through this operation, the Atlantia group acquired control of Abertis and its 99 subsidiaries pursuant to IFRS 10, which, therefore, were included in the scope of consolidation starting on October 31, 2018. For a detailed illustration of the steps taken for the purposes of acquiring control, see Note 62 – Business combinations;
- the acquisition by the Autogrill group on February 28, 2018, of the entire share capital of Le CroBag GmbH & Co. KG and F.F.N. GmbH, which manage the food and beverage activities under the Le CroBag brand in Germany, Austria and Poland;
- the acquisition by the Autogrill group on August 31, 2018 as part of the expansion of its operations in the airport business in North America, of Avila Retail Development & Management ("Avila"), through Stellar Partners, a company that operates in airport retail;
- inclusion in the scope of consolidation of the subsidiary Schematrentatre S.p.A., a vehicle that holds the equity investments in Assicurazioni Generali S.p.A. and Mediobanca S.p.A.

Lastly, the following is noted:
- for Ecomouv S.A., the liquidation process was completed by December 31, 2018, even though by that date, the company had not been formally struck from the French register of companies;
- Acufon S.p.A. and Italian Golf Development S.r.l., acquired with the Abertis group, were liquidated and struck from the register of companies on December 20, 2018.

In accordance with the provisions of IFRS 5, balances relating to the operating activities sold during the year were reclassified in a single line of the income statement of 2017 and 2018 Profit/(Loss) from assets held for sale and discontinued operations in 2018.

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, income statement, 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 income statement, costs are grouped by nature. The cash flow statement has been prepared using the indirect method.

It is noted that, compared to that published in the consolidated financial statements at December 31, 2017, the following reclassifications have been made for better accounting representation:
- in the consolidated income statement, the negative amount of Euro 12 million has been reclassified from "(Allocations)/ Uses of the provisions for repair and replacement of motorway infrastructure" to "(Allocations)/Uses of provisions for the refurbishment of third party assets";
- in the consolidated statement of financial position, Euro 84 million was reclassified, relating to the refurbishment of the infrastructure under concession of Aéroports de la Côte d'Azur and of Società Italiana per Azioni per il Traforo del Monte Bianco from "Provisions for repair and replacement" to "Provisions for the refurbishment of third party assets";
- in the consolidated cash flow statement, an increase was recognised in the "Cash flow provided/(used) by operating activities" and "Cash flow provided/(used) by in investing activities", in relation to the use of Euro 26 million of provisions for the refurbishment of infrastructure of the Aéroports de la Côte d'Azur group mentioned in the previous point.

Lastly, it is noted that:
- in 2018 no non-recurring, atypical or unusual transactions were carried out with third parties or related parties that had significant impacts on the economic-financial data of the Group, other than those illustrated in these financial statements;
- in 2018 a non-recurring event occurred involving the collapse of a section of the Polcevera road bridge on the A10 Genoa-Ventimiglia motorway, managed by the subsidiary Autostrade per l'Italia. For more information, refer to Note 64 – Non-recurring events.

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 point 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 recognised in the income statement as income, following the fair value review of acquired assets and liabilities. Purchases of non-controlling interests in subsidiaries are recognised as transactions on shareholders' equity and, consequently, the difference between the acquisition cost and the relevant equity portions is directly recognised under shareholders' equity;
c. intercompany receivables and payables, costs and revenues, and all significant transactions between consolidated companies, including the intragroup payment of dividends, are eliminated. Unrealised 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 consolidated shareholders' equity and in the income statement. Non-controlling interests are determined on the basis of the percentage of ownership of the fair value of assets and liabilities recognised as of the original acquisition date and of changes in shareholders' 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 12.31.2018**	**Average exchange rate in 2018**
Euro/USD	1.145	1.181
Euro/PLN	4.301	4.262
Euro/CLP	794.370	756.940
Euro/ARS (*)	45.159	45.159
Euro/BRL	4.444	4.309
Euro/INR	79.730	80.733
Euro/CZK	7.412	7.418
Euro/GBP	0.895	0.885
Euro/JPY	125.850	130.398
Euro/HKD	8.968	9.256
Euro/RUB	79.715	74.042
Euro/KRW	1,277.930	1,299.068
Euro/CAD	1.561	1.529
Euro/CHF	1.127	1.155

* Spot and average exchange rates of ARS coincide, as requested by IAS 21 and IAS 29 for hyperinflationary economies.

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 consolidated financial statements of 2018 and of the years set as comparisons were prepared in accordance with the aforesaid 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, 2018:

Details	IASB adoption	EU adoption
IFRS 9 – Financial Instruments	January 1, 2018	November 2016
IFRS 15 – Revenue from Contracts with Customers	January 1, 2018	September 2016
Amendments to IFRS 15 – Revenue from Contracts with Customers	January 1, 2018	October 2017
Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)	January 1, 2018	November 2017
Improvements to IFRS – 2014-2016 cycle	January 1, 2018	February 2018
Classification and measurement of share based payment transactions (Amendments to IFRS 2)	January 1, 2018	February 2018
Transfers of Investment Property (Amendments to IAS 40)	January 1, 2018	March 2018
Interpretation of IFRIC 22 – Foreign Currency Transactions and Advance Consideration	January 1, 2018	March 2018

IFRS 9 – Financial Instruments
IFRS 9, which replaced IAS 39, introduces new rules for classifying and measuring financial instruments and a new model of impairment of financial assets, as well as for hedge accounting.
As permitted by IFRS 9, the Group restated the statement of financial position balances existing at December 31, 2017, recognising the effect of the adoption of the new standard IFRS 9 as an adjustment to shareholders' equity at January 1, 2018.
As the only significant effect, it is pointed out that the non-material changes to financial liabilities made by Autostrade per l'Italia and Aeroporti di Roma, entailed the recognition of the difference between the present value of the flows as changed (determined using the effective interest rate of the instrument existing at the date of the change) and the carrying value of the instrument existing at the date of the change. In relation to this, non-current financial liabilities at December 31, 2017 decreased by Euro 42 million, recognising the related deferred taxes of Euro 10 million. Therefore, the increase in consolidated shareholders' equity amounted to Euro 32 million.
Several Group companies reclassified Investments in equity instruments in the new residual category provided by IFRS 9 of Financial assets measured at fair value through profit or loss and exercised for some of these the irrevocable option to measure them at fair value, recognising the subsequent changes in the statement of comprehensive income. That change did not result in the recognition of effects on shareholders' equity, but only the effects of reclassification between the statement of comprehensive income and the income statement.

IFRS 15 – Revenue from Contracts with Customers
IFRS 15 replaced the previous standards IAS 18 and IAS 11, as well as the related interpretations IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31.
The new standard establishes the criteria to be followed in recognising revenue from contracts with customers, with the exception of contracts within the scope of application of the standards regarding lease contracts, insurance contracts and financial instruments.
Based on IFRS 15, the amount that an entity shall recognise as revenue must reflect the consideration to which the entity is entitled in exchange for the goods transferred to customers and/or services provided, to be recognised at the time their contractual obligations are fulfilled.
On completion of the further studies carried out, no impacts deriving from the adoption of IFRS 15 were identified for the Group, except for the reclassification of several amounts (Euro 6.6 million) paid by Aeroporti di Roma to their customer air carriers as incentives for air traffic. Based on that set out in the new standard, these amounts are now classified as decreases in the revenues received by those subsidiaries, instead of being recognised as costs of services provided by the air carriers, as in the past, without any effects on the net income for the year and/or on the consolidated shareholders' equity.

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, 2019:

Details	IASB adoption	EU adoption
IFRS 16 – Leases	January 1, 2019	October 2017
Prepayment Features with Negative Compensation (Amendments to IFRS 9)	January 1, 2019	March 2018
Interpretation of IFRIC 23 – Uncertainty over Income Tax Treatments	January 1, 2019	October 2018

IFRS 16 – Leases
In January 2016 the IASB issued the new accounting standard IFRS 16 – Leases, intended to replace the previous IAS 17 – Leases, as well as the interpretations IFRIC 4 – Determining Whether and Arrangement Contains a Lease, SIC 15 – Operating Leases – Incentives and SIC 27 – Evaluating the Substance of Transactions in the Legal Form of a Lease. The new accounting standard introduced a new definition of a lease, based on control of the underlying asset, i.e. the right to use an identified asset and obtain substantially all of the economic benefits by directing the use of the asset, for a period of time, in exchange for consideration. As a result, IFRS 16 is not applicable to service agreements, but only to lease contracts or contracts including lease components.
IFRS 16 provides a single accounting model for lease contracts, based on which the lessee is required to recognise a right of use asset as a contra-entry to a lease liability, determined by discounting the payments for minimum guaranteed future rentals ("net present value"), thus eliminating for the lessee (rental expense) the accounting distinction between operating and finance leases, which was previously required by IAS 17. Therefore, no impact is expected on lease contracts previously classified as finance leases. Lastly, the new standard does not include significant changes for lessors (rental income).
The Group applied the option to adopt IFRS 16 using the modified retrospective approach. Therefore, on first-time adoption, the Edizione Group will recognise the cumulative effect of the application of the standard in shareholders' equity at January 1, 2019, without reformulating the previous year's comparative figures.

A summary of the main impacts, based on current information, is shown below for each group connected with the first-time adoption of IFRS 16, given that the groups are in the process of analysing and implementing the standard:
– Autogrill group: the impact on the consolidated statement of financial position at January 1, 2019 entails an increase in non-current assets for the right of use in relation to an increase in financial liabilities estimated at Euro 2,300 million to Euro 2,600 million;
– Benetton group: at January 1, 2019, the financial position of Benetton group will increase by an estimated Euro 600 million to Euro 700 million;
– Atlantia group: at January 1, 2019, the consolidated statement of financial position will recognise an increase in financial liabilities of around Euro 150 million, substantially equivalent to an increase in the right of use assets.

Below are the new accounting standards and the respective applications, not yet endorsed by the European Union, which may in the future be applied:

Details	IASB adoption	EU adoption
IFRS 14 – Regulatory Deferral Accounts	ND	Not adopted
IFRS 17 – Insurance Contracts	January 1, 2021	Not adopted
Sale or Contribution of Assets between an investor and its associates or joint-ventures (Amendments to IFRS 10 and IAS 28)	ND	Not adopted
Long-term interests in associates and joint-ventures (Amendments to IAS 28)	January 1, 2019	Not adopted
Annual improvements to IFRS Standards (2015-2017 Cycle)	January 1, 2019	Not adopted
Plan Amendment, Curtailment or Settlement (Amendment to IAS 19)	January 1, 2019	Not adopted
Amendments to References to the conceptual framework in IFRS Standards	January 1, 2020	Not adopted
Definition of business (Amendments to IFRS 3)	January 1, 2020	Not adopted
Definition of material (Amendments to IAS 1 and IAS 8)	January 1, 2020	Not adopted

Annual improvements to IFRS Standards (2015-2017 Cycle)
The main amendments that could be significant for the Group refer to:
- IFRS 3 – Business Combinations and IFRS 11 – Joint Arrangements. The amendments clarify that when an entity obtains control of a business that is a joint operation, it must measure any previously held interests in that business at fair value. However, this approach is not to be applied in the event of acquisition of joint control;
- IAS 12 – Income taxes. It is clarified that the tax consequences relating to dividends (including payments relating to financial instruments classified as equity instruments) shall be recorded in a consistent manner with the transaction that generated them and, therefore, depending on the case, are recognised in the income statement, in the statement of comprehensive income, or in shareholders' equity.

Amendments to IAS 1 – Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
On October 31, 2018, the IASB published the document "Definition of Material (Amendments to IAS 1 and IAS 8)", which changed the definition of "material" contained in the standards IAS 1 and IAS 8, to make it more specific. This amendment also aims to introduce the concept of "obscured information", along with the concepts of "omitted" or "misstated" information already included in the two amended standards. The amendment clarifies that information is "obscured" if it is communicated in a way that would have a similar effect on users of financial statements to omitting or misstating that information.

Amendments to IAS 19 – Employee Benefits
On February 7, 2018, the IASB published the document "Plant Amendment, Curtailment or Settlement (Amendments to IAS 19)", which amends IAS 19 in order to clarify how an entity should recognise an amendment (i.e., curtailment or settlement) of defined-benefit plans. The amendments require an entity to update their assumptions and remeasure the net liability or asset deriving from the plan, clarifying that after the change in the plan the entity must use the updated assumptions to remeasure the service cost and the interest cost for the remainder of the reporting period following the change.

Amendments to IFRS 3 – Business Combinations
On October 22, 2018, the IASB published the document "Definition of a Business (Amendments to IFRS 3)", which introduces several amendments to the accounting standard IFRS 3 to better clarify the definition of a business. In particular, the amendment clarifies that outputs are not necessarily required to identify a business if there is an integrated set of activities, processes and assets. Nonetheless, to meet the definition of a business, an integrated set of activities, processes and assets must include, as a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. To that end, the IASB replaced the phrase "ability to create outputs" with "ability to contribute to the creation of outputs", to clarify that a business can exist without including all the inputs and processes needed to create outputs.
The amendment also introduced an optional concentration test for the entity, to determine whether a set of activities, processes and assets acquired is a business. To that end, the amendment added numerous examples to illustrate IFRS 3 to ensure understanding of the practical application of the new definition of business in specific cases. The amendments apply to business combinations and acquisitions of activities after January 1, 2020, but early adoption is permitted.

With regard to the newly issued standards, as well as the revision or amendments to existing standards, the Group is evaluating the impact of future application, which currently cannot be reasonably estimated.

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 ancillary expenses relating to the acquisition are recognised in the income statement 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 recognised 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 recognised in the income statement as a gain on a bargain purchase.
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 recognised in the income statement.
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 recognised identifiable net assets. The choice of measurement method is made for each business combination.
On acquiring control, further acquisitions/disposals of non-controlling interests that do not result in a loss of control do not give rise to the respective recognition of goodwill or capital gains or losses in the income statement, but are considered transactions between shareholders that only have an effect on shareholders' equity.
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 recognised in the income statement. The purchase of shares from non-controlling interests, resulting in the acquisition of control, produces goodwill which is calculated as described above.
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.

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 capitalised 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 capitalised 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 subsequent years, the reasons for the impairment no longer exist, the asset's value is written back.

The depreciation rates applied in 2018 are within the ranges shown below by category of asset:

	2018
Commercial and industrial buildings and investment property	2% – 33.3%
Plant and machinery	5% – 33.3%
Industrial and commercial equipment	4.4% – 40%
Furniture, furnishing, electronic equipment and store furniture	10% – 25%
Vehicles	20% – 25%
Other assets	3% – 50%

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 recognised at fair value as of the contract effective date less ancillary expenses and any charges 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 statement of financial position. Lease payments are divided into principal and interest, assuming a constant interest rate on the residual liability. Financial charges are recognised in the income statement. 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 recognised on a straight-line basis over the term of the lease.
Property, plant and equipment is derecognised 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 recognised in the income statement 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 expenses 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 income statement in the period in which they are incurred.

Goodwill is recognised 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 recognised 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 net of the portions represented as financial assets, comprised of: (i) the portions covered in the form of grants, (ii) the amount that shall be unconditionally paid by the replacement operator on termination of the concession (the so-called "takeover rights") and/or (iii) the minimum amount of tolls, the volume of revenues and/or the specific amounts guaranteed by the Grantor. In particular, the following are concession rights over intangible assets:
    1. rights obtained as consideration for specific obligations to provide construction services for the expansion and modernisation of the infrastructure and for which the operator does not receive additional economic benefits. These rights are initially recognised at the fair value of the construction services to be provided in future (equal to the present value thereof, net of the portions covered by grants, and excluding any financial charges to be incurred during the construction period), with a contra-entry of an equal amount in "provisions for construction services required by contract", posted under liabilities in the statement of financial position. In addition to the impact of amortisation, the initial value of the rights changes over time as a result of periodic reassessment of the fair value of the part of the construction services still to be rendered (equal to the present value thereof, net of the portions covered by grants, and excluding any financial charges to be incurred in during the construction period) at the end of the reporting period;
    2. rights accrued in return for construction services and/or improvements made for which the operator receives additional economic benefits, represented by specific tariff increases and/or significant increases expected in the number of users due to the extension/adjustments of the infrastructure;
    3. rights accruing from construction work carried out and paid for by service area sub-operators, handed over free of charge to Group companies on termination of the related contracts;
b. rights obtained from third parties, if costs have been incurred to acquire concessions from the Grantor or from third parties (the latter relating to the acquisition of control of a company that already holds a concession).

After initial recognition, intangible assets are carried at cost, less accumulated amortisation and any accumulated impairment losses calculated in accordance with IAS 36.
Intangible assets are amortised unless they have indefinite useful lives.
Goodwill is not amortised, 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).
Amortisation, which starts from the time the intangible asset starts producing the related economic benefits, is applied systematically over the intangible asset's useful life according to the estimated future economic use. Concession rights are amortised throughout the effective period of the relevant concession, with a policy that reflects the estimated pattern of consumption of the economic benefits incorporated in the right; for this purpose, the amortisation rates are calculated taking into account, where relevant, any changes in traffic expected over the concession's effective period.
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 amortised over 5 to 25 years, while patents, contractual rights and concession rights are amortised over the life of the right. Deferred charges are amortised over the residual duration of the lease contract, with the exception of *fonds de commerce*, which are amortised over 20 years. Software and software licenses are amortised over a period from three to six years. Development costs are amortised 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 income statement.
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 income statement.

Equity investments
Equity investments in unconsolidated subsidiaries are carried at cost, including directly attributable ancillary expenses. The cost is adjusted for any impairment, in accordance with the criteria set out in IAS 36.
Equity investments in associates and joint ventures are measured using the equity method, recognising in the income statement the portion of income or losses accrued during the year pertaining to the Group, with the exception of the effects of other changes in shareholders' equity of the investee different from transactions with shareholders, which are directly reflected in the Group's statement of comprehensive income. Moreover, in measuring the value of the equity investment, the above method is used to recognise the fair value of the assets and liabilities held by the investee, as well as any goodwill, determined with reference to the time of acquisition of the equity investment, and its subsequent measurement in the following years based on the accounting standards and policies illustrated in these notes.
According to IFRS 11, interests in joint ventures are carried on an equity basis, while interests in joint operations are recognised using the proportional consolidation method.
Equity investments in other companies, classified in the residual category envisaged by IAS 9, are measured at fair value through profit or loss. In the event of investments in equity instruments not held for trading, on initial recognition, the entity may irrevocably choose to carry these at fair value, recognising the subsequent changes in the statement of comprehensive income. If the fair value cannot be reliably measured, equity investments are valued at cost, net of impairment losses.

Held for sale equity investments or those acquired as a temporary investment are recognised 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
Classification and related measurement of financial assets is carried out considering both the model for managing financial assets, and the contractual characteristics of the cash flows obtainable from those assets.
A financial asset shall be measured at amortised cost if both of the following conditions are met:
– the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that solely represent the returns on the financial assets (principal and interest).

A financial asset that meets the requirements to be classified and measured at amortised cost may, at initial recognition, be designated as a financial asset measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency ("accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
Receivables valued at amortised cost are initially recognised at the fair value of the underlying asset, net of any directly attributable transaction income. Valuation at amortised cost is carried out using the effective interest rate method, net of any impairment recognised in the income statement with regard to doubtful accounts. The amount of the provisions is based on the present value of expected future cash flows. These flows take account of expected collection times, estimated realizable value, any guarantees received, 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 amortised cost of the receivable had no previous impairment losses been recognised.
Trade receivables with expiries that fall within normal commercial terms or which do not have significant financial components are not discounted.
The financial asset is measured at fair value, with recognition of the effects in the statement of comprehensive income, if the objectives of the management model are to hold the financial asset to obtain its related contractual cash flows or to sell it, and the contractual terms of the financial asset give rise on specified dates to cash flows that solely represent the returns on the financial assets.
Lastly, any residual financial assets held other than those described above are classified as assets held for trading, and are measured at fair value through profit or loss.

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 realisable value.
Manufacturing cost includes raw materials and all attributable direct and indirect production-related expenses.
The calculation of estimated realisable 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 realisable 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 recognised 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.
If a loss is expected to result from performance of the contract activities, it is immediately recognised in full in the financial statements, regardless of the current progress of the work contract.
Construction services provided to the grantor relating to Group company concession arrangements are specifically recognised 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 charges (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 recognised at fair value and are subsequently stated at amortised 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. These flows take account of expected collection times, estimated realizable value, any guarantees received, 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 amortised cost of the receivable had no previous impairment losses been recognised. Any medium and long-term receivables that include an implicit component of interest are discounted using an appropriate market rate.
Receivables factored without recourse, for which all risks and rewards are substantially transferred to the assignee, are derecognised 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 nominal 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 recognised 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 recognised and measured as a provision.

Provisions for the repair and replacement of motorway infrastructure assets refer entirely to the Atlantia group and cover the current value of the estimated cost to be incurred in order to fulfil the contractual obligation of repairing or replacing infrastructure under concession, in accordance with the arrangements entered into by the group's motorway operators with the respective Grantors, for the purpose of ensuring the due operation and safety of the infrastructures. These provisions are calculated on the basis of the usage and wear and tear of motorway infrastructures at the end of the year and, thus, on the planned works, taking account, if material, of the time value of money.

Provisions for construction services required by contract represent the present value of the motorway infrastructure construction/improvement services defined in the concession arrangement and still to be provided by the concession holding companies, for which they will not receive additional economic benefits in terms of specific tariff increases and/or a substantial rise in expected traffic. Such costs are treated as consideration for concession arrangements and are initially recognised at the fair value of construction services to be rendered in the future (equal to the present value thereof, net of the portions covered by grants, and excluding any financial charges to be incurred during the construction period), as a contra-entry of concession rights without additional benefits. The fair 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 or a change in the construction period) are recognised as a matching increase or reduction in the corresponding intangible asset. The increase in the provision over time is recorded as a financial charge.

Trade payables

Payables are initially recorded at cost, which corresponds to fair value, net of directly attributable transaction costs.

They are subsequently recognised at amortised 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 recognised in the income statement;
- 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 amortised 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 realised during the period are recognised in the income statement. At the balance sheet date, the Group companies have adjusted receivables and payables in foreign currency using exchange rates ruling at period-end, recognising all resulting gains and losses in the income statement.

Exchange differences arising on a monetary item forming part of a net investment in a foreign operation are initially recognised in a separate component of equity and reversed to income at the time of recognising 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 income statement 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 recognised to the income statement.
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 recognised 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 recognised in the income statement.
If a hedged transaction is no longer thought probable, the unrealised gains or losses, recognised through comprehensive income and accumulated in an equity reserve, are immediately recognised in the income statement.
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 income statement.

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. The method to determine fair value takes into account all the characteristics at the grant date of the instrument (duration, price, exercise conditions, etc.) and of the stock subject to the option. This value is booked to the income statement 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 recognised in the income statement.

Government grants
Government capital grants are recognised 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.
Operating grants are recognised to the income statement in the same year as the costs to which they relate.
Grants for investments in motorway infrastructure are recognised as construction services revenue in accordance with the accounting policy on Construction contracts and services work in progress.
Capital grants related to assets received to fund development projects or activities are accounted for in liabilities, and are subsequently recognised in operating income in the income statement, in line with depreciation of the assets to which they refer.
Any grant 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 recognised 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 formalised and non-formalised 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 employees.
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 recognised 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 recognised 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 recognised 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 statement of financial position. 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 recognised 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 recognised immediately in the income statement.
Regarding their classification in the income statement, 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 recognised in a specific item in the consolidated income statement – Profit/(loss) from assets held for sale and discontinued operations – together with comparative amounts.

Revenues
Revenues are recognised to the extent that their fair value can be reliably measured and it is likely that the economic benefits will flow to the company. The amount recognised reflects the consideration to which the entity is entitled in exchange for the goods transferred to customers and/or services provided, to be recognised at the time their contractual obligations are fulfilled.
Depending on the type of transaction, revenues are recognised on the basis of the following specific criteria:
- toll revenues are recognised 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 operators, a portion of toll revenues relating to the last part of the year are determined on the basis of reasonable estimates;
- revenues from airport fees at the time of usage of the infrastructure by users;
- revenues from the sale of goods, net of any returns and discounts, are recognised 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 recognised 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 recognised on an accruals basis, considering the terms and conditions of contract.

Revenues from sales by directly operated stores are recognised 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.
The provision of services illustrated above also includes construction services and/or improvements provided to Grantors, in application of IFRIC 12, pertaining to concession arrangements held by several Group companies. Specifically, those revenues represent the consideration for the services provided and are 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 charges (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 fair value of these services). The contra-entry of those revenues from construction and/or improvements is represented by financial assets (concession rights and/or government grants for services) or the concession rights of intangible assets.

Financial income and charges
Interest income and charges 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
Costs and expenses have been recognised according to the accrual principle.
Recoveries of costs borne on behalf of others are recognised as a deduction from the related cost.

Income and costs relating to lease contracts
Income and costs from operating lease contracts are recognised 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 that met the requirements 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 (IRES).
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 statement of financial position values and the corresponding values recognised 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 recognised.
Deferred tax assets and liabilities are not recognised if the temporary differences arise from initial recognition of goodwill or (different from business combination transactions) 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 realised 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 authorities, 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 recognised amounts and if it is intended to settle or pay on a net basis or to realise 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". Other 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 statement of financial position 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 income statement 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 amortisation, 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 income statement.

Assets in hyperinflationary economies
As required by IAS 29, the Group conducts an analysis to check whether the assets of a subsidiary are expressed in a functional currency of a hyperinflationary economy.
As a result of the application of the above standard, costs and revenues were translated at the exchange rate in force at the reporting date. All income statement items were restated applying the change in the consumer price index from the date on which the costs and income were initially recorded in the financial statements to the reporting date.
With regard to the statement of financial position, monetary elements were not restated, as they are already expressed in the current unit of measure at the period-end date. Non-monetary assets and liabilities were revalued to reflect the loss of purchasing power of the local currency from the date on which the assets and liabilities were initially recognised to the period-end date.

COMMENTS
ON ASSETS ITEMS

(All figures in thousands of Euro)

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:

(Thousands of Euro)			12.31.2018			12.31.2017
	Gross value	**Accumulated depreciation and impairment**	**Net value**	**Gross value**	**Accumulated depreciation and impairment**	**Net value**
Land and buildings	1,183,236	(475,758)	707,478	1,100,534	(452,008)	648,526
Investment property	369,616	(54,031)	315,585	377,872	(53,445)	324,427
Plant, machinery and equipment	2,749,843	(2,188,320)	561,523	1,898,834	(1,455,477)	443,357
Furniture, furnishings and electronic equipment	1,303,804	(1,037,084)	266,720	485,408	(399,815)	85,593
Assets to be relinquished	337,340	(262,839)	74,501	325,956	(255,502)	70,454
Leasehold improvements	1,396,558	(899,879)	496,679	1,287,475	(829,991)	457,484
Other property, plant and equipment	289,046	(180,575)	108,471	171,220	(112,065)	59,155
Assets under construction and advances	182,516	-	182,516	145,726	-	145,726
Total	**7,811,959**	**(5,098,486)**	**2,713,473**	**5,793,025**	**(3,558,303)**	**2,234,722**

The following table reports changes in 2018 and in 2017 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	Asset to be relinquished	Leasehold improve-ments	Other property, plant and equipment	Assets under construc-tion and advances	Total
Balance at 01.01.2017	**685,042**	**227,375**	**387,311**	**84,435**	**63,525**	**465,689**	**61,301**	**237,336**	**2,212,014**
Additions	3,841	71,471	99,546	30,633	19,351	68,695	12,224	150,254	456,015
Disposals	(5,823)	-	(1,183)	(577)	(3)	(2,411)	(500)	(410)	(10,907)
Depreciation	(21,953)	(4,122)	(139,358)	(29,758)	(16,562)	(100,439)	(13,686)	-	(325,878)
Impairment	(4,196)	-	(609)	(2,187)	(486)	(4,394)	(1,490)	-	(13,362)
Impairment reversals	-	-	-	-	1,263	-	-	-	1,263
Changes in scope of consolidation	-	-	(2)	(23)	-	274	201	(58)	392
Reclassification to assets held sale	(1,045)	-	(3)	-	-	-	-	-	(1,048)
Translation differences	(8,547)	54	(15,945)	(1,395)	-	(39,462)	(5,276)	(13,005)	(83,576)
Other movements	1,207	29,649	113,600	4,465	3,366	69,532	6,381	(228,391)	(191)
Balance at 12.31.2017	**648,526**	**324,427**	**443,357**	**85,593**	**70,454**	**457,484**	**59,155**	**145,726**	**2,234,722**
Additions	17,116	69	57,550	35,279	18,939	23,292	28,174	250,247	430,666
Disposals	(4,442)	(528)	(3,196)	(3,011)	(4)	(672)	(3,641)	-	(15,494)
Depreciation	(21,353)	(5,522)	(157,098)	(36,754)	(15,280)	(104,686)	(20,133)	-	(360,826)
Impairment	(17,747)	-	(2,108)	(2,037)	(4,070)	(5,241)	(819)	(77)	(32,099)
Impairment reversals	-	-	1,709	-	-	-	1,076	-	2,785
Changes in scope of consolidation	50,049	-	122,983	182,545	-	4,536	33,830	14,051	407,994
Reclassification to assets held sale	(628)	-	-	-	-	-	-	(40)	(668)
Translation differences	(6,039)	(24)	4,558	4,640	-	11,204	5,059	(122)	19,276
Other movements	41,996	(2,837)	93,768	465	4,462	110,762	5,770	(227,269)	27,117
Balance at 12.31.2018	**707,478**	**315,585**	**561,523**	**266,720**	**74,501**	**496,679**	**108,471**	**182,516**	**2,713,473**

Investments in property, plant and equipment in 2018 amounted to Euro 430,666: Euro 285,341 by the Autogrill group, Euro 93,354 by the Atlantia group, Euro 22,679 by the Edizione Property group, and Euro 19,450 by the Benetton group.
The Autogrill group's investments were mainly concentrated in North America and Europe.
The Edizione Property group's investments regarded the purchase of a property in Treviso and the renovation of several properties of the Group.
The Benetton group's investments focused on the sales network (stores) in Italy, Spain, the United Kingdom and India.

The impairment losses recognised in the year amounted to Euro 32,099, of which Euro 10,186 was recognised by the Autogrill group, Euro 3,344 refers to properties for commercial use of the Benetton group and Euro 17,559 refers to operating properties held by the real estate companies in Italy and abroad.

The changes in the scope of consolidation comprise Euro 394,017 referring to the statement of financial position balances of the Abertis group at the date of consolidation.

Translation differences concern mostly the Autogrill group.

Assets to be relinquished are property, plant and equipment 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 held by the Autogrill group.
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)	**12.31.2018**	**12.31.2017**
Land and buildings	5,536	5,536
Plant, machinery and equipment	816	608
Other assets	3,572	3,848
Accumulated depreciation	(5,455)	(5,132)
Total	**4,469**	**4,860**

The long-term portion of the residual amount of lease repayments at December 31, 2018 is recognised as Lease financing under non-current liabilities (Euro 6,525); the short-term portion is reported as Current portion of lease financing (Euro 779). See Note 26 – Lease financing for details.

The fair value of investment property is greater than the statement of financial position value.
At December 31, 2018, property, plant and equipment was encumbered by liens, mortgages or other collateral guarantees for a total of Euro 47 million referring to the Abertis group.

2 — Intangible assets

Changes in the principal intangible asset items in 2018 and in 2017 were as shown in the table below:

(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 01.01.2017	**6,080,228**	**23,192,570**	**1,737**	**88,557**	**40,377**	**438,866**	**29,842,335**
Additions	-	5,220	901	32,637	4,788	72,224	115,770
Additions due to execution of construction services	-	336,881	-	-	-	-	336,881
Changes due to update of concession plans	-	(8,892)	-	-	-	-	(8,892)
Disposals	-	-	-	(109)	(394)	(88)	(591)
Amortisation	-	(951,894)	(675)	(28,671)	(6,976)	(69,229)	(1,057,445)
Impairment	(1,257)	(823)	-	(43)	(7,714)	-	(9,837)
Impairment reversals	-	78,700	-	-	-	-	78,700
Change in scope of consolidation	-	-	14	107	-	11,054	11,175
Translation differences	(73,894)	(229,633)	(129)	(5,382)	(2,128)	(10,299)	(321,465)
Other movements	-	(9,559)	-	(1,493)	528	1,668	(8,856)
Balance at 12.31.2017	**6,005,077**	**22,412,570**	**1,848**	**85,603**	**28,481**	**444,196**	**28,977,775**
Additions	-	4,880	718	38,294	3,627	64,887	112,406
Additions due to execution of construction services	-	485,945	-	-	-	-	485,945
Changes due to update of concession plans	-	138,720	-	-	-	-	138,720
Disposals	-	-	-	(57)	(71)	(437)	(565)
Amortisation	-	(1,179,983)	(771)	(37,779)	(5,498)	(86,133)	(1,310,164)
Impairment	-	-	-	(598)	(1,669)	-	(2,267)
Impairment reversals	-	-	-	-	-	-	-
Changes in scope of consolidation	16,792,910	14,364,345	-	81,447	-	40,088	31,278,790
Translation differences	24,486	(439,103)	(125)	(136)	21	(2,450)	(417,307)
Other movements	1	666	-	6,856	88	(3,873)	3,738
Balance at 12.31.2018	**22,822,474**	**35,788,040**	**1,670**	**173,630**	**24,979**	**456,278**	**59,267,071**

Goodwill and other intangible assets of indefinite useful life, at December 31, 2018, consists essentially of:

- goodwill referred to the Atlantia group (Euro 21,985,687), broken down as follows:
  - Euro 16,773,658 in goodwill provisionally allocated in relation to the acquisition of the Abertis group, as illustrated in Note 62 – Business combination, to which reference is made;
  - Euro 5,046,033 from the goodwill allocated to Autostrade per l'Italia, recognised in 2003 as a result of the acquisition of the majority interest in the former Autostrade – Concessioni e Costruzioni Autostrade S.p.A.; this amount coincides with the net carrying amount at January 1, 2004 (transition date to IFRS), determined on the basis of the previous accounting standards applying the exemption permitted by IFRS 1;
  - Euro 151,990 from the goodwill recognised following the acquisition of control over the Aéroports de la Côte d'Azur in 2016;
  - Euro 14,006 relating to the value of the license to operate in the Saint-Tropez airport, whose permanent holder is the company Aéroport Golfe de Saint-Tropez, 99.92% of which is controlled by the Aéroports de la Côte d'Azur group, accounted in relation to the acquisition of control over the latter, as referred above;
- goodwill referred to the Autogrill group (Euro 793,618), comprising Euro 19,252 referring to the acquisition of Le CroBag by the Autogrill group in 2018, as illustrated in Note 62 – Business combination, to which reference is made.

Goodwill and other intangible assets of indefinite useful life are subject to impairment testing once a year. In 2018 no impairment losses were recorded relating to those items.

Translation differences pertain to the Autogrill group.

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

(Thousands of Euro)	**12.31.2018**	**12.31.2017**
Acquired concession rights	21,318,000	7,820,195
Concession rights deriving from construction services for which no additional economic benefits are received	7,858,771	8,106,952
Concession rights deriving from construction services for which additional economic benefits are received	6,552,230	6,428,226
Concession rights deriving from construction services carried out by service area sub-operators	59,039	57,197
Total	**35,788,040**	**22,412,570**

Acquired concession rights are recognised against the cash outlays incurred to obtain concessions from the grantor or from third parties: in particular, they refer to the fair value of the concession rights recognised following the acquisitions of Aeroporti di Roma, the motorway operators in Chile and Brazil and the acquisition of control of the Aéroports de la Côte d'Azur group and the Abertis group, whose contribution explains the change in the balance at December 31, 2018 compared to the previous year.
Concession rights deriving from construction services for which no additional economic benefits are received are acquired in exchange for the commitment by Atlantia group operators to provide construction services for which no additional economic benefits are obtained; concession rights deriving from construction services for which additional economic benefits are received are acquired in exchange for construction services provided by Atlantia group operators for which additional economic benefits are obtained, represented by specific tariff increases and/or extensions of the infrastructure expected to result in significant increases in the number of users; finally, concession rights deriving from construction services carried out by service area sub-operators are recognised against investments carried out by service area operators that are handed over free of charge to the Atlantia group.

The main changes in this item are:
- the contribution from the Abertis group of Euro 14,364,345;
- an increase of Euro 485,945 in the amount of investments carried out in 2018 relating to construction and/or upgrade services for which additional economic benefits are received;
- the revised estimate of the present value of construction services to be rendered in the future, Euro 138,720;
- amortisation of Euro 1,179,183;
- the negative balance of exchange losses amounting to Euro 439,103, mainly attributable to devaluation of the Brazilian real and the Chilean peso.

Concessions, licenses, trademarks and similar rights at December 31, 2018 refer to the Autogrill group for Euro 92,986: of the change from the previous year (Euro 51,651), Euro 43,634 is attributable to the allocation of the higher price paid by the Autogrill group in relation to the net assets acquired of Le CroBag and Avila.
The remainder consists of licenses and trademarks owned by the Atlantia group (Euro 73,868), whose change on the previous year (Euro 27,437) is mainly attributable to the Abertis group.

Deferred charges consist of key money for the acquisition of retail operations by the Benetton group, which is amortised over the term of the related lease contracts.
Impairment losses with respect to key money came to Euro 1,669.

Other intangible assets include Euro 230,480 for the commercial contractual relationships quantified during the fair value measurement of the assets and liabilities acquired with the Aeroporti di Roma group in 2013.
Other intangible assets include the cost of purchasing and developing software, of which Euro 33,493 pertains to the Benetton group, Euro 15,678 to the Autogrill group and Euro 30,682 to the Atlantia group.
In addition, this item includes assets under construction and advances (Euro 62,861).

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.

In the Atlantia group, each concession holding company is treated as a separate CGU. The subsidiaries that do not hold concessions are also identified as individual CGUs.
The recoverability of goodwill and concession rights was assessed (with a few limited exceptions) 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.
In order to determine the recoverable value of the Abertis group's capital employed, including the related provisionally allocated goodwill, reference was made to the fair value estimated using inputs observable on the market, as determined by a leading financial institution assigned by Atlantia, by calculating the market multiples of comparable companies and comparable transactions.

Except for goodwill, impairment testing of the Autogrill group 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, following a geographical/operational logic, consistently with the minimum level at which goodwill is monitored for internal management purposes.
The recoverability of the goodwill allocated to each CGU is tested by estimating its value in use, defined as the present value of estimated cash flows based on the 2019 budget and forecasts for 2020-2023, discounted at a rate differentiated by geographical area and reflecting the risks specific to the individual CGU on the measurement date.
On the basis of the assumptions made, for 2018 the goodwill allocated to each CGU was found to be fully recoverable.

The impairment test on the Benetton group was conducted based on the following:
- stores in which the group has invested, whether operated directly or by partners, were divided into two categories:
  - "discontinuing stores" due for closure or sale to third-party customers, which have been the subject of direct write-downs;
  - "continuing stores" that will remain in operation, for which the future cash flows have been determined. Each is treated as a separate CGU, for which the net present value of future cash flows (value in use) is calculated. If value in use is found to be lower than the carrying amount of the CGU, the latter's assets have been impaired. In 2018 the classes of property for which impairment losses were recognised included furniture and furnishings, deferred charges ("key money") and leasehold improvements mainly in Italy, Mexico and France;
- if there are indications of a possible impairment loss, the "*fonds de commerce*", included in the "deferred charges" category, are subject to an assessment to determine whether their recoverable value is higher than their net book value. In 2018, some "*fonds de commerce*" in France and Tunisia were written down.

The Olimpias group carried out the impairment test with the Discounted Cash Flow method to determine the value in use of the CGUs, with the related estimate of the discount rate and the perpetual growth rate, in continuity with the method used in the previous year, i.e. by performing separate valuations of the Textiles CGU and the Clothing CGU.
In 2018, the value of the Clothing and Textiles CGUs was found consistent in relation to the relevant invested capital.
An impairment loss of Euro 191 was recognised, related to an operating property.

The Edizione Property group identified assets and CGUs (consisting of the individual buildings) to be impairment tested, as well as the test procedures. For non-current assets, the impairment test is carried out by comparing the carrying amount of the asset or CGU against 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 2018 operating properties were written down for Euro 17,559.

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 2.4%. 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 2018 are summarised in the following table which reports, by business segment and type of asset, the impairment losses recognised for the year:

(Thousands of Euro)	Transport Infrastructure	Food and Beverage	Clothing and Textiles	Real Estate and Agriculture	Total
Property, plant and equipment					
Land and buildings	-	-	191	17,559	17,750
Plant, machinery and equipment	-	2,092	13	-	2,105
Furniture, furnishings and electronic equipment	-	17	2,020	-	2,037
Leasehold improvements	-	3,930	1,311	-	5,241
Other	819	4,147	-	-	4,966
Total property, plant and equipment	**819**	**10,186**	**3,535**	**17,559**	**32,099**
Intangible assets					
Intangible assets of indefinite useful life	-	-	-	-	-
Intangible assets of finite useful life	-	598	1,669	-	2,267
Total intangible assets	**-**	**598**	**1,669**	**-**	**2,267**
Total	**819**	**10,784**	**5,204**	**17,559**	**34,366**

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 equity investments in associates and joint ventures are as follows:

(Thousands of Euro)		**12.31.2018**		**12.31.2017**
	% held	**Carrying amount**	**% held**	**Carrying amount**
Associates				
Cellnex Telecom S.A.	29.90%	1,473,846	-	-
Getlink S.E.	15.49%	1,040,553	-	-
Aeroporto Guglielmo Marconi di Bologna S.p.A.	29.38%	163,092	29.38%	164,948
A'lienor	35.00%	58,110	-	-
Autopista Terassa-Manresa concessionària de la Generalitat de Catalunya (AUTEMA)	23.72%	54,672	-	-
Road Management Group	33.30%	16,961	-	-
Constructora de infrastructura Vial	40.00%	5,846	-	-
Concessionaria Vial de los Andes (COVIANDES)	40.00%	3,720	-	-
Eurostazioni S.p.A.	32.71%	3,690	32.71%	3,690
Pedemontana Veneta (in liquidation)	61.70%	3,363	-	-
Other minor equity investments	-	9,568	-	10,327
Joint ventures				
Autopista Trados-45	50.00%	64,774	-	-
Areamed 2000	50.00%	5,123	-	-
Rodovias do Tietê S.A.	50.00%	-	50.00%	9,792
Pune-Solapur Expressways Private Ltd.	50.00%	3,070	50.00%	3,822
Geie del Traforo del Monte Bianco	50.00%	1,000	50.00%	1,000
Total		**2,907,388**		**193,579**

As part of the agreements stipulated on March 13, 2018 between Atlantia, Hochtief and ACS, with reference to the joint investment in Abertis, Atlantia was granted a right to exercise a call option on a part or all the equity investment held by Abertis in Cellnex, to be exercised until March 23, 2018. On March 20, 2018 Edizione sent a letter to Atlantia (subsequently supplemented on March 23, 2018) whereby it undertook to grant Atlantia a right to sell an equity investment of 29.9% in Cellnex at a maximum price of Euro 21.50 per share, with additional terms and conditions.
On March 23, 2018 the Board of Directors of Atlantia resolved to exercise the call option on 29.9% of the share capital of Cellnex and on April 16, 2018 it decided to exercise the put option on the equity investment granted by Edizione. In execution of that decided above, the newly-established subsidiary ConnecT S.p.A. ("ConnecT") was designated by Edizione to acquire the equity investment in Cellnex, which it acquired on July 12, 2018.
Cellnex is a wireless telecom and radio broadcasting infrastructure operator, the European leader, that operates in Spain, Italy, the Netherlands, France, Switzerland and the United Kingdom, and is listed on the Madrid stock exchange.

In March 2018, the subsidiary Atlantia finalised the acquisition of 100% of the capital of Aero 1 Global & International S.à r.l., a vehicle which owns 15.49% of the capital of Getlink (equal to 26.64% of the voting rights) for an amount of Euro 1,056,127. Getlink is the company that manages the concession for the Channel Tunnel between the UK and France, and is listed on the Paris and London Stock Exchanges.

The value of equity investments in associates and joint ventures contributed by Abertis group amounts to Euro 221,261.

Equity investments in associates and joint-ventures are measured using the equity method. For each equity investment, these measurements are carried out using the latest income statements and statements of financial position approved and released by these companies. If interim statements at December 31, 2018 are unavailable, the latest approved accounting statements were supplemented by estimates, drawn up based on the information available, and adjusted, where necessary, to align them with the accounting standards applied by the Group.
As part of the measurements using the equity method of equity investments acquired in 2018, "implicit" capital gains allocated in application of IFRS 3 were also considered. On that matter, with regard to:
- the equity investment in Getlink, refer to Note 62 – Business combination which describes the effects of the consolidation of the vehicle Aero 1 Global & International S.à r.l.;
- the equity investment in Cellnex, it is noted that an "implicit" allocation of the capital gains of Cellnex was carried out, in relation to which, out of pro-rata shareholders' equity at the acquisition date of Euro 141 million, fair value adjustments to intangible assets were considered of Euro 761 million and to deferred tax liabilities of Euro 185 million, resulting in a residual difference of Euro 769 million, recognised separately as goodwill.

For the purposes of the additional information required by IFRS 12, the main income statement and statement of financial position data taken from the financial statements at December 31, 2018 of the Cellnex group, Getlink and Aeroporto Guglielmo Marconi di Bologna S.p.A. is shown below:

(Millions of Euro)	**Cellnex Telecom S.A.**	**Getlink S.E.**	**AdB S.p.A.**
Current assets	654	769	49
Non-current assets	4,479	7,226	212
Current liabilities	510	337	54
Non-current liabilities	4,008	5,651	33
Revenues	898	1,079	114
Income/(Loss) from operating activities	(18)	130	18
Capital gain/(loss), net of tax, from discontinued operations	-	-	-
Other items of comprehensive income	(1)	14	-
Total comprehensive income	**(19)**	**144**	**18**
– of which, Group	(16)	144	18
– of which, non-controlling interests	(3)	-	-

5 — Equity investments in other companies

This item relates to equity investments that can be classified in the residual category envisaged by IFRS 9 of "Financial assets at fair value through Profit or Loss". For several equity investments recorded in this item, the irrevocable option, permitted by the standard, to recognise changes in fair value in the statement of comprehensive income instead of the income statement was exercised.

Equity investments in other companies are as follows:

(Thousands of Euro)	12.31.2018		12.31.2017	
	% held	Carrying amount	% held	Carrying amount
Hochtief A.G.	23.86%	1,983,597	-	-
Assicurazioni Generali S.p.A.	3.33%	757,097	1.39%	330,846
Mediobanca S.p.A.	2.10%	140,842	2.10%	177,506
Tangenziali Esterne di Milano S.p.A.	26.25%	59,736	13.67%	32,022
Autostrada del Brennero S.p.A.	4.23%	50,001	-	-
Lusoponte S.A.	17.21%	39,853	17.21%	39,852
Autostrade Lombarde S.p.A.	4.90%	23,074	-	-
Prysmian S.p.A.	0.44%	19,697	-	-
Tangenziale Esterna S.p.A.	1.25%	5,811	1.25%	5,811
Banca Leonardo S.p.A. group	-	-	1.83%	2,949
Società di Progetto Brebemi S.p.A.	0.60%	1,862	-	-
Autovie Venete S.p.A.	0.42%	1,779	-	-
Interporto di Padova S.p.A.	3.27%	1,417	-	-
Other	-	5,131	-	6,177
Total		**3,089,897**		**595,163**

On October 29, 2018 in execution of the agreements between Atlantia, ACS and Hochtief, in a separate transaction from that illustrated in Note 62 – Business combinations relating to the acquisition of control of Abertis, Atlantia acquired 23.86% of the share capital of Hochtief, following a capital increase by the latter, which was fully subscribed by its parent company ACS. Subsequently, ACS sold Atlantia the Hochtief shares for a total of Euro 2,411 million,that is at the same price as that paid for the mentioned capital increase (Euro 143.04 per share).
Hochtief is a German-registered company that controls a large construction group, whose shares are listed on the Frankfurt Stock Exchange.
Despite the fact that Atlantia group's interest in Hochtief is greater than the 20% threshold presumably indicated by IAS 28 as the threshold denoting the existence of a connection, based on the assessments made, Atlantia is not deemed to exercise a significant influence on Hochtief, as there is no effective circumstance suggesting significant influence, either at the time of acquisition or subsequently. Specifically, the following considerations were made:

- there is no member of the Board of Directors of Hochtief designated by Atlantia;
- Atlantia does not participate in Hochtief's decision-making process;
- there are no transactions between the Atlantia group and the Hochtief group;
- there is no mutual secondment of executive staff or exchange of technical information between the two companies;
- there are no governance rules requiring a quorum on significant matters in which Atlantia's equity interest might suggest participation in the decision-making process.

Based on the above, and considering that the equity investment acquired by Atlantia is not held for trading, such equity investment was irrevocably designated, pursuant to IFRS 9, as an equity instrument to be measured at fair value, with subsequent changes in fair value directly recognised in other items of comprehensive income.

In 2018 the Group acquired a total of 30,501,200 shares of Assicurazioni Generali S.p.A. for a consideration of Euro 467.7 million.

In December 2018, the Parent Company acquired 1,162,165 shares of Prysmian S.p.A., amounting to 0.433% of the share capital. The fair value of the shares is equal to the purchase cost.

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

(Thousands of Euro)	**Fair value at 12.31.2017**	**Additions/ (Disposals)**	**Changes in scope of consolidation**	**Fair value adjustments**	**Fair value at 12.31.2018**
Hochtief A.G.	-	2,410,652	-	(427,055)	1,983,597
Assicurazioni Generali S.p.A.	330,846	467,731	-	(41,480)	757,097
Mediobanca S.p.A.	177,506	-	-	(36,664)	140,842
Tangenziali Esterne di Milano S.p.A.	32,022	27,714	-	-	59,736
Autostrada del Brennero S.p.A.	-	-	50,001	-	50,001
Lusoponte S.A.	39,852	1	-	-	39,853
Autostrade Lombarde S.p.A.	-	-	23,074	-	23,074
Prysmian S.p.A.	-	19,697	-	-	19,697
Tangenziale Esterna S.p.A.	5,811	-	-	-	5,811
Banca Leonardo S.p.A. group	2,949	(2,949)	-	-	-
Società di Progetto Brebemi S.p.A.	-	-	1,862	-	1,862
Autovie Venete S.p.A.	-	-	1,779	-	1,779
Interporto di Padova S.p.A.	-	-	1,417	-	1,417
Other	6,177	(1,900)	854	-	5,131
Total	**595,163**	**2,920,946**	**78,987**	**(505,199)**	**3,089,897**

6 — Investment securities

The balance almost exclusively refers to the fair value at December 31, 2018 of investment fund units held by the Parent Company (Euro 15,962), which were classified, based on the provisions of IFRS 9, as Financial assets at fair value through profit or loss. The fair value of investment funds at the balance sheet date matches the Net Asset Value at the same date.
The change on the previous year is mainly attributable to the Parent Company's liquidation of the residual 250,000,000 units of the Quaestio Opportunity Fund for an amount of Euro 254,752, realising a capital loss of Euro 7,260, recognised in the income statement.

7 — Other non-current financial assets

The item at December 31, 2018 included the following amounts:

(Thousands of Euro)	12.31.2018	12.31.2017
Non-current financial assets deriving from concession rights	2,823,604	963,602
Convertible term deposits	349,548	315,474
Financial assets deriving from government grants related to construction services	283,475	249,936
Financial receivables from Group companies	534,867	547,806
Derivatives	143,887	107,268
Other financial assets and receivables from third parties	335,971	94,896
Total	**4,471,352**	**2,278,982**

Non-current financial assets deriving from concession rights increased mainly due to the contribution of the companies in the Abertis group.

The balance of the item includes:
– the receivables accrued by Abertis group, due from the various grantor entities to remunerate investments made (Euro 1,891,864);
– the financial assets relating to the Chilean motorway operator Costanera Norte to make the motorway investments envisaged by the programme "Santiago Centro Oriente" (Euro 440,269);
– the current financial assets deriving from concession rights for the minimum level of tolls guaranteed by the Grantor, in accordance with the concession arrangements signed by various Chilean motorway concession holders in the Atlantia group (Euro 491,471).

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.

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 Group companies refer to the amount due to the subsidiary Atlantia Bertin Concessões from Infra Bertin Empreendimentos (the company in charge of constructing and managing the ring road southeast of São Paulo) to finance its investment plan.

The balance of Derivatives mainly relates to the fair value of the contracts entered into by Azzurra Aeroporti – a vehicle company holding the equity investment in the Aéroports de la Côte d'Azur group – and to the fair value of the Cross Currency Swap contracts entered into by Atlantia, as part of the purchase of the bond of Romulus Finance completed in 2015.

The balance of Other financial assets and receivables from third parties at December 31, 2018 included the contribution from the Abertis group.

8 — Other non-current receivables

Other non-current receivables, equal to Euro 280,404 at December 31, 2018 included the contributions from:
– the Benetton group for trade receivables (Euro 2,477), security deposits (Euro 22,315) and the VAT credit (Euro 1,517);
– the Autogrill group for concession fees paid in advance (Euro 9,409) and security deposits (Euro 20,284) and interest-bearing cash and cash equivalents with third parties (Euro 7,177);
– the Atlantia group, for security deposits (Euro 86,018) and for other receivables (Euro 128,481), mainly referring to the recognition of assets linked to the concession arrangements entered into by the Chilean operators Ruta 78-68 (Euro 49,204) and Avo II (Euro 66,953) of the Costanera group in 2018.

9 — Deferred tax assets

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

(Thousands of Euro)	12.31.2018	12.31.2017
Tax effect on deductible intercompany goodwill	201,512	300,149
Tax effect on the adoption of IFRIC 12	382,167	401,926
Tax effect on provisions and costs that will be deductible in future periods	1,040,845	640,532
Tax effect on different basis for amortisation, depreciation and impairment	278,198	219,371
Benefit on carried forward tax losses	412,636	87,216
Tax effect on intercompany profits elimination	2,243	2,605
Other deferred tax assets	468,699	334,959
Total deferred tax assets	**2,786,300**	**1,986,758**
Total offsettable deferred tax liabilities	(998,232)	(551,970)
Net deferred tax assets	**1,788,068**	**1,434,788**

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

Atlantia group
The balance of net deferred tax assets that cannot be offset at December 31, 2018 of Euro 1,607,126, consists mainly of:
- the amounts relating to the portions of the future tax deductions of the allocations to the provisions for risks and charges (Euro 947,063), mainly referred to the provision for restoration and replacement of the motorway infrastructure;
- the deferred tax assets (Euro 382,167) recognised as a result of the adoption of IFRIC 12 by Autostrade per l'Italia, to be released throughout the life of the concession;
- the residual deferred tax assets (Euro 201,512) arising from the transfer of motorway assets to Autostrade per l'Italia and that company's recognition of deductible goodwill.

Autogrill group
The deferred tax assets of the Autogrill group that cannot be offset amount to Euro 51,050.
At December 31, 2018 tax losses for which deferred tax assets have not been recognised amount to Euro 216,294. The corresponding unrecognised tax benefit comes to Euro 53,312.

Benetton group
The item, amounting to Euro 102,561, mainly refers to tax benefits related to the release of the values involved in the 2003 corporate reorganisation, as well as to the temporary differences on allocations to taxed provisions (the most significant of which are the provision for doubtful accounts, the inventory write-down provision and the provisions for risks and charges). Additional tax benefits of Euro 156 million were not recognised at the reporting date.

CURRENT ASSETS

10 — Inventories

Inventories are broken down below:

(Thousands of Euro)	12.31.2018	12.31.2017
Raw materials, other materials and consumables	250,921	228,668
Work in progress and semi-manufactured products	59,481	44,055
Finished goods and construction contracts in progress	288,931	318,646
Advances	200	80
Total	**599,533**	**591,449**

Inventories are stated net of the write-down provision of Euro 53,249 (Euro 65,795 at December 31, 2017), of which Euro 39,644 pertains to the Benetton group and Euro 11,831 to the Olimpias group.

11 — Trade receivables

At December 31, 2018 trade receivables, net of the provision for doubtful accounts, were as follows:

(Thousands of Euro)	12.31.2018	12.31.2017
Trade receivables	3,032,463	2,429,514
Provision for doubtful accounts	(616,602)	(471,378)
Total	**2,415,861**	**1,958,136**

The balance of Trade receivables includes mainly the contribution of the Atlantia group, Euro 2,569,213 and of the Benetton group, Euro 376,293.
Gross of the related provision for doubtful accounts, the item increased overall compared to the balance at December 31, 2017 due to the contribution from the Abertis group (Euro 582.6 million) and the increase in gross trade receivables of the Atlantia group (Euro 61.5 million), against the decrease (Euro 40.4 million) in gross trade receivables of the Benetton group.

Changes in the Provision for doubtful accounts are summarised below:

(Thousands of Euro)	01.01.2018	Additions	Uses	Releases to income statement	Translation differences	Changes in scope of consolidation and other movements	12.31.2018
Provision for doubtful accounts	471,378	32,137	(48,034)	(3,296)	(21,651)	186,068	616,602

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

12 — Tax receivables

This item includes:
- tax refunds due in the amount of Euro 892,283 (Euro 66,259 at December 31, 2017). The change comprises Euro 165,151 in excess payments made in relation to the estimated income tax for 2018 of the Atlantia group, and the rest refers to the consolidation of the Abertis group;
- other receivables from tax authorities relating to tax refunds for Euro 59,024 (Euro 61,434 at December 31, 2017): in particular, the item includes receivables referring to applications for IRES refund as per Art. 2 of Decree Law no. 201/2001 and Art. 6 of Decree Law no. n.185/2008, submitted by Group companies.

13 — Other current receivables, accrued income and prepaid expenses

Other current receivables are detailed in the table below:

(Thousands of Euro)	12.31.2018	12.31.2017
Other receivables		
Advances paid to suppliers	77,223	60,821
VAT credits	107,348	70,410
Receivables due from motorway end-users and insurance companies for damages	19,060	19,237
Advances to employees and agents	5,879	5,268
Receivables from social security institutions	6,534	5,462
Receivables from public entities	198,248	52,390
Other receivables from tax authorities	76,378	22,127
Other receivables	271,645	88,052
Total	**762,315**	**323,767**
Accrued income and prepaid expenses		
Concession and leasing fees paid in advance	20,975	16,420
Rents and leases	7,469	7,482
Other accrued income and prepaid expenses	115,824	44,171
Total accrued income and prepaid expenses	**144,268**	**68,073**
Total other receivables, accrued income and prepaid expenses	**906,583**	**391,840**

Advances paid to suppliers concern the Autogrill group for Euro 51,224, comprised of promotional contributions and bonuses from suppliers awaiting settlement; the Atlantia group for Euro 22,481, consisting of advances paid to suppliers for services and the Benetton group for Euro 3,221.

The changes in VAT credits, Receivables from public entities and Other receivables from tax authorities are mainly attributable to the consolidation of the Abertis group.

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 25,933 (Euro 25,362 at December 31, 2017);
- the Benetton group, Euro 5,055 (Euro 2,437 at December 31, 2017);
- the Olimpias group, Euro 2,714 (Euro 3,369 at December 31, 2017);
- the Atlantia group, Euro 224,531 (Euro 57,257 at December 31, 2017). The increase on the previous year's balance is mainly attributable to the Abertis group.

This item is shown net of provisions for doubtful accounts, at Euro 34,268, of which Euro 32,798 is attributable to the Atlantia group. The provision mainly relates to amounts pertained 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 capacity as guarantor.

Other accrued income and prepaid expenses refers to maintenance fees, insurance policies, advertising and sponsorship costs. The change on the previous year can be mainly attributed to the contribution from the Abertis group.

14 — Other current financial assets

This item is summarised as follows:

(Thousands of Euro)	**12.31.2018**	**12.31.2017**
Current financial assets deriving from concession rights	536,466	447,089
Convertible term deposits	245,271	179,222
Financial assets deriving from government grants related to construction services	74,085	70,110
Financial receivables from third parties	68,607	44,554
Derivatives	53,659	6,543
Accrued income on derivatives	65,315	66,791
Other financial accrued income and prepaid expenses	5,901	9,909
Total	**1,049,304**	**824,218**

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.

The balance of Current financial assets deriving from concession rights was mainly composed of:
- the takeover rights of Autostrade Meridionali (Euro 408,313), which the operator that will take over the concession will have to pay to the company to compensate for investments carried out during the final years of the operation of the concession that have not yet depreciated;
- the receivables accrued by Abertis group, due from the various grantor entities to remunerate investments made (Euro 76,665);
- the other financial assets deriving from concession rights (Euro 51,488), which include the financial assets relating to the Chilean motorway operator Costanera Norte to make the motorway investments envisaged by the programme "Santiago Centro Oriente".

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.

The amount of Financial receivables from third parties is related, for Euro 24,266, to amounts paid to minority shareholders of certain North American subsidiaries of the Autogrill group (Euro 13,490 at December 31, 2017).

Derivatives principally refer to differentials on currency risk hedging transactions carried out by the Benetton group (equal to Euro 13,716) and the Atlantia group (Euro 39,503).

Accrued income on derivative transactions pertains to the Atlantia group (Euro 65,161).

15 — Other investments

This item includes the fair value of the financial assets of the Autogrill group.

16 — Cash and cash equivalents

This item can be broken down as follows:

(Thousands of Euro)	**12.31.2018**	**12.31.2017**
Time deposits	1,155,811	793,280
Bank current accounts	4,568,120	6,661,249
Cash in hand	91,692	81,400
Cheques	3,997	6,732
Total	**5,819,620**	**7,542,661**

Time deposits refer mainly to the Atlantia group for Euro 1,148 million (Euro 784 million at December 31, 2017).

Bank current accounts are liquid funds held at major banks. Average interest rates reflect market returns for the various currencies concerned. The balance mostly consists of amounts pertaining to Atlantia group companies (Euro 3,847 million), the Parent Company (Euro 394 million), the Autogrill group (Euro 160 million) and the Benetton group (Euro 36 million).

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.

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

17 — Assets and liabilities held for sale

At December 31, 2018 and 2017, this item was made up as follows:

(Thousands of Euro) **Assets held for sale**	**12.31.2018 Atlantia Group (Hispasat)**	**Atlantia group (Ecomouv' and other)**	**Other liabilities**	**12.31.2017**
Property, plant and equipment	1,364,084	-	3,445	3,445
Equity investments	67,491	4,271	-	4,271
Financial assets	41,225	6,531	-	6,531
Deferred tax assets	-	-	-	-
Trading assets	90,668	259	-	259
Other assets	-	-	-	-
Total assets held for sale	**1,563,468**	**11,061**	**3,445**	**14,506**

(Thousands of Euro) **Liabilities held for sale**	**12.31.2018 Atlantia Group (Hispasat)**	**Atlantia group (Ecomouv' and other)**	**Other liabilities**	**12.31.2017**
Financial liabilities	315,494	308	-	308
Trading liabilities	9,283	3,098	-	3,098
Other liabilities	213,763	2,860	-	2,860
Total liabilities held for sale	**538,540**	**6,266**	**-**	**6,266**

Assets and liabilities held for sale at December 31, 2018 referred to the Hispasat group for Euro 1,020,679, whose disposal was finalised on February 12, 2019, and the remaining 2% investment in Strada dei Parchi (Euro 4,271).
At December 31, 2017 the balance consisted of the residual net assets of the French companies involved in the Eco-Taxe project (Euro 522) and the residual 2% equity investment in Strada dei Parchi (Euro 4,271).

COMMENTS ON SHAREHOLDERS' EQUITY ITEMS

(All figures in thousands of Euro)

SHAREHOLDERS' EQUITY

Shareholders' equity attributable to the Parent Company
On July 2, 2018 the Annual General Meeting of Edizione S.r.l. approved a dividend totalling Euro 150 million, paid during the course of the year.

18 — Share capital

At December 31, 2018 the share capital of Edizione S.r.l. amounted to Euro 1,500 million, fully subscribed and paid in and divided into quotas.

19 — Fair value and hedging reserve

This item reflects the changes arising from the fair value recognition of financial assets shown under current and non-current assets, as well as the changes in the effective hedging component of cash flow hedges.

20 — Other reserves and retained earnings

Amounting to Euro 5,788,162 at December 31, 2018 (Euro 5,650,325 at December 31, 2017), this item includes:
- Euro 108,482 for the Parent Company's legal reserve;
- Euro 2,163,856 for the Parent Company's other reserves;
- Euro 3,515,824 representing the shareholders' equity of consolidated companies in excess of their carrying value, together with other consolidation entries.

21 — Translation reserve

This reserve shows the effects of consolidating companies with financial statements in currencies other than the Euro using the line-by-line method.

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

(Thousands of Euro)	**Gross value**	**Financial gains/(losses)**	**Net value**
Fair value gains/(losses) on cash flow hedges	(104,113)	27,873	(76,240)
Reclassification to the income statement of gains/(losses) from fair value on of cash flow hedges	13,111	(4,625)	8,486
Gains/(Losses) from fair value measurement of available for sale financial instruments	(505,083)	5,104	(499,979)
Gains/(Losses) from translation of assets and liabilities of consolidated companies in functional currencies other than Euro	(388,373)	(106)	(388,479)
Reclassification to the income statement of gains/(losses) from translation of assets and liabilities of consolidated companies in functional currencies other than Euro	(16)	-	(16)
Other gains/(losses) of the comprehensive income	13,758	(4,370)	9,388
Other comprehensive income for the year	**(970,716)**	**23,876**	**(946,840)**

Below is the reconciliation between the shareholders' equity and net income of Edizione S.r.l. at December 31, 2018 and the corresponding consolidated amounts, net of non-controlling interests:

(Thousands of Euro)	Shareholders' equity	Net income
Separate financial statements of Edizione S.r.l.	**3,944,058**	**171,943**
Group share of net income and shareholders' equity of consolidated subsidiaries, net of their carrying amount	2,550,846	409,538
Elimination of dividends paid to the Parent Company by consolidated subsidiaries	-	(373,198)
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 amortisation	661,065	-
Adjustment to reflect the equity value of associated companies	(13,708)	(13,273)
Elimination of capital (gains)/losses from the intercompany transactions	(19,688)	302
Net effect of other consolidation adjustments	(40,969)	1,804
As shown in the Group's consolidated financial statements	**7,081,604**	**197,116**

22 — Equity attributable to non-controlling interests

At December 31, 2018 and 2017, non-controlling interests in the shareholders' equity of consolidated companies were as follows:

(Thousands of Euro)	12.31.2018	12.31.2017
Atlantia group	13,753,302	9,083,066
Autogrill group	396,947	369,205
Olimpias group	3,406	2,985
ConnecT S.p.A.	591,667	-
Other companies and consolidation adjustments	(27,994)	(28,737)
Total	**14,717,328**	**9,426,519**

The increase in shareholders' equity attributable to non-controlling interests of the Atlantia group is specifically attributable to:
- Euro 3,379,398 reflecting the net contribution of non-controlling shareholders (ACS and Hochtief) in Abertis HoldCo S.A., a vehicle company that holds the equity investment in Abertis;
- Euro 1,714,501 due to the shareholders' equity attributable to the Abertis group's non-controlling interests at the date of consolidation.

The balance of the shareholders' equity attributable to non-controlling interests of ConnecT refers to the 40% held by minority shareholders.

COMMENTS ON LIABILITIES ITEMS

(All figures in thousands of Euro)

NON-CURRENT LIABILITIES

23 — Bonds

Bonds amount to Euro 22,790,115 (Euro 12,771,005 at December 31, 2017).

Bonds are broken down below by group and by current and non-current share:

(Thousands of Euro)			12.31.2018			12.31.2017
	Current portion	Non-current portion	Total	Current portion	Non-current portion	Total
Atlantia group	1,615,204	20,871,885	22,487,089	1,118,502	11,362,089	12,480,591
Autogrill group	-	303,026	303,026	-	290,414	290,414
Total	**1,615,204**	**21,174,911**	**22,790,115**	**1,118,502**	**11,652,503**	**12,771,005**

At December 31, 2018 the balance of this item referring to the Atlantia group, Euro 22,487,089, was mainly composed of:
- Euro 11,029,430 in bonds issued by Abertis group companies;
- Euro 7,964,113 in bonds issued by Autostrade per l'Italia;
- Euro 1,733,843 in bonds issued by Atlantia; and
- Euro 865,052 in bonds issued by Aeroporti di Roma.

The increase in the balance essentially reflects the change in scope of consolidation deriving from the contribution from the Abertis group (Euro 10,960,499), partially offset by Atlantia's redemption of retail bonds totalling Euro 1 billion.

The increase in the balance referring to the Autogrill group exclusively reflects currency exchange effects.

The non-current portion of bonds is broken down below by maturity:

(Thousands of Euro)	12.31.2018
Year	
2020	587,093
2021	1,614,178
2022	2,871,494
2023	327,226
2024 and beyond	15,774,920
Total	**21,174,911**

24 — Loans

This item amounts to Euro 23,681,219 and consists of medium and long-term loans from credit institutions (Euro 18,485,702) and payables to other lenders (Euro 5,195,517).

The following table breaks down Loans for each group, showing the current and non-current portions:

(Thousands of Euro)	12.31.2018		12.31.2017	
	Current portion	Non-current portion	Current portion	Non-current portion
Atlantia group	1,168,156	21,729,051	318,524	4,008,700
Autogrill group	-	551,953	-	236,710
Edizione Property group	-	226,463	-	231,925
Benetton group	-	-	428	218
Maccarese S.p.A. società agricola	1,123	3,330	599	1,378
Other companies	380	763	318	372
Total	**1,169,659**	**22,511,560**	**319,869**	**4,479,303**

Medium and long-term loans from credit institutions amount to Euro 17,584,132 for the non-current portion (Euro 4,264,481 at December 31, 2017) and Euro 901,570 for the current portion (Euro 227,119 at December 31, 2017).
The balance of this item increased due to the following factors attributable to the Atlantia group:
- the change in the scope of consolidation reflecting the contribution from the Abertis group (Euro 44,130);
- Abertis HoldCo's medium/long-term loans (Euro 9,782,105), entered into to finance the acquisition of control of the Abertis group;
- Atlantia's new loans (Euro 3,905,194).

The change in the non-current portion of the Autogrill group is attributable to the disbursement of a loan maturing in January 2023 and a revolving credit line with the same maturity, net of repayments made during the year.

The non-current portion of medium and long-term loans from banks is broken down below by maturity:

(Thousands of Euro)	12.31.2018
Year	
2020	1,050,463
2021	7,297,211
2022	971,528
2023	1,359,952
2024 and beyond	6,904,978
Total	**17,584,132**

Loans from other lenders amount to Euro 4,927,428 for the non-current portion (Euro 214,823 at December 31, 2017) and Euro 268,089 for the current portion (Euro 92,750 at December 31, 2017). The change mainly refers to the contribution deriving from the consolidation of the Abertis group (Euro 5,059,843) net of repayments made during the year (Euro 127,736) and translation differences (Euro 47,403).

25 — Other non-current liabilities

This item can be broken down as follows:

(Thousands of Euro)	12.31.2018	12.31.2017
Accrued expenses and deferred income	112,369	77,837
Payables to social security institutions	9,758	10,606
Payables to personnel	18,905	36,914
Payables to concession grantors	162,696	3,840
Other payables to third parties	278,198	33,147
Total	**581,926**	**162,344**

The total of this item is up on the balance for the previous year, due to the consolidation of the payables of the Abertis group, Euro 429,499. This primarily regards:
- the payables of the French motorway operators Sanef and Sapn to the French government under agreements entered into in connection with the “Plan Relance” project, amounting to a total of Euro 111,855, recognised under Payables to concession grantors;
- the payables of the Spanish motorway operator Aulesa to the Spanish government amounting to a total of Euro 43,718, recognised under Payables to concession grantors;
- the payable due to non-controlling shareholders of Invin, totalling Euro 188,253, recognised under Other payables to third parties.

The item Accrued expenses and deferred income concerns investments to be carried out for contractual obligations (Euro 45,073) and other non-commercial deferred income (Euro 67,296) of the Atlantia group, including the contribution from the Abertis group (Euro 32,483).

Payables to social security institutions essentially refer to the Autogrill group and consist of the liability for defined contribution plans.

Payables to personnel principally concern the Autogrill and Atlantia groups, reflecting the non-current portion of amounts due under long-term incentive plans. The change on the balance at December 31, 2017 refers to the reclassification of Autogrill group management incentives to the current portion.

26 — 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 below:

(Thousands of Euro)	12.31.2018	12.31.2017
Within 1 year	779	726
From 1 to 5 years	2,670	2,708
Beyond 5 years	3,855	4,368
Total	**7,304**	**7,802**

The portion due beyond one year amounts to Euro 6,525, while payments due within one year come to Euro 779 and are shown under current liabilities.

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

(Thousands of Euro)	12.31.2018	12.31.2017
Minimum payments due	9,133	10,695
Future financial charges	(1,829)	(2,893)
Present value of lease financing	**7,304**	**7,802**

27 — Other non-current financial liabilities

The balance of this item refers almost entirely to the Atlantia group and represents the negative market value of derivatives outstanding at December 31, 2018:

- Euro 483,207 refers to the fair value of interest rate swaps (IRS) classified as cash flow hedges in accordance with IFRS 9, entered into by certain companies in the Atlantia group to hedge interest rate risk on existing and highly probable future non-current financial liabilities, in line with the group's financial plan;
- Euro 258,532 refers to the Cross Currency Swaps (CCS) and Interest Rate Swaps (IRS) of the Abertis group, included in the scope of consolidation during 2018;
- Euro 130,311 refers to the Cross Currency Swaps of Aeroporti di Roma to hedge the bond issued denominated in GBP;
- Euro 9,276 refers to IPCA vs CDI Swap offsets entered into by the Brazilian companies, Triangulo do Sol and Rodovia das Colinas, to crystallise the mark-to-market value of IPCA vs CDI Swap derivatives at the date of agreeing the Offset.

The residual balance of the item (Euro 626,889) essentially reflects the contribution of the Abertis group companies.

28 — 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 239,701).

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

(Thousands of Euro)	
Present value of obligation at 01.01.2018	**276,453**
Service cost	16,351
Financial charges/(income)	2,371
Actuarial losses/(gains)	(1,597)
Contributions paid by the Group and by employees	(3,453)
Indemnities paid	(33,463)
Change in scope of consolidation	197,417
Other movements and translation differences	7,852
Present value of obligation at 12.31.2018	**461,931**

Of the total balance at December 31, 2018 Euro 356,968 refers to the Atlantia group, of which Euro 168,135 referring to employee termination indemnities (TFR) for the Italian companies in the group. The Autogrill group accounts for Euro 71,036, with Euro 44,173 pertaining to employee termination indemnities of Italian personnel. The amount for the Benetton group is Euro 23,567, including Euro 17,108 in employee termination indemnities for Italian personnel.

Certain companies in the Autogrill group also recognise 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, 2018 amounted to Euro 71,695.

The table below summarises the main financial and actuarial assumptions used to calculate post-employment benefits:

	2018
Discounting rate	0.1% – 1.9%
Inflation rate	1% – 2%
Expected rate of salary increases	0.65% – 3%

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

29 — Deferred tax liabilities

Almost the entirety of the balance of this item (Euro 3,302,919) refers to the Atlantia group (Euro 3,237,897), and comprises deferred tax liabilities that cannot be offset using assets, calculated on excess cost recognised as a result of the fair value measurement of the activities acquired through business combinations.

30 — Provisions and liabilities

The table below summarises movements during the year:

(Thousands of Euro)				Non-current portion							Current portion
	Provisions for risk	Provision for sales agent indemnities	Provision for other expenses	Provisions for repair and replacement of motorway infrastructure assets	Provisions for refurbishment of airport infrastructure	Total	Provisions for risk	Provision for other expenses	Provisions for repair and replacement of motorway infrastructure assets	Provisions for refurbishment of airport infrastructure	Total
Balance at 12.31.2017	**61,544**	**13,043**	**31,470**	**1,262,508**	**113,675**	**1,482,240**	**69,776**	**30,124**	**220,615**	**69,770**	**390,285**
Reclassification	-	-	-	(78,792)	78,792	-			(5,292)	5,292	-
Balance at 01.01.2018	**61,544**	**13,043**	**31,470**	**1,183,716**	**192,467**	**1,482,240**	**69,776**	**30,124**	**215,323**	**75,062**	**390,285**
Provisions	19,648	-	4,031	796,269	160,266	980,214	27,005	82,817	13,712	1,540	125,074
Uses	(1,651)	(119)	(2,580)	-	-	(4,350)	(26,432)	(5,522)	-	-	(31,954)
Released to statement of income	(2,030)	(2,008)	(1,712)	-	-	(5,750)	(20,589)	(6,374)	(463,222)	(75,635)	(565,820)
Changes in scope of consolidation	554,138	-	56,121	517,960	-	1,128,219	38,916	3,835	173,883	-	216,634
Other movements and translation differences	(80,469)	-	8,408	(1,005,598)	(81,434)	(1,159,093)	56,059	587	1,010,816	84,796	1,152,258
Balance at 12.31.2018	**551,180**	**10,916**	**95,738**	**1,492,347**	**271,299**	**2,421,480**	**144,735**	**105,467**	**950,512**	**85,763**	**1,286,477**

At December 31, 2018 Provisions for risk totalled Euro 695,915. The Atlantia group contributed Euro 647,379 to this item (current portion: Euro 129,336), representing the estimated charges to be incurred in connection with pending litigation, including those with maintenance contractors regarding contract reserves. Compared to the previous year, provisions increased due to the Abertis group: in particular, due to provisions relating to the equity investment held in Alazor Inversiones S.A. (Euro 228,258) relating to financial guarantees provided by Iberbistas and Acesa to banks.
Euro 42,017 pertains to the Autogrill group (current portion: Euro 13,205) and is mainly comprised of:
- a self-insurance provision (Euro 32,770) to cover the excess on third-party liability provided for in insurance plans;
- provisions for legal disputes (Euro 4,559), allocated in view of the risk of loss in disputes involving the Autogrill group, taking into account the opinions of its legal advisors.

The Benetton group's contribution of Euro 4,763 (current portion: Euro 2,119) relates to provisions made 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.

At December 31, 2018 the Provision for other expenses, totalling Euro 201,205, pertains to the Atlantia group for Euro 177,505 (current portion: Euro 92,879), the Autogrill group for Euro 12,487 (current portion: Euro 3,052) and the Benetton group for Euro 8,395 (current portion: Euro 7,823).
With regard to the Atlantia group, at year-end, the provisions included the allocation of Euro 57,218 in relation to the estimate of charges connected with the compensation to the families of victims, disbursements to small businesses and traders affected by the collapse of a section of the Polcevera road bridge on August 14, 2018 as well as charges for the related legal fees.
The balance at December 31, 2018 for the Autogrill group includes:
- a provision for the refurbishment of third party assets (Euro 8,238), representing estimated liabilities for ensuring that leased assets are returned in the contractually agreed condition;
- provisions for onerous contracts (Euro 1,197), 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 3,052), referring mostly to disputes over the US subsidiaries' direct and indirect taxation.

The amount relating to the Benetton group mainly includes provisions for the reorganisation plan, relating to estimated costs for the closure of some directly operated stores.
Provisions for the repair and replacement of motorway infrastructure assets (Euro 2,442,859) refer to the Atlantia group and cover the current value of the estimated cost to be incurred in order to fulfil the contractual obligation of repairing or replacing motorway infrastructure, in accordance with the concession arrangements entered into by the group's motorway operators. The amount of the provision increased compared to the previous year, due to the combined effect of:

- the inclusion of the Abertis group in the scope of consolidation (Euro 691,843);
- the operating provisions of Euro 809,981, which include the allocations relating to the collapse of a section of the Polcevera road bridge, whose estimate (Euro 397,399), was notified by the Commissioner in relation to the plan for demolition and reconstruction identified, without prejudice to all verifications of liability;
- the uses for restoration and replacement works performed during the year, totalling Euro 463,222.

The Provisions for the refurbishment of airport infrastructure, totalling Euro 357,062, covers the present value of estimated future expenses for extraordinary maintenance, repairs and replacements in view of the contractual obligations of the Atlantia group pertaining to airport operations. Compared to December 31, 2017, the provision increased by Euro 89,533, as a result of provisions allocated during the year by the Aéroports de la Côte d'Azur in relation to the revised estimate of the works for the refurbishment of airport infrastructure planned for the future.

31 — Provisions for construction services required by contract

These provisions represent the present value of the motorway infrastructure construction/upgrading services still to be provided, which some operators in the Atlantia group, in particular Autostrade per l'Italia, have committed to providing 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 below presents balances at the beginning and end of 2018 and movements during the year, broken down by current/non-current portion.

(Thousands of Euro)	Balance at 01.01.2018	Non-current	Current	Changes due to revised present value of construction services	Financial provisions	Reduction for completed works	Grants accrued on completed works	Translation differences and changes in scope of consolidation	Balance at 12.31.2018	Non-current	Current
Provisions for construction services required by contract	**3,387,493**	2,960,647	426,846	138,720	18,023	(367,884)	-	38,980	**3,215,332**	2,786,839	428,493

CURRENT LIABILITIES

32 — Trade payables

These illustrate the Group's liabilities for the purchase of goods and services, including the Atlantia group's tolls in the process of settlement (Euro 85,588) and payables to operators of interconnecting motorways (Euro 623,781).
The change in the balance of the item compared to December 31, 2017 comprises Euro 319,233 relating to the consolidation of the Abertis group's trade payables and Euro 166,218 reflecting the recognition of trade liabilities by the Chilean motorway operators Ruta 78-68 and AVO II in relation to the start-up of the activities provided for in their respective concession arrangements, entered into in 2018.

33 — Other payables, accrued expenses and deferred income

This item is summarised as follows:

(Thousands of Euro)	12.31.2018	12.31.2017
Other payables		
Payables to personnel	366,363	260,279
Other tax payables	212,185	177,191
Payables for the purchase of non-current assets	94,317	87,764
Payables to social security institutions	120,571	114,923
Payables to grantors	104,211	112,825
Security deposits and deposits of users who pay by direct debit	74,101	54,537
Payables to expropriated companies	7,113	9,587
VAT payables	158,130	52,993
Payables to public entities	33,577	6,113
Other payables to third parties	485,342	157,731
Total other payables	**1,655,910**	**1,033,943**
Accrued expenses and deferred income		
Leases and rentals	11,506	9,912
Other	36,750	44,882
Total accrued expenses and deferred income	**48,256**	**54,794**
Total other payables, accrued expenses and deferred income	**1,704,166**	**1,088,737**

The increase in the balance of Other payables, accrued expenses and deferred income compared to December 31, 2017 comprises Euro 575,207 due to the Abertis group, specifically regarding:
- Other tax payables (Euro 46,275);
- VAT payables (Euro 111,588);
- Other payables to third parties (Euro 261,693) for payables to the motorway operators Autopista del Sol, Ausol and GCO.

Payables to personnel concern amounts accrued and not paid at December 31, 2018 and also include the current portion of liabilities for long-term personnel incentive plans.

Payables for the purchase of non-current assets refer to the retail network and information technology of the Benetton group, Euro 11,163, (Euro 10,105 at December 31, 2017) and to amounts payable in connection with investments by the Autogrill group, Euro 81,163, (Euro 75,048 at December 31, 2017); the change derives from seasonality on execution of investments and related payments.

Payables to social security institutions consist of contributions due from Group companies and employees.

Payables to grantors, Payables to expropriated companies, Security deposits and deposits of users who pay by direct debit, and Payables to public entities are due by companies in the Atlantia group.

Other payables to third parties include amounts due to Directors and Statutory Auditors, amounts due to insurance companies, and other non-trade payables, in addition to that described regarding the Abertis group.

34 — Income tax liabilities

Tax payables represent the amount payable by the Group for current year income tax, stated net of taxes paid in advance, tax credits and withholding taxes. The increase in the balance compared to December 31, 2017 is attributable to the contribution from the Abertis group companies.

35 — Other current financial liabilities

Details are as follows:

(Thousands of Euro)	**12.31.2018**	**12.31.2017**
Financial accrued expenses and deferred income	499,963	300,437
Derivatives	13,141	30,193
Promissory Notes	48,521	55,087
Payables to brokerage companies	8,012	12,280
Financial payables due to other companies	501,943	80,903
Total	**1,071,580**	**478,900**

The increase in Other current financial liabilities is due to the contribution from the Abertis group.

Financial accrued expenses and deferred income are made up mostly of accrued expenses and deferred income on bonds and loans (Euro 419,406) and of accrued expenses on derivative transactions (Euro 80,557).

Derivatives essentially reflect the negative fair value of derivative contracts to hedge exchange rate and interest rate risk of the Benetton group (Euro 1,108) and the Atlantia group (Euro 8,800). The item also includes the negative fair value of contracts classified as non-hedge accounting (Euro 941) referring to the Atlantia group. At December 31, 2017 the item included non-hedge accounting derivatives referring to the negative fair value of the derivatives with the deal contingent hedge clause for a notional value of Euro 2,500 million, to hedge the financial requirements connected with the Public Tender Offer in cash and stock of the Atlantia group on Abertis.

The Promissory Notes item refers to a Brazilian motorway operator, whose decrease on the balance at December 31, 2017 derives from partial use to repurchase the bond issued by its subsidiary Rodovia MG 050.

Payables to brokerage companies refer to the Parent Company for the purchase of Prysmian S.p.A. shares that took place at the end of the year and whose payment was completed in the first days of 2019 and to Schematrentatre S.p.A. for the purchase of Assicurazioni Generali S.p.A. shares that took place at the end of the year and whose payment was completed in the first days of 2019.

36 — Bank loans and overdraft

In detail:

(Thousands of Euro)	**12.31.2018**	**12.31.2017**
Short-term bank loans from credit institutions	390,171	722,143
Current account overdrafts	62,529	54,429
Total	**452,700**	**776,572**

The balance of the item at December 31, 2018 comprises Euro 245.2 million relating to the Atlantia group, Euro 120.4 million relating to the Benetton group and Euro 69.0 million relating to the Autogrill group.
The decrease in the item is attributable to the Atlantia group (Euro 147.6 million) and the Autogrill group (Euro 149.2 million).

COMMENTS ON INCOME STATEMENT ITEMS

(All figures in thousands of Euro)

37 — Revenues

Revenues are broken down by type as follows:

(Thousands of Euro)	2018	2017
Net sales	6,466,990	6,386,460
Tolls	4,992,139	4,195,206
Aviation revenues	834,036	792,577
Royalties	352,206	331,405
Other revenues	473,459	400,716
Total	**13,118,830**	**12,106,364**

Net sales increased from the previous year due to the contribution from the Autogrill group, whose sales increased by around Euro 123 million (despite the negative currency exchange effect of Euro 126 million), of which Euro 47 million relating to the contributions from the new acquisitions (Le CroBag and Avila).

Tolls amounted to Euro 4,992 million with a total increase of Euro 797 million (+16%) compared to 2017. At constant exchange rates, which had a negative impact of Euro 57 million, and net of the contribution from the Abertis group of Euro 754 million, toll revenues increased by Euro 99 million, mainly due to the following factors:
- application of annual tariff increases for the Group's Italian operators (+ Euro 51 million);
- increase in traffic (+0.2%) on the Italian network (+ Euro 15 million);
- higher contribution from foreign operators (+ Euro 32 million), both due to positive traffic dynamics in Chile (+4.6%), Poland (+5.2%) and Brazil (+0.7%), and due to tariff increases.

Aviation revenues amounted to Euro 834 million and increased by Euro 42 million (+5%) relative to the previous year, specifically due to the higher passenger traffic volumes recorded by Aéroports de la Côte d'Azur (+4.1%) and by Aeroporti di Roma (+4.2%).

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

Other revenues primarily consist of the Telepass and Viacard income of the Atlantia group, equal to Euro 166.3 million, which increased by around Euro 13 million on 2017, and other revenues from motorway and airport management. With regard to the latter, revenues increased for the sub-concessions of the Aéroports de la Côte d'Azur and Aeroporti di Roma groups by around Euro 6 million compared to 2017.

Revenues by business segment are shown below:

(Thousands of Euro)	2018	2017
Transport Infrastructure	6,631,479	5,697,443
Food and Beverage	5,112,890	4,989,971
Clothing and Textiles	1,324,637	1,365,736
Other sectors	49,824	53,214
Total	**13,118,830**	**12,106,364**

The following table shows revenues by geographical area:

(Thousands of Euro)	**2018**	**2017**
Italy	6,879,805	6,719,809
Rest of Europe	2,539,459	1,926,495
Americas	3,240,647	3,037,327
Rest of World	458,919	422,733
Total	**13,118,830**	**12,106,364**

Refer to the details provided in the Directors' Report.

38 — Revenues from construction services

Revenues from construction services are broken down in the table below:

(Thousands of Euro)	**2018**	**2017**
Revenues from construction services for which additional economic benefits are received	485,944	336,882
Revenues from investment in financial assets deriving from concession rights	25,421	73,376
Services provided by sub-operators	4,881	5,221
Total	**516,246**	**415,479**

This item presents the value of construction services for which additional economic benefits are received, provided during the year by Atlantia group companies. With reference to this type of revenues, it should be noted that, in keeping with IFRIC 12, the Atlantia group recognises as revenues from construction services the consideration due for services rendered, which it measures at fair value based on total costs incurred, comprised of operating costs and financial charges.
In particular, compared to 2017, revenues from construction services for which additional economic benefits are received increased by Euro 149,062, of which Euro 138,838 attributable to the contribution of Abertis for the last two months of the year. In 2018 the Atlantia group performed additional construction services for which no additional economic benefits are received, amounting to Euro 367,884, for which the group made use of a portion of the Provisions for construction services required by contract (Note 31 – Provisions for construction services required by contract). For this kind of activity, in accordance with IFRIC 12, Atlantia recognises as Revenues from construction services only the government grants accrued on these works, while the amount of investments realised, net of those grants, is recognised in Note 45 – Use of provisions for construction services required by contract.

39 — Other revenues and operating income

This item is detailed in the following table:

(Thousands of Euro)	**2018**	**2017**
Capital gains on disposal of non-current assets	8,072	7,925
Reimbursement of costs by third parties	76,345	73,873
Rents	69,663	59,251
Promotional contributions by suppliers	43,753	43,943
Commissions on premium product sales	20,797	21,019
Release of provisions	37,511	21,399
Affiliation fees	4,757	2,298
Impairment reversals	22,478	79,963
Other operating income	122,943	109,841
Total	**406,319**	**419,512**

Reimbursement of costs by third parties includes Euro 71,354 for the Atlantia group and refers to refunds and indemnities received.

Rents refer mainly to income from commercial premises used for the sale of Benetton group label products, leasing instalments for companies in the Autogrill group (Euro 15,950), which increased on 2017 (Euro 7,745) for rents on the points of sale managed by Le CroBag, and leasing instalments for properties classified as investment property.

The balance of the item Release of provisions specifically includes the contribution of the Atlantia group (Euro 25,201) and of the Benetton group (Euro 8,765).

In 2018, Impairment reversals were recorded by the Edizione group (Euro 11,711), following impairment testing, while in 2017, they comprised Euro 78,700 referring to impairment reversals on Concession rights of the company Raccordo Autostradale Valle d'Aosta.

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

40 — Purchases and changes of raw materials and consumables

The increase in this item is mainly attributable to the higher costs for raw materials and consumables relating to the start-up of work on the *Gronda di Genova* (the Genoa Bypass), incurred by the subsidiary Autostrade per l'Italia and the increase in the costs for purchase of raw materials of the Autogrill group, in relation to the growth in its revenues.

41 — Payroll costs

Details are as follows:

(Thousands of Euro)	**2018**	**2017**
Wages and salaries	2,163,174	2,086,176
Social security charges	517,325	494,685
Directors' emoluments	15,740	11,418
Provision for employee termination indemnities and similar	16,351	5,653
Other payroll costs	234,944	222,239
Total	**2,947,534**	**2,820,171**

Other payroll costs concern the Autogrill group for Euro 163,022, in connection with long-term incentives, health insurance and other benefits, and the Atlantia group for Euro 62,695, and include bonuses, leaving incentives and the cost of seconded personnel.

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

FTEs	2018	2017
Food and Beverage	42,353	41,142
Transport Infrastructure	29,686 [1]	15,979
Clothing and Textiles	9,325	9,281
Other sectors	736	713
Total	**82,100**	**67,115**

[1] The Abertis group had an average workforce of 13,880 in 2018.

42 — Costs of services

Costs of services are made up as follows:

(Thousands of Euro)	2018	2017
Construction and similar	358,635	413,139
Maintenance costs	369,244	350,544
Consultants' fees (Tax & Legal)	174,061	152,541
Utilities	155,719	151,934
Subcontracted work	114,161	119,234
Transport and distribution	104,357	102,670
Professional and technical services	107,466	99,268
Cleaning and disinfestation	80,666	78,846
Advertising and promotion	69,303	68,039
Banking services	66,272	63,429
Sales commissions	55,634	53,765
Insurance	52,573	44,869
Travel expenses and accommodation	41,327	40,083
Surveillance	32,369	37,465
Telephone and postal charges	34,041	33,838
Statutory auditors' emoluments	2,440	2,262
Other services	517,703	312,241
Total	**2,335,971**	**2,124,167**

The change in Costs of services in 2018 compared to 2017 (Euro 211,804) is due to the costs pertaining to the Abertis group (Euro 196,461).

The item Construction and similar refers to the Atlantia group and includes construction and professional services relating to infrastructure under concession.

Consultants' fees (Tax & Legal) increased by effect, in particular, of the costs relating to professional consulting connected with the public tender offer for cash and/or shares ("Public Tender Offer") on Abertis group, autonomously presented by Atlantia and withdrawn in April 2018, and to the new joint investment agreement reached with ACS and Hochtief in 2018 (Euro 22 million). In the previous year, the costs for professional services incurred and connected with the Public Tender Offer presented autonomously by Atlantia amounted to Euro 26 million.

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

Lastly, that item included costs of services with the collapse of a section of the Polcevera road bridge, for a total of Euro 16 million. Refer to Note 64 – Non-recurring events, for the details.

43 — Leases and rentals

This item consists primarily of concession fees paid by the Autogrill group to third parties and by the Atlantia group to the grantors. The change in this item (Euro 1,494,376 from Euro 1,427,806 in 2017), essentially reflects the business expansion of the Autogrill group in the United States and in the International business unit.

44 — Other operating expenses

In detail:

(Thousands of Euro)	2018	2017
Indirect taxes and duties	112,668	81,186
Donations	48,579	35,856
Compensation for damages and penalties	43,096	14,680
Capital losses on disposal of non-current assets	2,770	2,415
Differences in cash deposits	2,762	1,905
Other expenses	25,677	28,719
Total	**235,552**	**164,761**

Indirect taxes and duties include the contribution of the Autogrill group of Euro 26,618, of the Atlantia group of Euro 74,040 (of which Euro 4,689 in relation to the Public Tender Offer on Abertis), of the Edizione Property group of Euro 5,142 and of the Benetton group of Euro 5,273. In the previous year, indirect taxes and duties connected with the Public Tender Offer on Abertis amounted to roughly Euro 5,642.
The change in the item also reflects the contribution of the Abertis group for indirect taxes and duties recognised by the French motorway operators.

Donations concern the Atlantia group for Euro 46,161, for the upgrading of infrastructures operated by other entities located near the motorways. The increase in donations recognised in 2018 compared to the previous year is linked to the disbursements to individuals and businesses affected by the collapse of a section of the Polcevera road bridge.

Compensation for damages and penalties essentially refers to the Atlantia group. These increased on the previous year due to the compensation and indemnification to the families of victims and the businesses affected by the collapse of a section of the Polcevera road bridge.

Overall, the operating expenses connected with the collapse of a section of the Polcevera road bridge included in that item amount to Euro 34 million. Refer to Note 64 – Non-recurring events, for the details.

45 — 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 the year. It is recognised as an indirect adjustment of the costs, classified by nature, incurred in 2018 for the construction services provided by operators of the Atlantia group. The decrease recorded is substantially attributable to lower investments made to upgrade the Bologna-Florence section of the A1 Milan-Naples.

46 — Depreciation of property, plant and equipment

As follows:

(Thousands of Euro)	**2018**	**2017**
Depreciation of buildings	21,353	21,953
Depreciation of investment property	5,522	4,122
Depreciation of plant, machinery and equipment	157,098	139,358
Depreciation of furniture, furnishings and electronic equipment	36,754	29,758
Depreciation of assets to be relinquished	15,280	16,562
Depreciation of leasehold improvements	104,686	100,439
Depreciation of other property, plant and equipment	20,133	13,686
Total	**360,826**	**325,878**

47 — Amortisation of intangible assets

As follows:

(Thousands of Euro)	**2018**	**2017**
Amortisation of intangible assets deriving from concession rights	1,179,983	951,894
Amortisation of industrial patents and intellectual property rights	771	675
Amortisation of concessions, licenses, trademarks and similar rights	37,779	28,671
Amortisation of deferred charges	5,498	6,976
Amortisation of other intangible assets	86,133	69,229
Total	**1,310,164**	**1,057,445**

48 — Impairment of property, plant and equipment and intangible assets

Impairment carried out in 2018 amounted to Euro 34,366, of which Euro 32,099 on property, plant and equipment and Euro 2,267 on intangible assets.
In the previous year, this item, amounting to Euro 23,199, was made up of Euro 13,362 in impairment of property, plant and equipment and the remainder in impairment of intangible assets. Details can be found in the impairment testing section of Note 2 – Intangible assets.

49 — Impairment of doubtful accounts

This item, totalling Euro 33,918, pertains to trade receivables for Euro 32,137 and to other receivables for Euro 1,781.
In the previous year period, this item, totalling Euro 57,108, pertained to trade receivables for Euro 55,738 and to other receivables for Euro 1,370.
Changes in the provision for doubtful accounts are shown in Note 11 – Trade receivables.

50 — Provisions for risks

These include provisions for risks (Euro 46,653) and other provisions (Euro 86,848) accounted in 2018, which includes the allocation of Euro 57,218 connected with the compensation to the families of victims, disbursements to small businesses and traders affected by the collapse of a section of the Polcevera road bridge, as well as charges for the related legal fees.
The item also includes the net provision for the repair of assets operated under concession, pertaining to the motorway operators of the Atlantia group (a negative Euro 346,759). This includes the allocation of Euro 397,399 in relation to the demolition and reconstruction of the Polcevera road bridge (see Note 64 – Non-recurring events). Excluding the effects of those allocations and the contribution of the Abertis group (Euro 24,888), the change is a positive Euro 25,752, essentially in relation to the greater use deriving from the works carried out during the year by Brazilian motorway operators.
The item also includes the net provision for the renewal of airport infrastructure, a negative Euro 86,171, which reflects the update of the estimate of the present value of the works planned on the airport infrastructure under concession of Aéroports de la Côte d'Azur.

51 — Income/(Losses) of associates

This item reflects the dividends received from associates (Euro 3,706), the effect of the valuation on an equity basis of Cellnex (negative effect of Euro 13,273) and some associates and joint ventures of the Atlantia group (negative effect of Euro 4,006) and of the Autogrill group (positive effect of Euro 13).
In 2017 the item included dividends received from the associated company Save S.p.A. (Euro 8,395) and the effect of the valuation on an equity basis of the associated companies of the Atlantia group (negative Euro 10,056) and the Autogrill group (positive Euro 797).
For further information, see Note 4 – Equity investments in associates and joint ventures.

52 — Financial income

This item comprises:

(Thousands of Euro)	**2018**	**2017**
Interest income from other non-financial receivables	86,605	71,665
Interest income from banks	27,511	26,277
Financial income from discounting	108,796	73,506
Financial income on derivatives	121,505	89,470
Financial income accounted for as an increase in financial assets	57,710	73,096
Dividends from other companies	53,497	29,457
Capital gains on disposal of equity investments	-	44,896
Interest income from non-current securities	5,599	563
Capital gains on investment funds	-	6,040
Other financial income	1,877	14,069
Total	**463,100**	**429,039**

Interest income from other non-financial receivables refers to the Atlantia group. The change on 2017 derives from higher overdue interest on non-payment of tolls of several Chilean motorway operators.

Interest income from banks is mainly attributable to the Atlantia group.

Financial income from discounting refers to the Atlantia group's discounting of financial assets deriving from concession rights and financial assets deriving from government grants.

Financial income on derivatives relates (Euro 82,721) to the interest rate hedging transactions of the Atlantia group (Euro 88,748 in 2017).

Financial income directly accounted for as an increase in financial assets refers to the Atlantia group and decreased on the previous year due to the reduction of interest rates.

Dividends from other companies were collected in 2018 from Assicurazioni Generali S.p.A. (Euro 40.5 million), Mediobanca S.p.A. (Euro 8.7 million), and some Atlantia group companies (Euro 4.3 million).

In the previous year, Capital gains on disposal of equity investments referred to the income deriving from participation in the mandatory Public Tender Offer promoted on Save S.p.A. shares.

Interest income from non-current securities includes income distributed by investment funds held by the Parent Company.

Capital gains on investment funds refer to the disposal effect deriving from the redemption of 50% of the units held in the Quaestio Opportunity Fund, carried out in 2017.

53 — Impairment of equity investments and investment funds

Impairment of equity investments and investment funds include the adjustment to the fair value at December 31, of investment funds based on their Net Asset Values at the same date, and the impairment of equity investments in associates and non-consolidated subsidiaries.

54 — Financial charges

Details are as follows:

(Thousands of Euro)	**2018**	**2017**
Interest on bonds	550,674	490,964
Interest on bank loans	172,323	137,668
Financial charges from derivatives	135,630	168,983
Financial charges from discounting	54,110	43,539
Capital losses on disposal of equity investments and investment funds	7,434	1,141
Financial charges accounted as an increase of financial liabilities	17,481	12,389
Write-downs for overdue interest on current receivables	74,412	57,350
Non-recurring financial charges connected to the Abertis Public Tender Offer	92,488	37,280
Interest on loans from third parties	3,625	4,212
Bank expenses and commissions	5,813	4,827
Other financial charges	75,580	7,240
Total	**1,189,570**	**965,593**

Interest on bonds pertains to the bond issues of the Atlantia group and the Autogrill group.

Financial charges from derivatives include the negative differentials accrued on interest rate hedges and currency risk hedges, almost exclusively referring to the Atlantia group.

Financial charges from discounting reflect the impact of discounting the Provisions for construction services required by contract, the provisions for the repair of assets operated under concession, and the renewal provision for airport infrastructure of the Atlantia group.

Capital losses on disposal of equity investments and investment funds comprise the disposal effect (Euro 7,260) deriving from the redemption of the units held in the Quaestio Opportunity Fund, determined as the difference between the Net Asset Value of the fund at the redemption date and its carrying amount at the same date.

With regard to Non-recurring financial charges connected to the Abertis Public Tender Offer, refer to the details in Note 62 – Business combinations.

55 — 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.

56 — Income taxes

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

(Thousands of Euro)	2018	2017
Current taxes	552,368	605,978
Deferred taxes	(71,888)	98,446
Total	**480,480**	**704,424**

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

(Thousands of Euro)	2018	2017
Atlantia group	439,989	632,194
Autogrill group	34,501	45,738
Other Group companies and consolidation adjustments	5,990	26,492
Total	**480,480**	**704,424**

Current taxes are allocated below by Group:

(Thousands of Euro)	2018	2017
Atlantia group	518,142	552,817
Autogrill group	31,003	45,907
Other Group companies	3,223	7,254
Total	**552,368**	**605,978**

The decrease in current taxes of Atlantia group derives from the reduction during 2018 in taxable income of group companies and the lack of the tax expense recognised in 2017 in relation to the corporate reorganisation implemented by the group.

Deferred taxes are allocated below by Group:

(Thousands of Euro)	2018	2017
Atlantia group	(78,153)	79,377
Autogrill group	3,498	(169)
Benetton group	9,489	18,423
Other Group companies and consolidation adjustments	(6,722)	815
Total	**(71,888)**	**98,446**

57 — Profit/(Loss) from assets held for sale and discontinued operations

The following table breaks down the Profit from discontinued operations in 2018 and 2017:

(Thousands of Euro)	2018 Atlantia group (Hispasat)	2017 Atlantia group (Ecomouv' and other)
Operating income	26,968	-
Operating expenses	(4,412)	(107)
Financial income	29,756	-
Financial charges	(32,023)	(308)
Income taxes	(16,693)	(830)
Contribution to net income of discontinued operations	**3,596**	**(1,245)**
Capital gain/(loss) on disposal of discontinued operations, net of tax effect	-	-
Other net income/(charges) relating to discontinued operations	-	-
Profit/(Loss) of discontinued operations	**3,596**	**(1,245)**

The balance of this item refers to the income of the last two months of 2018 of the Hispasat group, which was formally disposed of on February 12, 2019. In 2017, that item referred almost exclusively to Tech Solutions Integrators.

(All figures in thousands of Euro)

58 — Consolidated net financial position

The breakdown of the net financial position is as follows:

(Millions of Euro)	12.31.2018	12.31.2017
Cash and cash equivalents	**5,861**	**7,549**
Current financial assets deriving from concession rights	536	447
Current term deposits	245	179
Other current financial assets	366	251
Current financial assets, total	**1,147**	**877**
Non-current financial assets deriving from concession rights	2,824	964
Non-current term deposits	349	315
Other non-current financial assets	1,424	1,000
Non-current financial assets, total	**4,597**	**2,279**
Payables to banks	(447)	(776)
Current portion of medium/long-term loans	(1,266)	(320)
Current portion of bond issues	(1,615)	(1,119)
Other current financial liabilities	(1,076)	(480)
Current financial liabilities, total	**(4,404)**	**(2,695)**
Long-term loans	(22,551)	(4,479)
Bond issues	(21,175)	(11,653)
Other non-current financial liabilities	(1,877)	(604)
Non-current financial liabilities, total	**(45,603)**	**(16,736)**
Net financial indebtedness	**(38,402)**	**(8,726)**

59 — Financial risk management

Introduction
The holding companies (Edizione, Sintonia, ConnecT, Schematrentaquattro and Schematrentatre) and the main sub-groups of the Edizione Group, such as Atlantia, Autogrill, Benetton Group, Olimpias Group and Edizione Property, have always paid close attention to the identification, assessment and hedging of financial risks associated with their businesses, and in particular to:
- market risk, mainly related to interest rate risk, currency risk, price risk (commodity and financial assets);
- 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 centralised 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

Interest rate risk, currency risk, price 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.
Exposure to currency risk stems from the geographical distribution of its industrial activities with respect to the geographical distribution of the markets where the Group 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.

Edizione S.r.l.

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 measured at fair value through profit or loss or through comprehensive income on the basis of IFRS 9.

Sensitivity analysis of price risk
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, 2018 would have affected shareholders' equity by ± Euro 947 (± Euro 25,418 in 2017).

Schematrentatre S.p.A.

Price risk
Schematrentatre 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 carried at fair value through profit or loss or through comprehensive income on the basis of IFRS 9.

Sensitivity analysis of price risk
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, 2018 would have affected shareholders’ equity by ± Euro 44,897.

Atlantia group

Interest rate risk
Interest rate risk is linked to uncertainty deriving from the performance of interest rates, and takes two forms:
- cash flow risk: related to financial assets or liabilities with financial flows that are indexed to a market interest rate. In order to reduce floating rate debt, the group has entered into interest rate swaps (IRS), classified as cash flow hedges. The hedging instruments and the underlying financial liabilities, including highly probable future financial liabilities, have matching terms to maturity and notional amounts. Following tests of effectiveness, changes in fair value are mainly recognised in the other comprehensive income components. In 2018, the group entered into IRS Forward Starting derivatives with a total notional value of Euro 5.5 billion and with negative fair value of Euro 78.6 million at December 31, 2018 with durations of 12 years at a weighted average fixed rate of approximately 0.664%, connected to highly probable future financial liabilities that will be assumed by the group up to 2020;
- fair value risk: the risk of losses deriving from an unexpected change in the value of fixed rate financial assets and liabilities following an unfavourable shift in the market yield curve. At December 31, 2018 the group reports transactions classifiable as fair value hedges in accordance with IFRS 9, regarding the IPCA x CDI Swaps entered into by the Brazilian companies, Triangulo do Sol and Rodovia das Colinas, with the aim of converting the real IPCA rate bonds issued to a floating CDI rate. Changes in the fair value of these instruments are recognised in profit or loss and are offset by matching changes in the fair value of the underlying liabilities. Moreover, a Swap Offset was carried out in order to crystallise the positive value of the mark-to-market of IPCA x CDI derivatives at the date of entering into the Offset. The discounted value of the flows of IPCA x CDI derivatives at December 31, 2018 net of the discounted value of Offset derivatives, was positive, equal to Euro 4 million. For a comprehensive representation of the value of the instrument, the accruals component must be considered, equal to approximately Euro 36.4 million, which, summed with the fair value component, shows a total positive value of the instrument of approximately Euro 40.4 million.

With reference to the type of interest rate, as a result of cash flow hedges, 67% of interest bearing debt is fixed rate.

Currency risk
The group’s prime objective of currency risk is to minimise transaction exposure through the assumption of liabilities in currencies other than the group’s functional currency. Cross Currency Swaps (CCS) with notional amounts and maturities matching those of the underlying financial liabilities have been entered into specifically to eliminate the currency risk connected with the sterling and yen-denominated bonds transferred to Autostrade per l’Italia with an issuer substitution transaction. These swaps also qualify as cash flow hedges and tests of effectiveness have shown no ineffective portion.
It should be noted that following the acquisition by Atlantia of 99.87% of a bond for a nominal amount of GBP 215,000 thousand issued by Romulus Finance (a vehicle controlled by Aeroporti di Roma, liquidated in 2017 by transferring the liabilities assumed to the parent company), the Cross Currency Swap derivatives entered into by Atlantia and Aeroporti di Roma, covering the interest rate and currency risk arising from the underlying currency assets, are classified as non-hedge accounting in the consolidated financial statements.
12.3% of the Group’s debt is denominated in currencies other than the Euro.

Autogrill group

Interest rate risk
The aim of interest rate risk management is to control financial charges and its volatility. This entails, through a mix of fixed- and floating-rate liabilities, the predetermination of a portion of financial charges out to a time horizon in keeping with the structure of debt, which in turn must be in line with capital structure charges 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 (IRS).
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 would result in increased/reduced value of the debt).
Interest rate risk management instruments were accounted for as Cash Flow Hedges in the financial statements of the group subject to this risk. These instruments are recognised as financial assets or liabilities, under a specific heading of Comprehensive income and in the "Derivative hedging instruments valuation reserve" Equity item.
The financial instruments to manage the risk of changes in the fair value of the liabilities are accounted for as Fair Value Hedges in the financial statements of the group companies subject to this risk and are recognised as financial assets or liabilities with a balancing entry in the Income Statement.
At December 31, 2018, the percentage of fixed rate debt, or debt converted to fixed rate through Interest Rate Swaps, is 33% of the total (versus 38% at December 31, 2017).
At December 31, 2017, gross debt denominated in US Dollars amounted to USD 578.2 million at the end of the year, including USD 347 million in bond issues. Part of the interest rate risk is hedged by fixed-to-floating interest rate swaps for USD 100 million, classified as fair value hedges.

Currency risk
The Autogrill group operates in some countries with functional currencies other than the Euro. In these countries, the procurement policy dictates that raw material purchases and other operating expense be conducted in the same currencies, thereby minimising 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 neutralise some of this risk in respect of payables and receivables in foreign currency arising from lending transactions in currencies other than the Euro.
With respect to the Autogrill group's exposure to the translation risk, a 10% appreciation or depreciation of the Euro to USD, CAD and CHF would have had, at December 31, 2018 a negative change impact of Euro 44,840 and a positive impact of Euro 36,688, respectively, on equity and a negative impact of Euro 10,426 and a positive impact of Euro 8,531, respectively, on income.
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 company's or its subsidiaries' accounts of equity investments denominated in foreign currency) or financial assets or liabilities in a currency other than the reporting currency. These transactions are recognised 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 profit or loss, as is the corresponding change in the amount of the hedged assets and liabilities.

Benetton group

Interest rate risk
The companies in the Benetton group use external financial resources in the form of debt and use the available liquidity in monetary and financial market instruments. Changes in market interest rates influence the cost and performance of the different forms of financing, affecting the level of financial income and charges of the group. 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, 2018. Almost all of the interest-bearing debt consists of floating-rate loans and so their fair value is close to the value recognised in the statement of financial position.

Currency risk
It is the 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. Based on the type of risk, the maximum duration of hedging transactions is less than two years. The financial policy does not allow the undertaking of any transactions for the purposes of realising 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. Fluctuations in the market value of hedging instruments are therefore related to changes in the market value of the underlying asset covered for the entire effective period of the contract.
At December 31, 2018, the fair value of hedging instruments on currency risk is negative for Euro 8,755 (positive for Euro 21,136 at December 31, 2017).
At December 31, 2018, the potential (pre-tax) impact on the income statement of a hypothetical 10% increase in exchange rates against the Euro, assuming that all other variables remain equal, was negative by approximately Euro 3 million. The potential (pre-tax) impact on the income statement of a hypothetical 10% decrease in exchange rates was not significant (less than Euro 1 million). The analysis includes, in addition to financial instruments and currency translation risk, also the shareholders' equity of the subsidiaries.

The potential (pre-tax) impact on Shareholders' equity would be negative for Euro 14 million and positive for Euro 22 million, respectively.

Price risk
The 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 present in purchased products (yarns, fabrics, finished products). The group's financial policy allows it to use derivative financial instruments to hedge or reduce its exposure to commodity risk. There are no hedges in place at December 31, 2018.

Olimpias group

Interest rate risk
Olimpias group is not subject to interest rate risk because, on the one hand, it has no payables to banks, and on the other, its receivables are from the Parent Company and therefore from Edizione Group companies.

Currency risk
It is the Olimpias 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 is two 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. Fluctuations in the market value of hedging instruments are therefore related to changes in the market value of the underlying asset covered for the entire effective period of the contract.

Edizione Property group

Interest rate risk
The Edizione Property group uses financial resources in the form of debt and uses the available liquidity in monetary and financial market instruments. Changes in market interest rates influence the cost and performance of the different forms of financing, affecting the level of financial income and charges.
There are no interest rate hedges in place at December 31, 2018.
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 recognised in the statement of financial position.

Currency risk
Transactional currency risk subject to exchange rate fluctuations may entail effects on the equivalent value in euro of revenues, costs and profits, and effects on the equivalent value of assets and liabilities. Intercompany loans are expressed in Euro. This risk is not borne and managed by Edizione Property S.p.A., but by the individual group companies that operate in a different currency. The group remains exposed to the fluctuations of certain foreign currencies, providing accurate evidence of the impacts in the income statement and in the translation reserve posted under shareholders' equity. There are no interest rate hedges in place at December 31, 2018.

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.

Edizione S.r.l.

Edizione finances the outflows of ordinary operations mainly through the dividends received from subsidiaries and through its cash holdings.
Liquidity risk may arise only when the amounts related to investment decisions are not covered by cash availability and suitable and readily available funding sources.
Edizione believes that it has access to funds whose amounts and maturities are in line with its investment plans.
The table below shows financial liabilities outstanding at December 31, 2018 by maturity:

(Thousands of Euro)

Non-derivative financial liabilities	Total contractual flows	Within 1 year	1-5 years	Beyond 5 years
Bank and intercompany current accounts	(57)	(57)	-	-
Other financial liabilities	(2,899)	(2,899)	-	-
Total	**(2,956)**	**(2,956)**	**-**	**-**

The table below shows financial liabilities outstanding at December 31, 2017 by maturity:

(Thousands of Euro)

Non-derivative financial liabilities	Total contractual flows	Within 1 year	1-5 years	Beyond 5 years
Bank and intercompany current accounts	(3,610)	(3,610)	-	-
Other financial liabilities	(13,009)	(13,009)	-	-
Total	**(16,619)**	**(16,619)**	**-**	-

Sintonia S.p.A.

Sintonia S.p.A. believes that the company is not exposed to significant liquidity risks because, due to its high capitalisation and its ability to generate steady cash flows, it has access to funds whose amounts and maturities are in line with its investment plans.
At December 31, 2018, Sintonia had demand bank deposits of Euro 10.5 million, of which Euro 9.8 million relating to deposits in current accounts pertaining to the company's former shareholders.

ConnecT S.p.A.

ConnecT believes that it is not exposed to significant liquidity risks because, due to its high capitalisation and the financial policy adopted by the Company, it is able to comply with its investment plans and commitments assumed.

Schematrentaquattro S.p.A.

Schematrentaquattro believes that the company is not exposed to significant liquidity risks because, due to its high capitalisation, it has access to funds whose amounts and maturities are in line with its requirements.
At December 31, 2018, Schematrentaquattro had demand deposits totalling Euro 22.1 million.

Schematrentatre S.p.A.

Schematrentatre finances the outflows of ordinary operations mainly through the dividends received from subsidiaries and through its cash holdings. Liquidity risk may arise only when the amounts related to investment decisions are not covered by cash availability and suitable and readily available funding sources. Schematrentatre believes that it has access to funds whose amounts and maturities are in line with its investment plans.
At December 31, 2018, Schematrentatre had demand deposits totalling Euro 78.8 million.

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, 2018, project debt allocated to specific overseas companies amounts to Euro 6,293 million. At the same date, the group had a liquidity reserve of Euro 15,416 million, comprised of:
- Euro 5,073 million attributable to cash and cash equivalents;
- Euro 595 million in term deposits allocated primarily to part finance the execution of specific construction services and to service the debt of the Chilean companies;
- Euro 9,748 million in undrawn committed lines of credit which, at December 31, 2018 had an average duration of approximately three years and 11 months and a weighted average remaining period of use of approximately two years and four months.

The following table shows the distribution of loan maturities outstanding at December 31, 2018:

(Thousands of Euro)						Financial liabilities
12.31.2018	**Carrying amount**	**Total contractual flows**	**Within 12 months**	**From 1 to 2 years**	**From 3 to 5 years**	**Beyond 5 years**
Non-derivative financial liabilities [1]						
Total bond issues (A)	**22,487,089**	**(24,643,820)**	**(3,131,454)**	**(2,135,365)**	**(5,270,274)**	**(14,106,727)**
Medium/long-term loans [2]						
Bank borrowings	7,921,678	(8,602,287)	(1,051,958)	(634,884)	(4,694,965)	(2,220,480)
Loans from other lenders	14,978,391	(14,999,876)	(784,249)	(7,245,538)	(5,676,422)	(1,293,667)
Total medium/long-term loans (B)	**22,900,069**	**(23,602,163)**	**(1,836,207)**	**(7,880,422)**	**(10,371,387)**	**(3,514,147)**
Total non-derivative financial liabilities (C = A + B)	**45,387,158**	**(48,245,983)**	**(4,967,661)**	**(10,015,787)**	**(15,641,661)**	**(17,620,874)**
Derivatives [2,3]						
Interest Rate Swaps	(340,681)	(485,173)	(76,981)	(110,453)	(156,547)	(141,192)
IPCA x CDI Swaps	(9,276)	(7,725)	-	6,639	(2,498)	(11,866)
Cross Currency Swaps	(581,614)	(588,040)	(15,723)	(19,670)	(391,352)	(161,295)
Embedded Floors	(783)	(787)	(646)	(76)	(59)	(6)
Fx Forwards	(158)	(158)	(158)	-	-	-
Total derivatives	**(932,512)**	**(1,081,883)**	**(93,508)**	**(123,560)**	**(550,456)**	**(314,359)**

1 Future cash flows relating to interest on bonds and on floating rate loans have been calculated on the basis of the latest established rate and applied and held constant to final maturity.
2 At December 31, 2018, expected contractual flows are linked to highly probable present and future hedged financial liabilities covering requirements from the present to 2020.
3 Expected future cash flows from differentials on derivatives have been projected on the basis of the exchange rate fixed at the measurement date.

The following table shows the distribution of loan maturities outstanding at December 31, 2017:

(Thousands of Euro)						Financial liabilities
12.31.2017	**Carrying amount**	**Total contractual flows**	**Within 12 months**	**From 1 to 2 years**	**From 3 ato 5 years**	**Beyond 5 years**
Non-derivative financial liabilities [1]						
Total bond issues (A)	**12,480,591**	**(13,500,784)**	**(1,490,118)**	**(1,134,695)**	**(2,765,808)**	**(8,110,163)**
Medium/long-term loans [2]						
Bank borrowings	4,021,277	(3,826,913)	(302,078)	(301,905)	(890,890)	(2,332,040)
Loans from other lenders	309,148	(39,102)	(39,037)	(65)	-	-
Total medium/long-term loans (B)	**4,330,425**	**(3,866,015)**	**(341,115)**	**(301,970)**	**(890,890)**	**(2,332,040)**
Total non-derivative financial liabilities (C = A + B)	**16,811,016**	**(17,366,799)**	**(1,831,233)**	**(1,436,665)**	**(3,656,698)**	**(10,442,203)**
Derivatives [2,3]						
Interest Rate Swaps	195,116	(366,544)	(35,910)	(36,778)	(121,354)	(172,502)
IPCA x CDI Swaps	-	-	-	-	-	-
Cross Currency Swaps	384,831	(446,465)	(22,453)	(22,099)	(253,245)	(148,668)
Total derivatives	**579,947**	**(813,009)**	**(58,363)**	**(58,877)**	**(374,599)**	**(321,170)**

1 Future cash flows relating to interest on bonds and on floating rate loans have been calculated on the basis of the latest established rate and applied and held constant to final maturity.
2 At December 31, 2017, expected contractual flows are linked to highly probable present and future hedged financial liabilities covering requirements from the present to 2019.
3 Expected future cash flows from differentials on derivatives have been projected on the basis of the exchange rate fixed at the measurement date.

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 used in 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, 2018 and December 31, 2017 were as follows:

(Thousands of Euro)								**12.31.2018**
								Contractual cash flows
Non-derivative financial liabilities	**Carrying amount**	**Total**	**1-3 months**	**3-6 months**	**6 months -1 year**	**1-2 years**	**2-5 years**	**Beyond 5 years**
Current account overdrafts	48,384	48,384	48,384	-	-	-	-	-
Unsecured bank loans	572,256	572,256	397,000	-	584	43,668	131,004	-
Lease payments due to others	4,372	4,372	51	51	201	221	879	2,969
Loans from other lenders	2,042	2,042	-	-	1,733	-	309	-
Bonds	304,055	304,055	-	-	-	21,834	165,547	116,674
Trade payables	376,460	376,460	376,460	-	-	-	-	-
Due to suppliers for investments	81,163	81,163	81,158	-	-	-	-	5
Total	**1,388,732**	**1,388,732**	**903,053**	**51**	**2,518**	**65,723**	**297,739**	**119,648**

Derivative financial liabilities	**Carrying amount**	**Total**	**1-3 months**	**3-6 months**	**6 months -1 year**	**1-2 years**	**2-5 years**	**Beyond 5 years**
Forward foreign exchange derivatives	410	410	410	-	-	-	-	-
Hedging Interest Rate Swaps	1,677	1,677	310	-	-	-	-	1,367
Total	**2,087**	**2,087**	**720**	**-**	**-**	**-**	**-**	**1,367**

Exposure and maturity data at December 31, 2017 were as follows:

(Thousands of Euro)									12.31.2017
			Contractual cash flows						
Non-derivative financial liabilities	**Carrying amount**	**Total**	**1-3 months**	**3-6 months**	**6 months -1 year**	**1-2 years**	**2-5 years**	**Beyond 5 years**
Current account overdrafts	27,897	27,897	27,897	-	-	-	-	-
Unsecured bank loans	427,151	427,151	190,434	-	-	-	236,717	-
Lease payments due to others	4,492	4,492	72	73	148	271	706	3,222
Loans from other lenders	1,267	1,267	-	-	-	970	297	-
Bonds	291,577	291,577	-	-	-	-	54,199	237,378
Trade payables	351,168	351,168	349,756	1,404	4	4	-	-
Due to suppliers for investments	75,048	75,048	74,934	108	-	-	-	6
Total	**1,178,600**	**1,178,600**	**643,093**	**1,585**	**152**	**1,245**	**291,919**	**240,606**

Derivative financial liabilities	**Carrying amount**	**Total**	**1-3 months**	**3-6 months**	**6 months -1 year**	**1-2 years**	**2-5 years**	**Beyond 5 years**
Forward foreign exchange derivatives	411	411	411	-	-	-	-	-
Interest Rate Swaps	533	533	-	-	-	-	-	533
Total	**944**	**944**	**411**	**-**	**-**	**-**	**-**	**533**

With regard to exposure to trade payables, there is no significant concentration of suppliers, of which the largest 10 accounts for 25.23% of the total and the leading supplier, Autostrade per l'Italia S.p.A., for 6.73%.

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 the parent, Autogrill S.p.A., if the leverage ratio of the HMSHost sub-group exceeds a certain amount.

The loan contracts and bonds outstanding at December 31, 2018 require the satisfaction of certain financial ratios, specifically, the leverage ratio (Net Debt/EBITDA) and interest coverage ratio (EBITDA/Net Financial Charges). 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.
At December 31, 2018, all of the aforesaid parameters were met. With regard to the new credit lines disbursed in 2018, the provisional data confirm compliance with said parameters, also over the time horizon of the next 12 months.
The weighted average term of bank loans and bonds at December 31, 2018 including unutilised credit lines, is approximately three years and eight months, versus approximately three years and three months at December 31, 2017.

Benetton group

Liquidity requirements are monitored by the group's head office functions in order to guarantee effective access to financial resources and/or adequate investment of liquidity. Credit line management was coordinated by the parent company, which performed this function according to efficiency standards on the basis of group company needs. At December 31, 2018, the group had unused uncommitted credit lines of approximately Euro 275 million. Management feels 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, 2018 and 2017 are analysed by due date in the following tables; note that these amounts include cash flows arising from future financial expenses.

(Thousands of Euro)	**12.31.2018**	**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	21,492	-	696	654	20,142	-	-
Other medium/long-term payables	5,748	140	2,259	586	-	-	2,763
Lease financing	39	-	37	2	-	-	-
Current liabilities							
Trade payables	292,278	291,771	507	-	-	-	-
Other payables, accrued expenses and deferred income	48,023	38,018	1,984	1,305	1,158	1,148	4,410
Current portion of lease financing	37	37	-	-	-	-	-
Current portion of medium/long-term loans	138	138	-	-	-	-	-
Financial payables and bank loans	132,082	132,082	-	-	-	-	-

Exposure and maturity data at December 31, 2017 were as follows:

(Thousands of Euro)	**12.31.2017**	**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	218	-	87	87	44	-	-
Other medium/long-term payables	4,651	105	263	2,008	-	-	2,275
Lease financing	76	-	37	37	2	-	-
Current liabilities							
Trade payables	289,199	288,529	670	-	-	-	-
Other payables, accrued expenses and deferred income	52,131	43,479	1,902	1,766	1,036	955	2,993
Current portion of lease financing	43	43	-	-	-	-	-
Current portion of medium/long-term loans	429	429	-	-	-	-	-
Financial payables and bank loans	180,388	177,463	2,925	-	-	-	-

Olimpias group

Regarding liquidity risk, the requirement, if any, arising from investing activities are covered by the credit facilities made available to the company by two national banks.

Edizione Property group

At December 31, 2018, Edizione Property S.p.A. had committed credit lines of Euro 450 million, of which Euro 227 million had been used, and uncommitted credit lines of Euro 10 million, of which Euro 5.47 million had been used.
Liquidity requirements are monitored by the Parent Company's head office functions in order to guarantee effective access to financial resources and/or adequate investment of liquidity.
Management feels 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.

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.

Atlantia group

The Atlantia group manages credit risk essentially through recourse to counterparties with high credit ratings, with no significant credit risk concentrations, as defined in the 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 also 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.

Autogrill group

Exposure to credit risk is slight, as the group's customers are comprised of end consumers, with sales generally paid for in cash or e-money. This means that the item Trade receivables is negligible, as is the corresponding level of risk out of total financial assets.
In most cases, the group's trade receivables stem from catering service agreements and commercial affiliations.
Other current and non-current receivables consist mainly of amounts due from tax authorities and other government agencies, 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 recognised 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.
Lastly, there is no significant credit risk concentration: the top 10 customers account for 24.15% of the total trade receivables, and the No. 1 customer, Beijing Capital Airport Catering Management Co. Ltd., for 6.95%.

Benetton group

The Benetton group has different concentrations of credit risk depending on the nature of the activities which have generated the receivables.
Commercial credit risk is essentially related to the indirect channel (IOS/FOS). Sales to direct and e-commerce channel customers are settled in cash or using credit cards and other debit cards. The group applies a simplified approach to calculating expected losses. Therefore it does not monitor changes in credit risk, but fully recognises the expected loss at the reference date. The group has defined a matrix system based on historic information, updated to consider future elements with regard to the specific types of debtors and their economic environments, as a tool to determine expected losses. 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.
Financial credit risk lies in the counterpart's or the issuer's inability to settle its financial obligations. The Company uses financial instruments to invest liquidity and hedge financial risks, with the following rating and concentration limits per individual issuer:

- Liquidity investments: for maturities of more than 90 days, a long-term issuer and/or counterparty rating of at least "BBB-" from S&P (or equivalent); for shorter maturities, a short-term issuer and/or counterparty rating of at least "A-3" from S&P (or equivalent). To limit the concentration risk, the maximum exposure per individual issuer depends on the rating (and can range from 10 to 50 million) and in any case must not exceed 30% of the value of investments. These limits do not apply in the case of cash on hand and bank deposits with maturities of less than two weeks.
- Financial risk hedging: For maturities of more than 12 months, a long-term issuer or counterparty rating of at least "BBB-"

from S&P (or equivalent); for shorter maturities, a short-term issuer or counterparty rating of at least "A-3" from S&P (or equivalent). To limit the concentration risk, the maximum exposure per individual counterparty depends on the rating (and can range from 25% to 40%).

Cash and cash equivalents are stated at their fair value; furthermore, at December 31, 2018 the group does not have any positions with sovereign debtors carrying significant repayment risks.

Olimpias group

Commercial credit risk is essentially related to sales. Trade receivables from customers not belonging to the Benetton group are usually insured with a leading insurance company, for 85% of the amount for receivables arising from sales of yarns, fabrics, labels, garments and contract work (the insurance coverage percentage decreases for customers residing in countries at higher risk).
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 on the basis of the last five years.

60 — Related party transactions

The following table shows balance sheet figures at December 31, 2018 and income statement figures for 2018 regarding related party transactions. Related party transactions are conducted at arm's length and with the utmost transparency.

(Thousands of Euro)	Receiva-bles	Payables	Costs of services and leases and rentals	Revenues from sales and services	Financial income
Non-consolidated subsidiaries	328	15	111	265	-
Associates, joint ventures and others	62,700	8,500	700	5,400	3,200
Total	**63,028**	**8,515**	**811**	**5,665**	**3,200**

61 — Non-controlling interests in subsidiaries

The consolidated companies deemed significant for the Group with a percentage held by third party shareholders for the purposes of IFRS 12 disclosures are as follows:
- Atlantia S.p.A. and its subsidiaries;
- Autogrill S.p.A. and its subsidiaries;
- ConnecT S.p.A.

The figures in the following table thus refer to those companies and their subsidiaries and have been taken, unless otherwise specified, from their consolidated financial statements.

(Millions of Euro)	Atlantia group		Autogrill group		ConnecT S.p.A.
	2018	**2017**	**2018**	**2017**	**2018**
Revenues	6,916	5,966	5,224	5,087	-
Income/(Loss) for the year	1,083	1,432	86	113	2,225
Income/(Loss) for the year, minority interests	**265**	**245**	**18**	**17**	**890**
Non-current assets	68,193	31,577	2,049	1,837	1,486
Current assets	11,480	8,481	587	512	5
Non-current liabilities	53,368	22,859	1,051	711	-
Current liabilities	9,974	5,436	844	942	-
Net assets	16,332	11,763	741	696	1,491
Net assets, minority interests	**7,890**	**2,990**	**55**	**45**	**596**
Cash flow from operating activities	2,944	2,416	324	313	-
Cash flow from investing activities	(18,673)	694	(375)	(285)	(1,483)
Cash flow from financing activities	15,222	(865)	74	(15)	1,489
Translation impact on cash and cash equivalents	(34)	(18)	-	-	-
Increase/(Decrease) of cash and cash equivalents	(541)	2,227	23	13	6
Dividends paid to minority interests	**(238)**	**(153)**	**(24)**	**(25)**	**-**

62 — Business combinations

The main business combinations in the year are as follows:

Acquisition of control of Aero 1 Global & International S.à r.l.
On March 2, 2018, Atlantia acquired a 100% interest in Aero 1 Global & International S.à r.l. (hereinafter "Aero 1") from a number of funds managed by Goldman Sachs Infrastructure Partners. The acquired company is a Luxembourg-registered investment vehicle that holds 85,170,758 shares in Getlink (formerly Groupe Eurotunnel SE), amounting to a 15.49% interest and representing 26.64% of the company's voting rights (quotas calculated on the basis of the total shares in issue, amounting to 550,000,000, and the total number of voting rights, amounting to 639,363,734 at December 31, 2018 based on disclosures published by Getlink on January 11, 2019).
Getlink operates the undersea link connecting France with the UK (consisting of three tunnels and two terminals under a concession expiring in 2086), Europorte (a rail business not operated under concession) and the electricity interconnection between France and the UK (ElecLink), which is being built inside the tunnel. Getlink is listed on the Euronext Paris and Euronext London exchanges and had a market capitalisation of approximately Euro 5.7 billion at the acquisition date.
The cost of the acquisition to Atlantia totals Euro 1,056 million. The cost incurred consists of Euro 779 million in loans from Atlantia to Aero 1 (subsequently converted into equity in 2018) and Euro 277 million represented by the 100% interest in the company's capital.
For the purpose of preparing the consolidated financial statements of the Atlantia group, the transaction was accounted for in accordance with IFRS 3, using the acquisition method which resulted in the recognition of the fair value of the assets acquired and the liabilities assumed by Aero 1. Specifically, fair value adjustments of Euro 381 million to the value of Aero 1's equity investment in Getlink were determined, (resulting a total fair value of the equity investment of Euro 1,056 million), whilst the group has continued to recognise the carrying amounts of the other assets and liabilities previously recognised in the acquired company's financial statements, as it was deemed that these amounts approximated to fair value. Aero 1's financial liabilities were excluded from the assessment, given that Atlantia has also acquired the matching financial assets transferred by the sellers together with the above shareholding.
As a result of the acquisition of Aero 1, the Atlantia group thus holds an investment in Getlink that, under IFRS, gives it significant influence over this company. This means that, from the acquisition date, the investment in Getlink is accounted for using the equity method, taking into account the fair value of the assets and liabilities of Getlink and its subsidiaries identified at the acquisition date and including the fair value of the above equity investment.
Getlink's gains were allocated on an "implicit" basis. Compared with the attributable share of equity at the acquisition date, totalling Euro 319 million, account was taken of fair value adjustments to concession rights totalling Euro 992 million (Euro 588 million after the impact of the related deferred taxation, totalling Euro 404 million), to financial liabilities totalling Euro 156 million (Euro 122 million after the impact on the related deferred tax assets, totalling Euro 34 million) and treasury shares held by the company, amounting to Euro 14 million. This resulted in a remaining difference, with respect to the total purchase price, of Euro 257 million, which was recognised separately in goodwill.

Acquisition of control of Abertis Infraestructuras S.A.
On October 29, 2018 the Atlantia group completed the transaction to obtain control of Abertis, the parent company of a group engaged in the operation of motorway concessions in Europe, the Americas and India. The transaction was initially started in 2017, through Atlantia's launch of a voluntary public tender offer for cash and/or shares ("Atlantia's Public Tender Offer") for the entire issued capital of Abertis, subsequently withdrawn on April 12, 2018 in implementation of the agreements reached with ACS and Hochtief regarding a joint investment in Abertis. As a result of the above agreements, Hochtief acquired a 98.7% interest in Abertis, following this company's Public Tender Offer for all the latter's issued capital and additional share purchases completed after the conclusion of the acceptance period for the offer (May 8, 2018), as permitted by the existing regulations.
Pursuant to these agreements, Atlantia subscribed 50% plus one share of Abertis HoldCo S.A., a company established in 2018 under the laws of Spain, with the minority shareholders, ACS (which holds a 30% interest) and Hochtief (which holds 20% minus one share). Abertis HoldCo S.A. in turn established a wholly-owned Spanish subsidiary, Abertis Participaciones S.A., that purchased from Hochtief, at the end of October 29, 2018 98.7% of Abertis's issued capital for Euro 16,520 million.

Below, a description is provided of the main steps involved in the transaction in chronological order:
- on May 15, 2017 Atlantia announced the decision to launch its public tender offer for all the shares outstanding of Abertis;
- on October 9, 2017, the Comisión Nacional del Mercado de Valores ("CNMV") cleared the public tender offer and October 10, 2017 marked the start of the acceptance period for the tendering of shares. The competing public tender offer for cash and/or shares launched by Hochtief on October 18, 2017 interrupted Atlantia's offer period, which was expected to end on October 24, 2017;
- on February 21, 2018, Atlantia's Extraordinary General Meeting of Shareholders approved a number of time-related amendments to the terms and conditions of the offer, whose effectiveness was subject to clearance from the CNMV;
- on March 13, 2018, Atlantia, ACS and Hochtief signed a binding preliminary agreement (the "Term Sheet"), which was eventually finalised on March 23, 2018 for a joint investment in Abertis, subject to the approval of the respective boards of directors and the ability to obtain the funding necessary to carry out the transaction. In addition, the transaction was subject to the necessary amendment to Hochtief's public tender offer and the ensuing clearance by the CNMV;
- on April 12, 2018, following the CNMV's approval of the amendments to Hochtief's offer, Atlantia withdrew its offer;
- on May 8, 2018, at the end of the acceptance period for Hochtief's offer, Hochtief had acquired approximately 85.6% of Abertis, net of all the shares held in treasury by Abertis which were subsequently cancelled. Hochtief continued to buy Abertis's shares also after this date, reaching eventually a 97.75% interest in Abertis, enabling it to proceed with the delisting

of the company. Further purchases in the market then enabled it to raise its final holding to 98.7% of Abertis;
- on July 6, 2018, the European Commission authorised the new Abertis acquisition structure, following the agreement signed by Atlantia, ACS and Hochtief;
- on July 25, 2018, Abertis' Extraordinary General Meeting of Shareholders approved the delisting of the company from the stock exchanges of Barcelona, Madrid, Bilbao and Valencia, which was subsequently authorised by the CNMV, effective August 6, 2018. On the same date, Abertis' Extraordinary General Meeting of shareholders approved the cancellation of all of the company's treasury shares;
- on October 29, 2018, Abertis Participaciones acquired from Hochtief 98.7% of Abertis' issued capital for a total of Euro 16,520 million.

Regarding developments occurred in the course of the transaction, considering the investment agreement with ACS and Hochtief, as well as Atlantia's withdrawal of its public tender offer, on April 13, 2018 Atlantia cancelled the acquisition financing provided by its banks in May 2017, amounting to Euro 14,700 million previously reduced to Euro 11,648 million in 2017, following both the issue of bonds in July 2017, and the sale of interests in a number of subsidiaries and associates, completed in the second half of 2017. The credit facilities cancelled by Atlantia were replaced by a combination of new facilities between May and July 2018 which, together with the loans obtained directly by Abertis HoldCo, made it possible to put together the funding package to complete the acquisition of Abertis' controlling interest. In particular, the funding package includes: a Term Loan of up to Euro 1,500 million, repayable in tranches maturing between the first quarter of 2022 and the first quarter of 2023; a second Term Loan of up to Euro 1,750 million, with a bullet repayment in the third quarter of 2023; and a Revolving credit facility of up to Euro 1,250 million, with a bullet repayment in the third quarter of 2023. The two Term Loans were disbursed in total in September 2018, together with a partial disbursement under the Revolving Line of Euro 675 million.
As to the financial structure of the acquisition, to meet the borrowing requirements associated with the refinancing of the acquisition financing, in March 2018 the group entered into further specific Forward-Starting Interest Rate Swaps with a notional value of Euro 2,000 million to hedge against the risk of movements in interest rates, in addition to those already entered into in 2017 (notional value of Euro 1,000 million).
Moreover, Abertis HoldCo obtained a funding package containing an amortising term loan of Euro 3,000 million (fully disbursed, with maturities ranging from 4 to 5 years), a bridge loan of Euro 4,750 million (bridge-to-bond, fully disbursed and maturing in 18.5 months) and a bridge-to-disposal loan of Euro 2,200 million (Euro 2,074 million disbursed, maturing in 18.5 months). Subsequently, the bridge-to-bond loan was partially repaid early, following the agreement on (on December 27, 2018), and disbursement of (on January 3, 2019) a bank loan for Euro 970 million, maturing in five years and partial prefunding, after the signing by Abertis, between December 2018 (for Euro 815 million) and January 2019 (for Euro 250 million), of bilateral bank loan agreements. Lastly, it is noted that, in December 2018, Abertis entered into Forward-Starting Interest Rate Swaps for a notional value of Euro 3,500 million, and expiration dates between 2024 and 2031, to hedge against the risk of movements in interest rates, with respect to the financial liabilities to be taken on to refinance, among others, the remaining portion of the bridge-to-bond loan.

To prepare these consolidated financial statements, the transaction was accounted for using the acquisition method, in accordance with IFRS 3, by proceeding with a temporary allocation of the relevant amounts, as permitted by IFRS 3. To that end, in light of the significance and breadth of the acquisition, the complex structure of the Abertis group and pending the definition of a post-acquisition multi-year plan by the Atlantia group, it has been deemed appropriate to keep the carrying amounts of the assets and liabilities reported in the Abertis group's IFRS consolidated accounts and recognise the difference between the acquisition cost and the carrying amount of net assets acquired as goodwill.
This accounting approach has been deemed clearer and more meaningful for users of the financial statements, considering the substantive inability to determine on a reasonable and reliable basis the fair value, albeit on a temporary basis, of the assets acquired and liabilities assumed, making it possible to provide a temporary accounting view of the effects of the acquisition. This approach is permitted by IFRS 3 and has been confirmed, for these cases, by the opinion of an independent expert. In accordance with IFRS 3, the goodwill arisen as a result of the application of this accounting approach has been tested for impairment on the date of acquisition on the basis of the method described in IAS 36.
Following the transaction and the acquisition of 23.86% of Hochtief, Atlantia holds a 54.06% equity interest in Abertis, through the two vehicles under its control and the shareholding in Hochtief. However, as permitted by IFRS 3, a policy election has been made under IAS 8 which, to consolidate Abertis and to attribute the value of the interests held by Abertis' non-controlling shareholders, takes into account solely the 49.35% equity interest held directly by Atlantia in Abertis through the wholly-owned vehicles consolidated on a line-by-line basis.

The table below shows the carrying amounts of the assets and liabilities acquired and goodwill provisionally determined as described above.

(Millions of Euro)	Carrying amount	Fair value adjustments	Fair value
Net assets acquired:			
Property, plant and equipment	394	-	394
Intangible assets	14,440	-	14,440
Other non-current assets and liabilities	(126)	-	(126)
Non-current financial assets	2,296	-	2,296
Trading and other current assets	3,264	-	3,264
Cash and cash equivalents acquired	2,436	-	2,436
Other current financial assets	332	-	332
Non-current financial liabilities	(15,746)	-	(15,746)
Current financial liabilities	(1,819)	-	(1,819)
Deferred tax assets (liabilities)	(758)	-	(758)
Provisions	(1,587)	-	(1,587)
Trading and other current liabilities	(1,665)	-	(1,665)
Total net assets acquired	**1,461**	-	**1,461**
Non-controlling interests			1,715
Acquisition cost			**(254)**
Goodwill			16,774
Total consideration			16,520
Cash and cash equivalents acquired			(2,476)
Net effective cash outflow for the acquisition			**14,044**

As permitted by IFRS 3, the final recognition of the fair value of the assets and liabilities of the acquired companies will be completed within 12 months of the date of acquisition, in connection with the valuation activities under way that will involve the determination of the fair value of the following:
- intangible assets deriving from concession rights;
- financial assets and liabilities;
- non-controlling interests;
- related deferred taxation effects;

and, to the remaining extent that the cost of acquisition exceeds net assets, goodwill.
If the acquired companies had been consolidated on a line-by-line basis as of January 1, 2018 the Atlantia group consolidated revenue and consolidated profit for 2018 would have been Euro 12,240 million (including Euro 903 million in revenue from construction services) and Euro 2,731 million (considering the full temporary allocation to goodwill, as per above), respectively.

The table below summarises the operating effects reported in these consolidated financial statements deriving from the acquisition but does not reflect the contribution to performance deriving from the consolidation of the Abertis group for the last two months of 2018:

(Thousands of Euro)	2018	2017	Note
Costs of services	(22)	(26)	42
Other operating expenses	(4)	(6)	44
Financial charges	(92)	(38)	54
Income taxes	35	9	56

Cost of services and Operating expenses, reflecting consultants' fees and the relevant non-deductible VAT, amount to:
- Euro 26 million in 2018, referring to consultants' fees related to Atlantia's public tender offer withdrawn in April 2018 and the new joint investment agreement entered into with ACS and Hochtief in 2018;
- Euro 32 million in 2017, referring to the consultants' fees incurred at that time in relation to Atlantia's public tender offer.

Financial charges substantially refer to the following:
– in 2018:
• the net borrowing costs (Euro 13 million) deriving from Atlantia's public tender offer, including:
  – Euro 15 million relating to the release to the income statement of part of the ancillary costs for the credit facilities following the definition of the new structure of the transaction. These ancillary costs had in fact been recognised as "Financial assets", amounting to a total of approximately Euro 23 million at December 31, 2017 (on the assumption that Atlantia's public tender offer would be successful);
  – Euro 7 million relating to the commitment fees accrued on the credit facilities related to Atlantia's public tender offer, until they were cancelled;
  – Euro 9 million relating to financial income linked to the improvement in the fair value losses on the derivatives with a deal contingent hedge provision associated with Atlantia's public tender offer and not recognised as hedges at December 31, 2017;
• the borrowing costs (Euro 37 million) incurred by Atlantia with reference to the new financial structure of the transaction as defined in the joint investment agreement with ACS and Hochtief, particularly:
  – the borrowing costs incurred by Hochtief to carry out its public tender offer and charged in 2018 to Atlantia (Euro 24 million) on the basis of the foregoing agreement;
  – commitment fees recognised upon disbursement of the credit facilities to Atlantia, which took place in September 2018, as well as borrowing costs (essentially interest) accrued between that moment and the end of the year (a total of Euro 13 million);
• the borrowing costs (Euro 39 million) on the above-mentioned Forward-Starting Interest Rate Swaps;
– in 2017:
• Euro 24 million relating to commitment fees payable on the committed credit facilities and the commissions on the guarantees to support the voluntary public tender offer launched by Atlantia, as required by the applicable regulations;
• Euro 14 million relating to fair value losses on the Forward-Starting Interest Rate Swap contracts entered into in June 2017, with a deal contingent hedge provision and not recognised as hedge instrument.

Acquisition of control of Le CroBag

Through its subsidiary Autogrill Deutschland GmbH, the Autogrill group acquired the entire share capital of Le CroBag GmbH & Co. KG and F.F.N. GmbH, which manage the food and beverage activities in railway stations, the under the Le CroBag brand, in Germany, Austria and Poland. Le CroBag has 118 locations, some directly managed and some granted under license, of which 113 only in Germany. The total value of the transaction came to Euro 67.7 million, of which Euro 13.5 million through the repayment of financial payables of the acquired company and Euro 6.2 million with payment deferred to 2019.
The transaction was carried out on February 28, 2018 and the Le CroBag group has been consolidated since the same date. That transaction was carried out through the acquisition of Le CroBag's assets and liabilities, the fair value of which was determined by applying the valuation methods generally used in acquisitions. The transaction entailed:
– the recognition of deferred tax assets of Euro 4.9 million, as valuation of the expected tax benefits of the acquisition due to the fact that the goodwill and brand acquired are tax deductible in Germany;
– the recognition of the Le CroBag brand for a total of Euro 30.6 million, amortised over 15 years;
– an increase in the group's goodwill of Euro 19.3 million.

In particular, below is the analysis of the impact of the acquisition on the items of consolidated assets and liabilities:

(Millions of Euro)	**Le CroBag**	**Fair value adjustments**	**Le CroBag adjusted**
Property, plant and equipment	8.6	-	8.6
Intangible assets	2.9	30.6	33.4
Non-current financial assets	2.0	-	2.0
A) Non-current assets	13.6	30.6	44.1
B) Working capital	(3.1)	-	(3.1)
C) Other non-current non-financial assets and liabilities	-	4.9	4.9
D) Capital invested, net (A+B+C)	**10.5**	**35.5**	**46.0**
Shareholders' equity, Group	(0.5)	35.5	34.9
Non-controlling interests	-	-	-
E) Shareholders' equity	(0.5)	35.5	34.9
F) Net indebtedness	11.0	-	11.0
G) Total (E+F)	**10.5**	**-**	**46.0**
Acquisition cost (*)			54.2
Goodwill			19.3

* Includes amount paid, Euro 48 million, and deferred payment due in 2019, Euro 6.2 million

The income statement for the year benefited from revenues connected with the new business acquired of Euro 37.4 million. Moreover, due to the fact that the goodwill and the brand acquired could be used for tax purposes for a higher amount than the carrying amounts pursuant to local German regulations, tax benefits were recognised as deferred tax assets of Euro 4,924.

Acquisition of control of Avila
On August 31, 2018 through its US subsidiary HMSHost Corporation, the Autogrill group acquired Avila Retail Development & Management ("Avila") for USD 20.2 million, through Stellar Partners, a company operating in the airport retail sector. At the time of acquisition, Avila had more than 60 locations at 14 airports in the United States. The transaction entailed an increase in concessions of Euro 9.2 million (USD 10.8 million) and in property, plant and equipment of Euro 4,535 (USD 5,357).

63 — Significant events following the end of the financial year

Atlantia
On February 12, 2019, Abertis Infraestructuras, through its subsidiary, Abertis Telecom Satélites, reached agreement with Red Eléctrica for the sale of its 89.7% interest in Hispasat for a consideration of Euro 949 million.
The sale is subject to the suspensively conditional on receipt of clearance from the Spanish government and the Spanish and Portuguese competition and markets authorities and on any other regulatory consent. The transaction is expected to complete by the end of the first half of 2019.
On May 3, 2019, Autostrade per l'Italia responded to the requests for clarifications received from the Ministry of Infrastructure and Transport on 16 August and 20 December 2018 and on 5 April 2019. The document, which has been presented within the deadline set by the grantor, substantiates the company's belief that it has acted properly and reiterates its reservations and objections with regard to the procedure initiated.

Cellnex
On March 6, 2019 the shareholders' meeting of the subsidiary ConnecT resolved a capital increase of Euro 354 million, of which Sintonia's pro-rata share amounted to around Euro 212.4 million, for the purpose of underwriting the capital increase of Cellnex Telecom S.A. resolved on February 28, 2019, for a total of Euro 1.2 billion.
On May 7, 2019, Cellnex, Iliad and Salt announced the signing of agreements for long-term strategic cooperation in France, Italy and Switzerland. In France, those agreements entail the acquisition of 70% of the new company that will manage 5,700 sites currently headed by Free, the French mobile operator. In Italy, Cellnex will acquire the 2,200 towers held by Iliad. Cellnex signed an agreement with the Swiss Salt, the third largest operator in the country, to acquire 90% of the new company that will manage 2,800 sites currently headed by Salt.
The total investment planned by Cellnex for the acquisition of the 10,700 sites is Euro 2.7 billion. The agreements also comprise a plan to build 4,000 new sites by 2027, for a total investment of Euro 1.35 billion.

Edizione Property
With regard to the purchase on December 11, 2018 of the Augusto Imperatore property located in Rome, on February 20, 2019, with the fulfilment of the condition precedent on which the effectiveness of the purchase depended, the price of Euro 150 million was paid.

Schematrentatre
In the first months of 2019, Schematrentatre acquired on the market 10,670,000 shares of Assicurazioni Generali, amounting to 0.682% of the share capital, for an amount of Euro 161.2 million. Overall, Schematrentatre holds 62,800,000 shares of Assicurazioni Generali, amounting to 4.012% of the share capital, for an amount of Euro 972.8 million.

Edizione
Purchases of Prysmian shares
In the first months of 2019, the Parent Company acquired on the market 6,614,018 shares of Prysmian S.p.A., amounting to 2.467% of the share capital, for an amount of Euro 120.6 million. In total, Edizione holds 7,776,183 shares, amounting to 2.9% of the share capital, for a total amount of Euro 140.3 million.

Reorganisation of the equity investments in the agricultural sector
On February 25, 2019, the Shareholders' Meeting of Edizione approved the plan for demerger of the equity investments held directly and indirectly in the agricultural sector (Maccarese S.p.A. società agricola, Compañìa de Tierras Sud Argentino S.A. and Ganadera Condor S.A.) in a newly established beneficiary company.

64 — Non-recurring events

Information on the legal and concession-related aspects of the collapse of a section of the Polcevera road bridge (the "road bridge") on the A10 Genoa-Ventimiglia motorway, operated by Autostrade per l'Italia (the "operator"), on August 14, 2018 is provided in note 10.7 Significant Legal and Regulatory Aspects of the 2018 Annual report of the Atlantia group.
Convinced that it has complied with its concession obligations and whilst awaiting the outcome of the ongoing investigation into the causes of the collapse, the operator has, in any event, an obligation to reconstruct the Polcevera road bridge under the terms of the existing Single Concession Arrangement. This obligation falls within the scope of provisions to be made to the "Provisions for the repair and replacement of motorway infrastructure", in application of the accounting standards and policies illustrated in these Notes.
In particular, the provision made meets the requirements of IAS 37 in relation to provisions, being that:

- there is a present legal obligation as a result of a past event;
- it is probable that an outflow of resources will be required to settle the obligation;
- the related amount can be reliably estimated.

Moreover, fulfilment of the obligation will not qualify for recognition of an intangible asset, either as a right deriving from construction services for which no additional economic benefits are received or as a right deriving from construction services for which additional benefits are received.
Autostrade per l'Italia has an obligation to reconstruct the infrastructure previously operated under concession and this reconstruction of the road bridge:

- does not form part of specific obligations to perform certain construction services (services that do not give rise to any form of toll increase or other benefit) assumed at the time of signing the Single Concession Arrangement;
- does not generate any additional economic benefit, in that it relates to the mere reconstruction/replacement of pre-existing infrastructure. Any indirect benefits, such as, for example, the fact that the new road bridge will result in lower maintenance costs in future years cannot result in recognition of an intangible asset, as this would not meet the requirements of IAS 38.

With regard to determining the obligation to repair the infrastructure, Law Decree 109 was issued on September 28, 2018 converted with amendments into Law 130 of November 16, 2018. Among other provisions, this contains urgent measures relating to the demolition and reconstruction of the road bridge and measures designed to support the local population and businesses affected by the collapse. The above law has also assigned sole authority for implementation of the measures to the Special Commissioner (the "Commissioner") and requires Autostrade per l'Italia to provide the Commissioner with the funds necessary to proceed with:

- the demolition, removal and dismantling of the road bridge, the design and reconstruction of the infrastructure and the return of the road system to normal (Art. 1, paragraphs 5 and 6);
- the purchase or expropriation, by the Commissioner, of civil buildings in the affected areas (Art. 1- bis);
- the purchase or expropriation, by the Commissioner, of buildings in the affected areas from which businesses operated, and the payment of compensation to the firms involved to cover the cost of any equipment, machinery and materials lost or the transfer of their businesses to another location (Art. 4-bis).

In a letter dated December 21, 2018, the Commissioner, making reference to the above decree and in execution thereof, informed Autostrade per l'Italia that:

- he had executed notarial deeds for the purchase of civil and commercial buildings, and requesting payment of the provisional sum of Euro 115 million;
- he had estimated the sum necessary to compensate firms for any equipment, machinery and materials lost or the transfer of their businesses to another location at Euro 44 million, and requesting payment of the above sum;
- he had issued decrees awarding contracts for the demolition, design and reconstruction of the bridge, requesting Autostrade per l'Italia to pay the provisional sum of Euro 291 million (Euro 238 million net of VAT).

With regard to the above, in accordance with the accounting treatment applicable had Autostrade per l'Italia proceeded directly to carry out the above activities based on the terms of the Single Concession Arrangement, the following principal effects of the events in question have been recognised in the consolidated income statement for 2018:

(Millions of Euro)	Note 41 Payroll costs	Note 42 Costs of services	Note 44 Other operating expenses	Note 50 Provi-sions for risks	Total
The estimated cost of rebuilding the road bridge, as communicated by the Commissioner in relation to the chosen plan for demolition and reconstruction, without prejudicing any determination of liability (Art. 1, paragraphs 5 and 6, Art. 1-bis and Art. 4-bis of Law Decree 109, converted with amendments into Law 130 of November 16, 2018)	-	-	-	397	**397**
The estimated costs linked to compensation paid to victims' families, aid for small businesses and traders affected by the collapse and the related legal expenses	-	-	-	58	**58**
The costs directly incurred in order to purchase the areas to which access is required in order to demolish and reconstruct the road bridge	-	-	10	-	**10**
The costs linked to the disbursements made in order enable families forced to leave their homes to purchase basic necessities, and the compensation agreed with certain family members of victims and small businesses and traders affected by the collapse	-	-	24	-	**24**
The costs incurred for its own demolition and reconstruction plan submitted to the Special Commissioner on October 15, 2018 in accordance with the provisions of the Concession Arrangement	-	3	-	-	**3**
The costs incurred in order to make the road bridge safe following the collapse and to restore the road network in the City of Genoa to normal	-	7	-	-	**7**
Fees paid to legal, financial and communications consultants (including non-deductible VAT), also with regard to employees who are under criminal investigation as part of a criminal action brought before the Court of Genoa by the Public Prosecutors' Office in Genoa	1	6	-	-	**7**
Total	**1**	**16**	**34**	**455**	**506**

Finally, Autostrade per l'Italia's decision to exempt road users in the Genoa area from the payment of tolls also resulted in an estimated reduction in toll revenue of approximately Euro 7 million.

With regard to the method of accounting for risks and charges connected with "direct" and "indirect" damages for which Autostrade per l'Italia may be liable, the following should be noted:

- the so-called "direct damages", meaning damages directly linked to the events as a direct and immediate consequence of the collapse of the road bridge and regardless of any theoretical hypothesis on the cause of the collapse, may be divided into two types: i) the costs connected with demolition and reconstruction, including the payment of compensation to the businesses located beneath the road bridge, for which the operator has made provision in the "Provisions for the repair and replacement of motorway infrastructure"; and ii) the charges related to the compensation paid to the victims' families and to the injured, which have been accounted for in "Other provisions for risks and charges";
- with regard to so-called "indirect damages" hypothetically identified in relation to the collapse, it should be noted that, as regards determination of the probability of an adverse outcome and, as a result, identification of the accounting category provided for in IAS 37 (provisions or a contingent liability) with which it is reasonable to associate the legal risks in question, the operator's considerations are based on, and are in consistent with, a series of technical and legal opinions from professionals specialising in the related areas, updated to the date of preparation of these consolidated financial statements for the year ended December 31, 2018 in which the circumstances surrounding the collapse of the road bridge and the related disputes have been analysed in detail in order to estimate the probability of an adverse outcome for Autostrade per l'Italia and the expected value of any liabilities in the event of such an outcome.

With regard to the "indirect damages", the opinions received provide useful, if not decisive, elements on which Autostrade per l'Italia has based its judgement as to how to account for the charges, as either provisions or a contingent liability. This means assessing the degree to which it is likely that an adverse outcome will occur as a result of the disputes and the possibility of arriving with reasonable certainty at an estimate of the size of the loss connected with the occurrence of this event.

The above technical and legal opinions have demonstrated that it is currently impossible to construct an ex ante hypothesis, and that it will be necessary to assess the concrete evidence that may emerge from time to time, and that, as to any identification of the entity responsible for the event, Autostrade per l'Italia has not been identified as being responsible for the occurrence of the event in any final court or out-of-court ruling.

Thus, based on the fact that:
- it is not possible to construct an ex ante hypothesis regarding Autostrade per l'Italia's responsibility for the occurrence of the event, nor, as a result, regarding whether or not any damages are due or the size of any damages;
- at the present time, there are further causes of uncertainty regarding whether or not any damages are due, or the size of any damages payable by Autostrade per l'Italia, in view of the disputes arising as a result of the assessments currently being conducted by the operator's insurance providers in relation to the collapse of the road bridge;

and that, from an accounting point of view, the conditions set out in paragraph 14 of IAS 37 have not been met, it is not possible to recognise provisions in "Other provisions for risks and charges".
Finally, the above charges have been calculated excluding any insurance proceeds that may be received by Autostrade per l'Italia in the future in relation to the collapse, under the insurance cover obtained with regard to the collapsed road bridge.
The compensation payable is subject to uncertainty regarding both whether or not any damages are due and the size of any damages. As a result, it does not appear possible to estimate the related amounts, or the date on which any proceeds might be received, with the reasonable certainty necessary for recognition in these consolidated financial statements for the year ended December 31, 2018.
It has thus been decided to prudently recognise provisions without deducting any potential insurance proceeds which, if and when they are effectively paid to Autostrade per l'Italia, can be recognised in revenue for the corresponding reporting period.
This accounting treatment is also backed by the authoritative opinion of an external expert.

It is noted that:
- On January 23, 2019, at the request of the Special Commissioner and without prejudice to the reservations expressed in correspondence with the Commissioner and in the legal challenges brought, Autostrade per l'Italia paid the sums requested to finance the expropriations necessary for demolition and reconstruction of the Polcevera road bridge (Euro 114,913);
- On February 18, 2019, at the request of the Special Commissioner, Autostrade per l'Italia paid the sums requested (Euro 56,213) to finance the start of demolition and reconstruction of the Polcevera road bridge (Euro 46,076 thousand net of VAT).

65 — Guarantees given, commitments and other contingent liabilities

(Thousands of Euro)	**12.31.2018**	**12.31.2017**
Guarantees given		
Sureties and guarantees	1,306,657	516,453
Commitments		
Purchase commitments	24,653	32,200
Sale commitments	5,624	5,516
Other commitments	88,526	15,080
Total	**1,425,460**	**569,249**

Guarantees are made up as follows:
- guarantees given by the Autogrill group in the amount of Euro 434,138 in the form of performance bonds and other personal guarantees issued in favour of grantors and business counterparties;
- guarantees given to third parties by the Atlantia group, including the following of particular importance:
  a. the guarantee issued in favour of Strada dei Parchi's creditor banks and on this company's behalf, to cover the interest rate risk on cash flow hedging derivatives of the company. The value of the guarantee is determined based on the fair value of these derivatives, for a maximum amount guaranteed of Euro 40 million, corresponding to the amount at December 31, 2018. This guarantee, renewed in February 2019 for an additional 12 months, is enforceable only if Strada dei Parchi's concession is terminated. The company holds a counter guarantee from Toto Holding (Strada dei Parchi's majority shareholder);
  b. the bank guarantee on behalf of Tangenziale di Napoli (Euro 26.15 million) in favour of the Ministry of Infrastructure and Transport, as provided for in the commitments assumed in the agreement;
  c. the guarantees issued by the subsidiary Electronic Transaction Consultants (Performance Bond and Maintenance Bond), totalling approximately Euro 59,244, to guarantee projects in progress;
  d. the guarantee issued by Autostrade dell'Atlantico, guaranteeing the Brazilian real 215 million bond issue by Autostrade do Brasil through Planner Trustee Distribuidora de Títulos e Valores Mobiliários LTDA, coordinated by Banco Santander, with the proceeds to be used by the motorway operator Nascentes das Gerais;
  e. guarantees issued by the Brazilian, Chilean and Polish operators and by Azzurra Aeroporti securing project financing in the form of either bank loans or bonds;
  f. bank guarantees issued on behalf of Autostrada Tirrenica pa (Euro 14 million) and Raccordo Autostradale Valle d'Aosta (Euro 5.9 million) in favour of the Grantor, guaranteeing performance of the motorway operator's obligations under its concession.
  g. the guarantees of the Abertis group total Euro 726,661, including Euro 410,846 relating to operating guarantees and Euro 315,815 in financial guarantees.

Purchase commitments chiefly relate to payments to be made to investment funds held by the Parent Company (Euro 22,216) and preliminary agreements for the purchase of commercial properties by the Autogrill group (Euro 2,272).

Sale commitments consist of the value of sale-or-return products held at the premises of Autogrill group companies (Euro 5,624).

Other commitments refer to the Autogrill group and include the value of the assets comprising companies rented for Euro 12,769 and commitments for service contracts for Euro 73,844.

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)	**12.31.2018**	**12.31.2017**
Within 1 year	531,314	524,014
From 1 to 5 years	1,602,394	1,608,536
Beyond 5 years	1,507,874	1,420,032
Total	**3,641,582**	**3,552,582**

66 — Other commitments and rights

No Other commitments and rights of the group are reported other than those already mentioned in other notes of these financial statements.

67 — Contingent liabilities

There are no contingent liabilities of a significant amount with respect to what is already commented in the Notes to the Consolidated Financial Statements.

68 — Fees paid to the independent auditors

The following table presents the fees paid to the Parent Company's independent auditors (Deloitte & Touche S.p.A.) for all services provided to Edizione Group companies for the current year.

(Thousands of Euro)	**2018**
Type of service:	
Audit	4,858
Certification	1,511
Other services	134
Total	**6,503**

ANNEXES

LIST OF CONSOLIDATED COMPANIES AT DECEMBER 31, 2018

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	
Sintonia S.p.A.	Italy	Euro	1,000,000	100.00%
Schematrentatre S.p.A.	Italy	Euro	1,000,000	100.00%
Schematrentaquattro S.p.A.	Italy	Euro	100,000,000	100.00%
Benetton S.r.l. (formerly Schematrentasette S.r.l.)	Italy	Euro	225,708,580	100.00%
ConnecT S.p.A.	Italy	Euro	20,000,000	60.00%
Schemaquattordici S.p.A. (in liquidation)	Italy	Euro	50,000	58.99%
Transport Infrastructures				
Atlantia S.p.A.	Italy	Euro	825,783,990	30.25%
Abertis Infraestructuras S.A.	Spain	Euro	2,734,696,113	49.35%
Abertis HoldCo S.A.	Spain	Euro	100,059,990	50.00%
Abertis Participaciones S.A.	Spain	Euro	100,059,990	50.00%
Abertis Infraestructuras Finance B.V.	The Netherlands	Euro	18,000	49.35%
Abertis Autopistas España S.A.	Spain	Euro	551,000,000	49.35%
Autopistas Concesionaria Española S.A. (ACESA)	Spain	Euro	319,488,531	49.35%
Autopistes de Catalunya S.A. (AUCAT)	Spain	Euro	96,160,000	49.35%
Infraestructures Viàries de Catalunya S.A. (INVICAT)	Spain	Euro	92,037,215	49.35%
Autopistas AUMAR S.A. Concesionaria del Estado (AUMAR)	Spain	Euro	213,595,500	49.35%
Iberpistas S.A.	Spain	Euro	54,000,000	49.35%
Castellana de Autopistas Sace	Spain	Euro	98,000,000	49.35%
Autopistas Vasco-Aragonesa Cesa (AVASA)	Spain	Euro	237,094,716	49.35%
Autopistas de León Sace (AULESA)	Spain	Euro	34,642,000	49.35%
Túnels de Barcelona i Cadí concesionaria de la Generalitat de Catalunya S.A.	Spain	Euro	60,000	24.68%
Societat d'Autopistes Catalanes S.a.u.	Spain	Euro	1,060,000	49.35%
Holding d'Infrastructures de Transport S.a.s.	France	Euro	1,512,267,743	49.35%
Sanef S.A.	France	Euro	53,090,462	49.35%
Sapn S.A. (Société des Autoroutes Paris-Normandie)	France	Euro	14,000,000	49.34%
Bip&Go S.a.s.	France	Euro	1,000	49.35%
SE BPNL S.a.s.	France	Euro	40,000	49.35%
Léonord Exploitation S.a.s.	France	Euro	697,000	41.95%
Sanef Aquitaine S.a.s.	France	Euro	500,000	49.35%
Holding d'Infrastructures de Transport 2 S.a.s.	France	Euro	3,060,000	49.35%
Sanef 107,7 S.a.s.	France	Euro	15,245	49.35%
Abertis Internacional S.A.	Spain	Euro	33,687,000	49.35%
Abertis Italia S.r.l.	Italy	Euro	341,000,000	49.35%

Company name	Registered office	Currency	Share capital	Percentage held
A4 Holding S.p.A.	Italy	Euro	134,110,065	44.43%
Autostrada BS VR VI PD S.p.A.	Italy	Euro	125,000,000	44.43%
Serenissima Partecipazioni S.p.A.	Italy	Euro	2,314,063	44.43%
A4 Trading S.r.l.	Italy	Euro	3,700,000	44.43%
Globalcar Services S.p.A.	Italy	Euro	2,000,000	29.32%
A4 Mobility S.r.l.	Italy	Euro	100,000	44.43%
Mulhacen S.r.l.	Italy	Euro	10,000	44.43%
Partícipes en Brasil II S.L.	Spain	Euro	3,100	25.17%
Partícipes en Brasil S.A.	Spain	Euro	41,093,222	25.17%
PDC Participações S.A.	Brazil	Brl	608,323,218	25.17%
Sociedade para Participação em Infraestructura S.A.	Brazil	Brl	22,506,527	25.17%
Arteris, S.A.	Brazil	Brl	5,103,847,555	20.71%
Arteris Participações S.A.	Brazil	Brl	73,842,009	20.71%
Autovías S.A.	Brazil	Brl	127,655,876	20.71%
ViaPaulista S.A.	Brazil	Brl	1,293,085,843	20.71%
Centrovias Sistemas Rodoviários S.A.	Brazil	Brl	98,800,776	20.71%
Concesionaria de Rodovias do Interior Paulista S.A.	Brazil	Brl	129,625,130	20.71%
Vianorte S.A.	Brazil	Brl	107,542,669	20.71%
Autopista Planalto Sul S.A.	Brazil	Brl	1,033,034,052	20.71%
Autopista Fluminense S.A.	Brazil	Brl	917,789,100	20.71%
Autopista Fernão Dias S.A.	Brazil	Brl	1,401,384,583	20.71%
Autopista Régis Bittencourt S.A.	Brazil	Usd	1,162,285,422	20.71%
Autopista Litoral Sul S.A.	Brazil	Brl	1,272,295,511	20.71%
Latina Manutenção de Rodovias Ltda	Brazil	Brl	31,048,346	20.71%
Abertis Infraestructuras Chile S.A.	Chile	Clp	10,433,503,191	49.35%
Inversora de Infraestructuras S.L. (INVIN)	Spain	Euro	116,047,578	35.45%
Vías Chile S.A.	Chile	Clp	42,959,926,469	39.74%
Sociedad Concesionaria Rutas del Pacífico S.A.	Chile	Clp	51,000,000,000	39.74%
Sociedad Concesionaria del Elqui S.A. (ELQUI)	Chile	Clp	44,000,000,000	39.74%
Operadora del Pacífico S.A.	Chile	Clp	322,854,652	39.74%
Gestora de Autopistas S.p.A. (GESA)	Chile	Clp	837,978,217	39.74%
Sociedad Concesionaria Autopista de Los Andes S.A.	Chile	Clp	35,466,685,791	39.74%
Operadora Andes S.A.	Chile	Clp	770,000,000	39.74%
Sociedad Concesionaria Autopista Los Libertadores S.A.	Chile	Clp	16,327,525,305	39.74%
Sociedad Concesionaria Autopista del Sol S.A.	Chile	Clp	19,960,726,041	39.74%
Operadora Sol S.A.	Chile	Clp	1,876,000,000	39.74%
Operadora Los Libertadores S.A.	Chile	Clp	1,224,000,000	39.74%
Sociedad Concesionaria Autopista Central S.A.	Chile	Clp	76,694,956,663	37.60%

Company name	Registered office	Currency	Share capital	Percentage held
Central Korbana S.à r.l.	Luxembourg	Usd	19,000	35.45%
Central Korbana Chile S.p.A.	Chile	Clp	66,967,389,476	35.45%
Autopistas Metropolitanas de Puerto Rico LLC	Puerto Rico	Usd	500,323,664	25.17%
Autopistas de Puerto Rico y Compañía SE (APR)	Puerto Rico	Usd	3,503,002	49.35%
Grupo Concesionario del Oeste S.A. (GCO)	Argentina	Ars	1,716,541,000	21.16%
Autopistas del Sol, S.A. (AUSOL)	Argentina	Ars	992,409,312	15.59%
Abertis India S.L.	Spain	Euro	15,913,500	49.35%
Trichy Tollway Private Limited (TTPL)	India	Inr	2,083,106,010	49.35%
Jadcherla Expressways Private Limited (JEPL)	India	Inr	2,271,486,818	49.35%
Abertis India Toll Road Services Llp	India	Inr	185,053,700	49.35%
Abertis Motorways UK Ltd	United Kingdom	Gbp	10,000,000	49.35%
Abertis Mobility Services S.L.	Spain	Euro	1,003,000	49.35%
Emovis S.a.s.	France	Euro	11,781,984	49.35%
Emovis Operations Ireland Ltd	Ireland	Euro	–	49.35%
Emovis Operations Leeds (UK)	United Kingdom	Gbp	10	49.35%
Emovis Operations Mersey Ltd	United Kingdom	Gbp	10	49.35%
Emovis Operations Puerto Rico Inc.	USA	Usd	1,000	49.35%
Emovis Technologies Québec Inc.	Canada	Cad	–	49.35%
Emovis Tag UK Ltd	United Kingdom	Gbp	10	49.35%
Emovis Technologies US Inc.	USA	Usd	1,000	49.35%
Emovis Technologies Chile S.A.	Chile	Clp	507,941,000	49.35%
Emovis Technologies BC Inc.	Canada	Cad	342,612	49.35%
Emovis Technologies Ireland Limited	Ireland	Euro	10	49.35%
Emovis Technologies Doo	Croatia	Hrk	2,364,600	49.35%
Emovis Technologies UK Limited	United Kingdom	Gbp	130 000	49.35%
Eurotoll S.a.s.	France	Euro	3,300,000	49.35%
Eurotoll Central Europe Zrt	Hungary	Euro	16,633	49.35%
Tolling Operations Puerto Rico Inc.	Puerto Rico	Usd	–	49.35%
Abertis Telecom Satélites S.A.	Spain	Euro	242,082,290	49.35%
Hispasat S.A.	Spain	Euro	121,946,380	44.26%
Hispasat Brasil Ltda	Brazil	Brl	106,273,020	44.26%
Hispamar Exterior Slu	Spain	Euro	800,000	35.83%
Hispasat Canarias Slu	Spain	Euro	102,002,989	44.26%
Consultek Inc.	USA	Usd	20,000	44.26%
Hispasat México SA de CV	Mexico	Mxn	151,000,000	44.26%
Hispamar Satelites S.A.	Brazil	Brl	94,509,339	35.83%
AD Moving S.p.A.	Italy	Euro	1,000,000	88.06%
ACA C1 S.a.s.	France	Euro	1	38.66%
ACA C1 Holding S.a.s.	France	Euro	17,000,000	38.66%
Aero 1 Global & International S.à r.l.	Luxembourg	Euro	6,670,862	100.00%
Aéroports de la Côte d'Azur S.A.	France	Euro	148,000	38.66%
Aéroports du Golfe de Saint Tropez S.A.	France	Euro	3,500,000	38.63%
Azzurra Aeroporti S.p.A.	Italy	Euro	3,221,234	60.40%
Autostrade Concessões e Partecipações Brasil Ltda	Brazil	Brl	729,590,863	100.00%

Company name	Registered office	Currency	Share capital	Percentage held
Autostrade dell'Atlantico S.r.l.	Italy	Euro	1,000,000	100.00%
Autostrade Holding do Sur S.A.	Chile	Clp	51,496,805,692	100.00%
Autostrade Indian Infrastructure Development Pvt Ltd	India	Inr	500,000	100.00%
Autostrade Meridionali S.p.A.	Italy	Euro	9,056,250	51.94%
Autostrade per l'Italia S.p.A.	Italy	Euro	622,027,000	88.06%
Autostrade Portugal S.r.l.	Italy	Euro	30,000,000	100.00%
Autostrade Tech S.p.A.	Italy	Euro	1,120,000	88.06%
Concesionaria da Rodovia MG 050 S.A.	Brazil	Brl	446,878,027	50.00%
Electronic Transactions Consultants Co.	USA	Usd	16,264	64.46%
Ecomouv' S.a.s. (in liquidation)	France	Euro	–	61.64%
EsseDiEsse Società di Servizi S.p.A.	Italy	Euro	500,000	88.06%
Giove Clear S.r.l.	Italy	Euro	10,000	88.06%
Grupo Costanera S.p.A.	Chile	Clp	328,443,738,418	50.01%
Infoblu S.p.A.	Italy	Euro	5,160,000	75.00%
Jetbase Ltda	Portugal	Euro	50,000	38.66%
K-Master S.r.l.	Italy	Euro	10,000	93.40%
Telepass Broker S.r.l.	Italy	Euro	500,000	100.00%
Pavimental Polska Sp Zoo	Poland	Pln	3,000,000	96.89%
Pavimental S.p.A.	Italy	Euro	10,116,452	96.89%
Raccordo Autostradale Valle d'Aosta S.p.A.	Italy	Euro	343,805,000	21.54%
Rodovias das Colinas S.A.	Brazil	Brl	226,145,401	50.00%
SCI La Ratonnière S.a.s.	France	Euro	243,918	38.66%
Sky Valet France S.a.s.	France	Euro	1,151,584	38.66%
Sky Valet Spain S.L.	Spain	Euro	231,956	38.66%
Sociedad Concesionaria AMB S.A.	Chile	Clp	5,875,178,700	50.01%
Sociedad Concesionaria Autopista Nororiente S.A.	Chile	Clp	22,738,904,654	50.01%
Sociedad Concesionaria Autopista Nueva Vespucio Sur S.A.	Chile	Clp	166,967,672,229	50.01%
Sociedad Concesionaria Americo Vespucio Oriente II S.A.	Chile	Clp	100,000,000,000	50.01%
Sociedad Concesionaria de los Lagos S.A.	Chile	Clp	53,602,284,061	100.00%
Sociedad Concesionaria Costanera Norte S.A.	Chile	Clp	58,859,765,519	50.01%
Sociedad Concesionaria Litoral Central S.A.	Chile	Clp	18,368,224,675	50.01%
Sociedad Gestion Vial S.A.	Chile	Clp	11,397,237,788	50.01%
Sociedad Concesionaria Conexion Vial Ruta 78-68 S.A.	Chile	Clp	32,000,000,000	50.01%
Sociedad Operacion y Logistica de Infraestructuras S.A.	Chile	Clp	11,736,819	50.01%
Società Italiana per Azioni per il Traforo del Monte Bianco	Italy	Euro	198,749,200	44.91%
SPEA Engineering S.p.A.	Italy	Euro	6,966,000	97.49%
SPEA do Brasil Projectos e Infraestructura Ldta	Brazil	Brl	4,504,000	97.49%
Stalexport Autoroute S.à r.l.	Luxembourg	Euro	56,149,500	61.20%
Stalexport Autostrada Malopolska S.A.	Poland	Pln	66,753,000	61.20%
Stalexport Autostrady S.A.	Poland	Pln	185,446,517	61.20%
Tangenziale di Napoli S.p.A.	Italy	Euro	108,077,490	88.06%
Tech Solutions Integrators S.a.s.	France	Euro	2,000,000	88.06%
Telepass Pay S.p.A.	Italy	Euro	702,983	100.00%
Telepass S.p.A.	Italy	Euro	26,000,000	100.00%

Company name	Registered office	Currency	Share capital	Percentage held
Triangulo do Sol Auto-Estradas S.A.	Brazil	Brl	71,000,000	50.00%
URBANext S.A.	Switzerland	Chf	100,000	70.00%
VIA4 S.A.	Poland	Pln	500,000	33.66%
Aeroporti di Roma S.p.A.	Italy	Euro	62,224,743	99.38%
ADR Tel S.p.A.	Italy	Euro	600,000	99.38%
ADR Sviluppo S.r.l.	Italy	Euro	100,000	99.38%
ADR Assistance S.r.l.	Italy	Euro	4,000,000	99.38%
ADR Mobility S.r.l.	Italy	Euro	1,500,000	99.38%
ADR Security S.r.l.	Italy	Euro	400,000	99.38%
Airport Cleaning S.r.l.	Italy	Euro	1,500,000	99.38%
Fiumicino Energia S.r.l.	Italy	Euro	741,795	87.14%
Soluciona Conservaçao Rodoviaria Ltda	Brazil	Brl	500,000	50.00%
Leonardo Energia S.c.ar.l.	Italy	Euro	10,000	88.36%
Società Autostrada Tirrenica p.A.	Italy	Euro	24,460,800	88.06%
AB Concessões S.A.	Brazil	Brl	738,652,989	50.00%
Food and Beverage				
Autogrill S.p.A.	Italy	Euro	68,688,000	50.10%
Ac Restaurants & Hotels Beheer N.V.	Belgium	Euro	3,250,000	100.00%
Anton Airfood Inc.	USA	Usd	1,000	100.00%
Anton Airfood JFK 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 Seattle Inc.	USA	Usd	–	100.00%
Anton Airfood of Tulsa Inc.	USA	Usd	–	100.00%
Autogrill Austria GmbH	Austria	Euro	7,500,000	100.00%
Autogrill Advanced Business Services S.p.A.	Italy	Euro	1,000,000	100.00%
Autogrill Belgie N.V.	Belgium	Euro	6,700,000	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%
Le Fournil de Frédéric Neuhauser Backwaren Vertiebs GmbH	Germany	Euro	25,565	100.00%
Le CroBag GmbH & Co Kg	Germany	Euro	904,867	100.00%
Le CroBag Polska Sp Zoo	Poland	Pln	100,000	100.00%
Autogrill Doo	Slovenia	Euro	1,342,670	100.00%
Autogrill FFH Autoroutes S.à r.l.	France	Euro	375,000	100.00%
Autogrill FFH Centres Villes S.à r.l.	France	Euro	375,000	100.00%
Autogrill Europe S.p.A.	Italy	Euro	50,000,000	100.00%
Autogrill Hellas Single Member LLC	Greece	Euro	3,696,330	100.00%
Autogrill Iberia Slu	Spain	Euro	7,000,000	100.00%
Autogrill Polska Sp Zoo	Poland	Pln	1,405,000	100.00%
Autogrill Restauration Carrousel S.a.s.	France	Euro	2,337,000	100.00%
Limited Liability Company Autogrill Rus	Russia	Rub	10,000	100.00%
Autogrill Schweiz AG	Switzerland	Chf	23,183,000	100.00%

Company name	Registered office	Currency	Share capital	Percentage held
Autogrill VFS F&B Co Ltd	Vietnam	Vnd	104,462,000,000	70.00%
Autogrill Italia S.r.l.	Italy	Euro	50,000	100.00%
Fresno AAl Inc.	USA	Usd	–	100.00%
HMSHost UK Ltd	United Kingdom	Gbp	217,065	100.00%
HK Travel Centres GP Inc.	Canada	Cad	–	51.00%
HK Travel Centres Lp	Canada	Cad	–	51.00%
HMSHost Family Restaurants Inc.	USA	Usd	2,000	100.00%
HMSHost Finland Oy	Finland	Euro	2,500	100.00%
HMSHost Huazhuo (Beijing) Catering Management Co. Ltd	China	Cny	80,000,000	100.00%
HMSHost Motorways Inc.	Canada	Cad	–	100.00%
HMSHost New Zealand Ltd	New Zealand	Nzd	1,520,048	100.00%
HMSHost Shanghai Enterprise Management Consulting Co Ltd (in liquidation)	China	Cny	–	100.00%
HMSHost Yiyeecek ve Icecek Hizmetleri AS	Turkey	Trl	16,521,730	100.00%
HMSHost Antalya Yiyecek Ve Içecek Hizmetleri A.S.	Turkey	Trl	2,140,000	51.00%
HMS – Airport Terminal Services Inc.	USA	Usd	1,000	100.00%
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 LLC	USA	Usd	–	100.00%
Holding de Participations Autogrill S.a.s.	France	Euro	84,581,920	100.00%
Horeca Exploitatie Maatschappij Schiphol B.V.	The Netherlands	Euro	45,400	100.00%
Host (Malaysia) Sdn Bhd	Malaysia	Myr	2	100.00%
Host International (Poland) Sp Zoo (in liquidation)	Poland	Usd	–	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%
HMSHost International BV	The Netherlands	Euro	18,090	100.00%
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	11,289,360	100.00%
Islip AAI Inc.	USA	Usd	–	100.00%
Marriott Airport Concessions Pty Ltd	Australia	Aud	2,665,020	100.00%
Michigan Host Inc.	USA	Usd	1,000	100.00%
NAG B.V.	The Netherlands	Euro	–	60.00%
Nuova Sidap S.r.l.	Italy	Euro	100,000	100.00%
Palm Springs AAI Inc.	USA	Usd	–	100.00%
Restoroute de Bavois S.A.	Switzerland	Chf	2,000,000	73.00%
Restoroute de la Gruyère S.A.	Switzerland	Chf	1,500,000	54.33%
Shenzen Host Catering Company Ltd (in liquidation)	China	Usd	–	100.00%

Company name	Registered office	Currency	Share capital	Percentage held
SMSI Travel Centres Inc.	Canada	Cad	10,800,100	100.00%
Société de Gestion Pétrolière Autogrill S.à r.l. (SGPA)	France	Euro	8,000	100.00%
HMSHost Hospitality Service Bharath Private LTD	Karnataka	Inr	100,000,000	99.00%
Volcarest S.a.s.	France	Euro	1,050,144	50.00%
PT Autogrill Services Indonesia	Indonesia	Idr	32,317,805,500	100.00%
Host International of Kansas Inc.	USA	Usd	1,000	100.00%
HMSHost Nederland B.V.	The Netherlands	Euro	100	100.00%
Host Bush Lubbock Airport Joint Venture	USA	Usd	–	90.00%
Host-Chelsea Joint Venture #1	USA	Usd	–	65.00%
Host-Tinsley Joint Venture	USA	Usd	–	84.00%
Airside C F&B Joint Venture	USA	Usd	–	70.00%
Bay Area Restaurant Group	USA	Usd	–	49.00%
Host CTI Denver Airport Joint Venture	USA	Usd	–	90.00%
Host D&D STL FB LLC	USA	Usd	–	75.00%
Host DEI Jacksonville Joint Venture	USA	Usd	–	51.00%
Host/Java Star Joint Venture	USA	Usd	–	50.01%
Host/JQ RDU 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-Chelsea Joint Venture #3	USA	Usd	–	63.80%
Host-Chelsea Joint Venture #4	USA	Usd	–	63.00%
Seattle Restaurant Associates	USA	Usd	–	70.00%
HMS/Blue Ginger Joint Venture	USA	Usd	–	55.00%
HMSHost Family Restaurants LLC	USA	Usd	–	100.00%
HMSHost Motorways Lp	Canada	Usd	–	100.00%
HMSHost Motorways Inc.	Canada	Cad	–	100.00%
Host/DFW AF, LLC	USA	Usd	–	50.01%
Host MCA FLL FB, LLC	USA	Usd	–	76.00%
Host CTI DEN F&B STA, LLC	USA	Usd	–	80.00%
Host MCA SRQ FB, LLC	USA	Usd	–	90.00%
HHL Cole's LAX F&B LLC	USA	Usd	–	80.00%
Host-CTI DEN F&B II LLC	USA	Usd	–	80.00%
Host FDY ORF F&B LLC	USA	Usd	–	90.00%
Host Fox PHX F&B LLC	USA	Usd	–	75.00%
Host GRL LIH F&B LLC	USA	Usd	–	85.00%
Host Havana LAX F&B LLC	USA	Usd	–	90.00%
Host Havana LAX TBIT FB, LLC	USA	Usd	–	70.00%
Host Howell Terminal A F&B LLC	USA	Usd	–	65.00%
Host JQE RDU Prime LLC	USA	Usd	–	85.00%
Host Lee JAX FB LLC	USA	Usd	–	80.00%
Host LGO PHX F&B LLC	USA	Usd	–	80.00%
Host-CMS SAN F&B LLC	USA	Usd	–	100.00%
Host CMS LAX TBIT F&B LLC	USA	Usd	–	100.00%
Host-Love Field Partners I LLC	USA	Usd	–	51.00%

Company name	Registered office	Currency	Share capital	Percentage held
LTL ATL JV LLC	USA	Usd	–	70.00%
Host ATL Chefs JV 3 LLC	USA	Usd	–	95.00%
Host ATL Chefs JV 5 LLC	USA	Usd	–	85.00%
HSI Honolulu Joint Venture Company	USA	Usd	–	90.00%
HSI of Kahului Joint Venture Company	USA	Usd	–	90.00%
Host Houston 8 IAH Terminal B LLC	USA	Usd	–	60.00%
Host-True Flavors SAT Terminal A FB	USA	Usd	–	65.00%
Host MGV DCA FB LLC	USA	Usd	–	70.00%
Host MGV IAD FB LLC	USA	Usd	–	65.00%
Host ECI ORD FB LLC	USA	Usd	–	51.00%
Host Aranza Howell DFB B&E FB LLC	USA	Usd	–	55.00%
Host MCA ATL FB LLC	USA	Usd	–	64.00%
Host MGV DCA KT LLC	USA	Usd	–	51.00%
Host BGV IAH FB, LLC	USA	Usd	–	55.00%
Host H8 IAH FB I, LLC	USA	Usd	–	60.00%
Host MBA LAX SB, LLC	USA	Usd	–	70.00%
Host TBL TPA FB LLC	USA	Usd	–	71.00%
Host VDV CMH FB LLC	USA	Usd	–	85.00%
Host JVI PDX FB LLC	USA	Usd	–	84.00%
HMSHost-UMOE F&B Company AS	Norway	Nok	120,000	51.00%
Host OHM GSO FB LLC	USA	Usd	–	80.00%
Host JQE RSI LIT FB LLC	USA	Usd	–	70.00%
Host TFC SDF FB LLC	USA	Usd	–	60.00%
PT EMA INTI MITRA (Autogrill Topas Indonesia)	Indonesia	Idr	46,600,000,000	65.00%
Host JQE RDU Conc D, LLC	USA	Usd	–	70.00%
Host Ayala LAS FB LLC	USA	Usd	–	55.00%
Host BGI MHT FB LLC	USA	Usd	–	90.00%
Host CEI KSL MSY, LLC	USA	Usd	–	63.00%
Host Chen ANC FB LLC	USA	Usd	–	88.00%
Host LBL LAX T2 FB, LLC	USA	Usd	–	80.00%
Host SMI SFO FB, LLC	USA	Usd	–	90.00%
Host Java DFW MGO, LLC	USA	Usd	–	50.01%
Host MBA CMS LAX LLC	USA	Usd	–	60.00%
Host JQE CVG FB, LLC	USA	Usd	–	90.00%
Host DSL DEN FB, LLC	USA	Usd	–	67.00%
Host HTB DEN FB, LLC	USA	Usd	–	67.00%
Host SCR SAN FB, LLC	USA	Usd	–	75.00%
Host SCR SAV FB, LLC	USA	Usd	–	90.00%
Host SCR SNA FB, LLC	USA	Usd	–	75.00%
Host DII GRR FB, LLC	USA	Usd	–	80.00%
Host SHI PHL FB, LLC	USA	Usd	–	55.00%
Host VDV DTW SB, LLC	USA	Usd	–	75.00%
Host VDV DTW 3 SB, LLC	USA	Usd	–	79.00%
MCO Retail Partners, LLC	USA	Usd	–	80.00%

Company name	Registered office	Currency	Share capital	Percentage held
Host MCL DFW SB, LLC	USA	Usd	–	65.00%
Host MCL DFW Bar, LLC	USA	Usd	–	75.00%
Host DCG ATL SB, LLC	USA	Usd	–	59.00%
Host MCA HLM ATL FB, LLC	USA	Usd	–	55.00%
Host TGI DEN GD FB, LLC	USA	Usd	–	70.00%
Host TGI DEN STA FB, LLC	USA	Usd	–	55.00%
HSI/Tarra Enterprises Joint Venture	USA	Usd	-	75.00%
HSI Southwest Florida Airport Joint Venture	USA	Usd	–	78.00%
HSI Miami Airport FB Partners Joint Venture	USA	Usd	–	70.00%
HMSHost Vietnam Company Limited	Vietnam	Vnd	–	100.00%
Host D&D STL 3KG FB, LLC	USA	Usd	–	75.00%
Host Java DFW SBC-GAB, LLC	USA	Usd	–	50.01%
Host IBC MCO FB, LLC	USA	Usd	–	70.00%
Host BGB SCA MSP, LLC	USA	Usd	–	80.00%
Host AAC SFO FB, LLC	USA	Usd	–	70.00%
Host LDL MCO FB, LLC	USA	Usd	–	70.00%
Host NMG EWR SB, LLC	USA	Usd	–	80.00%
Host PHE LDL MCO FB, LLC	USA	Usd	–	70.00%
HSI MCA LBL LAX T6 – TBIT, LLC	USA	Usd	–	75.00%
Host CEG KSL LGA FB, LLC	USA	Usd	–	70.00%
Host TRA BNA FB, LLC	USA	Usd	–	80.00%
Host TRA BNA STA FB, LLC	USA	Usd	–	84.00%
HSI BFF SEA FB, LLC	USA	Usd	–	51.00%
HMSHost Maldives Private Limited	Rep. of Maldives	Mvr	–	100.00%
HMSHost Rus Limited liability Company	Russia	Rub	–	100.00%
HMSHost (Shanghai) Catering Management Co Ltd	China	Cny	–	100.00%
Host LDL BWI FB, LLC	USA	Usd	–	90.00%
Host LPI SEA FB LLC	USA	Usd	–	80.00%
Host WSE SJC FB, LLC	USA	Usd	–	80.00%
HSI MCA BOS FB, LLC	USA	Usd	–	80.00%
HSI MCA MIA SB, LLC	USA	Usd	–	51.00%
Host DCG AUS FB, LLC	USA	Usd	–	75.00%
Host IBC PIE FB, LLC	USA	Usd	–	80.00%
HSI HCL SEA FB, LLC	USA	Usd	–	75.00%
Stellar Retail Group ATL, LLC	USA	Usd	–	59.00%
Stellar LAM SAN, LLC	USA	Usd	–	80.00%
Stellar RSH DFW, LLC	USA	Usd	–	65.00%
Stellar Retail Partners DFW, LLC	USA	Usd	–	65.00%
Stellar Partners, Inc.	USA	Usd	25,500	100.00%
Stellar Partners Tampa LLC	USA	Usd	–	90.00%
Stellar PHL, LLC	USA	Usd	–	65.00%
Stellar LAM PHX, LLC	USA	Usd	–	70.00%
Stellar Retail Group PHX, LLC	USA	Usd	–	55.00%
Stellar DML GCG MCO, LLC	USA	Usd	–	70.00%

Company name	Registered office	Currency	Share capital	Percentage held
Stellar DOC1 DCGG DEN, LLC	USA	Usd	–	75.00%
Stellar MGV BWI, LLC	USA	Usd	–	60.00%
Stellar BDI PIE, LLC	USA	Usd	–	90.00%
Stellar DCA BNA, LLC	USA	Usd	–	50.01%
Stellar DCA SLA BNA, LLC	USA	Usd	–	49.99%
Clothing and Textiles				
Benetton Group S.r.l.	Italy	Euro	200,000,000	100.00%
Ben Mode AG	Switzerland	Chf	500,000	100.00%
Benetton 2 Retail Comércio de Produtos Texteis S.A.	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 Commerciale Tunisie S.à r.l.	Tunisia	Tnd	2,429,000	100.00%
Benetton de Commerce International Tunisie S.à r.l.	Tunisia	Tnd	1,936,000	100.00%
Benetton Denmark Aps	Denmark	Dkk	125,000	100.00%
Benetton France Commercial S.a.s.	France	Euro	10,000,000	100.00%
Benetton Giyim Sanayi ve Ticaret As	Turkey	Try	61,501,380	100.00%
Benetton Hellas Agency of Clothing Single Partner Epe	Greece	Euro	3,050,010	100.00%
Benetton India Pvt Ltd	India	Inr	3,600,000,000	100.00%
Benetton Japan Co Ltd	Japan	Jpy	400,000,000	100.00%
Benetton Korea Inc.	South Korea	Krw	2,500,000,000	100.00%
Benetton Mexicana SA de CV	Mexico	Mxn	255,979,520	100.00%
Benetton Pars Pjsc	Iran	Irr	6,831,400,000	100.00%
Benetton Retail Deutschland GmbH (in liquidation)	Germany	Euro	2,000,000	100.00%
Benetton Servizi S.r.l.	Italy	Euro	5,100,000	100.00%
Benetton Retail Poland Sp Zoo	Poland	Pln	20,000,000	100.00%
Benetton Russia Ooo	Russia	Rub	223,518,999	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 Trading Taiwan Ltd	Taiwan	Twd	115,000,000	100.00%
Benetton Trading Usa Inc. (non operating)	USA	Usd	207,847,833	100.00%
Fabrica S.r.l.	Italy	Euro	250,000	100.00%
Kazan Real Estate Ooo	Russia	Rub	1,117,010,000	100.00%
Ponzano Children S.r.l.	Italy	Euro	110,000	100.00%
Retail Italia Network S.r.l.	Italy	Euro	1,000,000	100.00%
Shanghai Benetton Trading Company Ltd (in liquidation)	China	Usd	37,821,056	100.00%
Villa Minelli Società agricola a r.l.	Italy	Euro	110,000	100.00%
Olimpias Group S.r.l.	Italy	Euro	50,000,000	100.00%
Aerre S.r.l.	Italy	Euro	25,000	60.00%
Olimpias Industrielle Tunisie S.à r.l.	Tunisia	Tnd	2,000,000	100.00%
Olimpias Manufacturing Tunisia S.à r.l.	Tunisia	Tnd	700,000	100.00%
Olimpias SRB Doo	Serbia	Rsd	1,138,444,166	100.00%
Olimpias Tekstil Doo	Croatia	Hrk	155,750,000	100.00%
Olimpias Ungheria Kft	Hungary	Huf	89,190	100.00%
Filatura di Vittorio Veneto S.r.l.	Italy	Euro	220,576	50.00%

Company name	Registered office	Currency	Share capital	Percentage held
Olimpias Knitting Serbia Doo	Serbia	Rsd	10,000	60.00%
Olimpias Tunisia S.à r.l.	Tunisia	Tnd	100,000	100.00%
Sc Anton Industries S.r.l.	Romania	Ron	1,162,460	60.00%
Olimpias MFG Romania S.r.l.	Romania	Ron	1,416,880	100.00%
Real Estate and Agriculture				
Edizione Property S.p.A.	Italy	Euro	4,000,000	100.00%
Edizione Alberghi S.r.l.	Italy	Euro	5,000,000	100.00%
Edizione Realty Czech Sro	Czech Republic	Czk	40,000,000	100.00%
Benetton Istanbul Real Estate Ltd	Turkey	Try	34,325,000	100.00%
Edizione Property Latvia Sia	Latvia	Euro	896,304	100.00%
Edizione Property Doo Sarajevo	Bosnia-Herzegovina	Bam	20,000	100.00%
Edizione Property Austria GmbH	Austria	Euro	2,500,000	100.00%
Edizione Property Belgique S.A.	Belgium	Euro	14,500,000	100.00%
Benetton Real Estate Kazakhstan Llp	Kazakhstan	Kzt	62,920,000	100.00%
Edizione Property France S.A.	France	Euro	25,009,197	100.00%
Edizione Property Portugal Imobiliaria S.A.	Portugal	Euro	100,000	99.90%
Edizione Property Spain S.L.	Spain	Euro	15,270,450	100.00%
Edizione Property Mongolia LLC	Mongolia	Mnt	115,000,000	100.00%
Hotel Union Shpk	Kosovo	Euro	3,200,000	100.00%
Kaliningrad Real Estate Ooo	Russia	Rub	10,000	100.00%
Property Due S.r.l.	Italy	Euro	50,000	100.00%
Real Estate Russia Ooo	Russia	Rub	120,010,000	100.00%
Real Estate Ukraine LLC	Ukraine	Usd	7,921	100.00%
Real Estate Management Ooo	Russia	Rub	250,000,000	100.00%
Benetton International Kish Pjsc	Iran	Irr	100,000,000	100.00%
Compañia de Tierras Sud Argentino S.A.	Argentina	Ars	137,579,000	100.00%
Frigorifico Faimali S.A.	Argentina	Ars	25,000,000	100.00%
Ganadera Condor S.A.	Argentina	Ars	115,541,000	100.00%
Maccarese S.p.A. società agricola	Italy	Euro	34,485,805	100.00%
San Giorgio S.r.l.	Italy	Euro	100,000	100.00%
L'Emporio di Maccarese S.r.l.	Italy	Euro	50,000	100.00%
Other companies				
Verde Sport S.r.l.	Italy	Euro	8,000,000	100.00%
Asolo Golf Club S.r.l.	Italy	Euro	100,000	100.00%
Associates and joint control				
Autogrill Middle East LLC	United Arab Emirates	Aed	100,000	50.00%
Arab Host Services LLC	Qatar	Qar	200,000	49.00%
Caresquick N.V.	Belgium	Euro	1,020,000	50.00%
Dewina Host Sdn Bhd	Malaysia	Myr	350,000	49.00%
HKSC Developments Lp	Canada	Cad	-	49.00%
HKSC Opco Lp	Canada	Cad	-	49.00%
HMSHost and Lite Bite Private Ltd	India	Inr	100,000	51.00%

Company name	Registered office	Currency	Share capital	Percentage held
Cellnex Telecom S.A.	Spain	Euro	57,920,810	29.90%
Aeroporto Guglielmo Marconi di Bologna S.p.A.	Italy	Euro	90,314,162	29.38%
Airport One S.a.s.	France	Euro	1,000	49.00%
Airport Hotels S.a.s.	France	Euro	1,000	49.00%
Alis S.A.	France	Euro	2,850,000	19.67%
A&T Road Construction Management and Operation Pvt Ltd	India	Inr	100,000	50.00%
Autopista Terrassa-Manresa, Concessionària de la Generalitat de Catalunya, S.A. (AUTEMA)	Spain	Euro	83,410,571	23.72%
Autopista Trados-45 S.A. (TRADOS-45)	Spain	Euro	21,039,014	50.00%
Areamed 2000, S.A.	Spain	Euro	2,070,012	50.00%
Alazor Inversiones S.A.	Spain	Euro	223,600,000	31.22%
Autoroutes de Liaison Reine-Sarthe (Alis)	France	Euro	2,850,000	19.67%
A'liénor S.a.s.	France	Euro	275,632,000	35.00%
Concesionaria Rodovias do Tieté S.A.	Brazil	Brl	303,578,476	50.00%
Bologna & Fiera Parking S.p.A.	Italy	Euro	2,715,200	36.81%
Biuro Centrum Sp Zoo	Poland	Pln	80,000	40.63%
Bip & Drive S.A.	Spain	Euro	4,612,969	35.00%
C.I.S. S.p.A. (in liquidation)	Italy	Euro	5,236,530	25.23%
Ciralsa Sace	Spain	Euro	50,167,000	25.00%
Concesionaria Vial de los Andes S.A. (COVIANDES)	Colombia	Cop	27,400,000,000	40.00%
Constructora de Infraestructura Vial S.a.s.	Colombia	Cop	50,000,000	40.00%
G.R.A. di Padova S.p.A.	Italy	Euro	2,950,000	33.90%
GEIE del Traforo del Monte Bianco	Italy	Euro	2,000,000	50.00%
Getlink SE	France	Euro	220,000,000	15.49%
Grupo Navegación por satélites, sistemas y servicios, S.L.	Spain	Euro	1,026,000	14.29%
Hisdesat Servicios Estratégicos S.A.	Spain	Euro	108,174,000	43.00%
Infraestructuras y Radiales S.A. (IRASA)	Spain	Euro	11,610,200	30.00%
Léonord S.a.s.	France	Euro	697,377	35.00%
Pune Solapur Expressways Pvt Ltd	India	Inr	100,000,000	50.00%
Routalis S.a.s.	France	Euro	40,000	30.01%
Rio dei Vetrai S.r.l.	Italy	Euro	100,000	50.00%
Road Management Group Ltd (RMG)	United Kingdom	Gbp	25,335,004	33.30%
Società Infrastrutture Toscane S.p.A. (in liquidation)	Italy	Euro	15,000,000	46.60%
Trans-Canada Flow Tolling Inc.	Canada	Cad	200	50.00%
Subsidiaries and associates carried on at cost of fair value				
Benetton Rugby Treviso S.r.l.	Italy	Euro	52,000	100.00%
Benetton Real Estate Azerbaijan LLC (in liquidation)	Azerbaijan	Usd	130,000	100.00%
Pallacanestro Treviso Società Sportiva Dilettantistica a r.l.	Italy	Euro	50,000	100.00%
Eurostazioni S.p.A.	Italy	Euro	160,000,000	32.71%
Bensec S.c.ar.l.	Italy	Euro	110,000	78.00%
Centaure Paris-Normandie S.a.s.	France	Euro	700,000	49.90%
Centaure Nord Pas-de-Calais S.a.s.	France	Euro	320,000	34.00%
Domino S.r.l.	Italy	Euro	10,000	100.00%

Company name	Registered office	Currency	Share capital	Percentage held
Gemina Fiduciary Services S.A.	Luxembourg	Euro	150,000	99.99%
Pedemontana Veneta S.p.A. (in liquidation)	Italy	Euro	6,000,000	61.70%
Pavimental Est Ao (in liquidation)	Russia	Rub	4,200,000	100.00%
Petrostal S.A. (in liquidation)	Poland	Pln	2,050,500	100.00%

REPORT OF THE INDEPENDENT AUDITORS

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INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

To the Quotaholders of
Edizione S.r.l.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Edizione Group (the Group), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated income statement, the consolidated statement of comprehensive income, the statement of changes in consolidated shareholders' equity and consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Edizione S.r.l. in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of Edizione S.r.l. or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Group's financial reporting process.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion pursuant to art. 14 paragraph 2 (e) of Legislative Decree 39/10

The Directors of Edizione S.r.l. are responsible for the preparation of the Directors' report of Edizione Group as at December 31, 2018, including its consistency with the related consolidated financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the Directors' report, with the consolidated financial statements of Edizione Group as at December 31, 2018 and on its compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the above-mentioned Directors' report is consistent with the consolidated financial statements of Edizione Group as at December 31, 2018 and is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the Group and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Giorgio Moretto
Partner

Treviso, Italy
June 7, 2019

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

CONTACTS

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Treviso Chamber of Commerce REA 148942
Share capital Euro 1,500,000,000.00 fully paid-in