Consolidated interim financial report at June 30, 2014

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SYNTHETIC DATA AND GENERAL INFORMATION

Interim profile

The trend of the first half of 2014 was positively affected by the traffic results, which grew at both airports managed. This traffic trend (+4.6%) was common to all segments: the international segment in particular represents the main development driver for the system (+6.3%) and domestic traffic is starting to show signs of stabilization (+0.6%) after a period of considerable decrease in volumes.

The consolidated economic results obtained show an increased Ebitda at 217.2 million euros, rising by 49.3 million euros compared to the first half of 2013 (+ 29.4%). This positive trend is essentially due to the rise in aeronautical revenues (+18.6%) deriving from the application of the new tariff regime enforced on March 9, 2013, and the positive traffic performance. The non-aeronautical segment (-1.1%) showed decreasing results for real estate activities and advertising, partially offset by the positive performance of the retail segment. Consolidated EBIT stood at 144.5 million euros, up by 69.9% million euros recorded in the same period of 2013.

Consolidated net financial indebtedness as of June 30, 2014 is equal to 729.1 million euros, decreasing further compared to 758.9 million at the end of 2013.

The infrastructural development plan started by ADR in 2013 is underway, after the approval of the Planning Agreement. During the six months, investments were made for 47.3 million euros.

Attention to service quality and the focus on increasing users' satisfaction are priorities for the ADR Group. New services were started in the six months to improve the customer experience along all the phases of the travelling experience at the airport: from the arrival at the airport, through the upgrading of the bus arrival areas to the design of new roads in front of the terminal; from the increased airport services, such as free and unlimited wi-fi, and the provision of stations to charge mobile devices to the upgrade of the arrival areas of the terminals.

In a context still uncertain because of the persisting difficulties of the reference carrier and an international economic situation, in Italy in particular, that is not recovering yet, the ADR Group is in a good position to continue its strategic growth route, committed to offering the market the best assurance of efficient corporate management while continuing constructive communication with the expanded community of stakeholders with a view to creating sustainable value while contributing to the revival of Italy's economy.

FINANCIAL AND OPERATING HIGHLIGHTS OF THE GROUP

Consolidated economic and financial results

(Euros/000)

	1st half 2014	1st half 2013
Revenues from airport management	337,549	300,929
Gross Operating Income (EBITDA)	217,186	167,886
EBITDA %	64.3%	55.8%
Operating income (EBIT)	144,497	85,224
EBIT %	42.8%	28.3%
Net income (loss)	72,170	29,447
Group net income (loss)	72,265	29,653
Investments	47,285	52,264

	06.30.2014	12.31.2013
Net invested capital	1,738,787	1,708,308
Shareholders' equity (including minority interest)	1,009,643	949,360
Group shareholders' equity	1,008,699	948,321
Net financial indebtedness	729,144	758,948
Net borrowing/Shareholders' equity	0.7	0.8

	1st half 2014	1st half 2013
Net financial indebtedness/ebitda (°)	1.5	2.6
ROI (°)	17%	8.8%

(°) indicators measured in the last 12 months

Rating

	06.30.2014	12.31.2013
Standard & Poor's	BBB+	BBB+
Moody's	Baa3/Baa2 *	Baa3/Baa2*
Fitch Rating	BBB+	BBB+

*on secured Romulus issue

Traffic volumes

	1st half 2014	1st half 2013
Movements (no./000)	172	168
Total passengers (no./000)	19,973	19,103
Total cargo (tons)	72,671	74,320

Group's Human Resources

	1st half 2014	1st half 2013
Average headcount *(no. of people)*	2,194	2,091

	06.30.2014	12.31.2013
Headcount at the end of the period *(no. of people)*	2,767	2,321

CORPORATE BODIES

BOARD OF DIRECTORS

In office until the Meeting to approve the Yearly Financial Report 2015

Fabrizio Palenzona	Chairman
Lorenzo Lo Presti	Managing Director
Giuseppe Angiolini	Director
Luigi Barone	Director
Giovanni Castellucci	Director
Pier Luigi Celli	Director
Stefano Cao	Director
Giancarlo Guenzi (1)	Director
Concetta Testa (1)	Director
Gennarino Tozzi (1) (2)	Director
Antonio Sanna	Secretary

BOARD OF STATUTORY AUDITORS

In office until the Meeting to approve the Yearly Financial Report 2015

Maria Laura Prislei	Chairman
Mauro Romano	Statutory Auditor
Andrea Carlo Tavecchio	Statutory Auditor
Mario Tonucci	Statutory Auditor
Pier Vittorio Vietti	Statutory Auditor
Massimiliano Troiani	Alternate Auditor
Fabio Margara	Alternate Auditor

INDEPENDENT AUDITORS

2013-2021 accounting periods

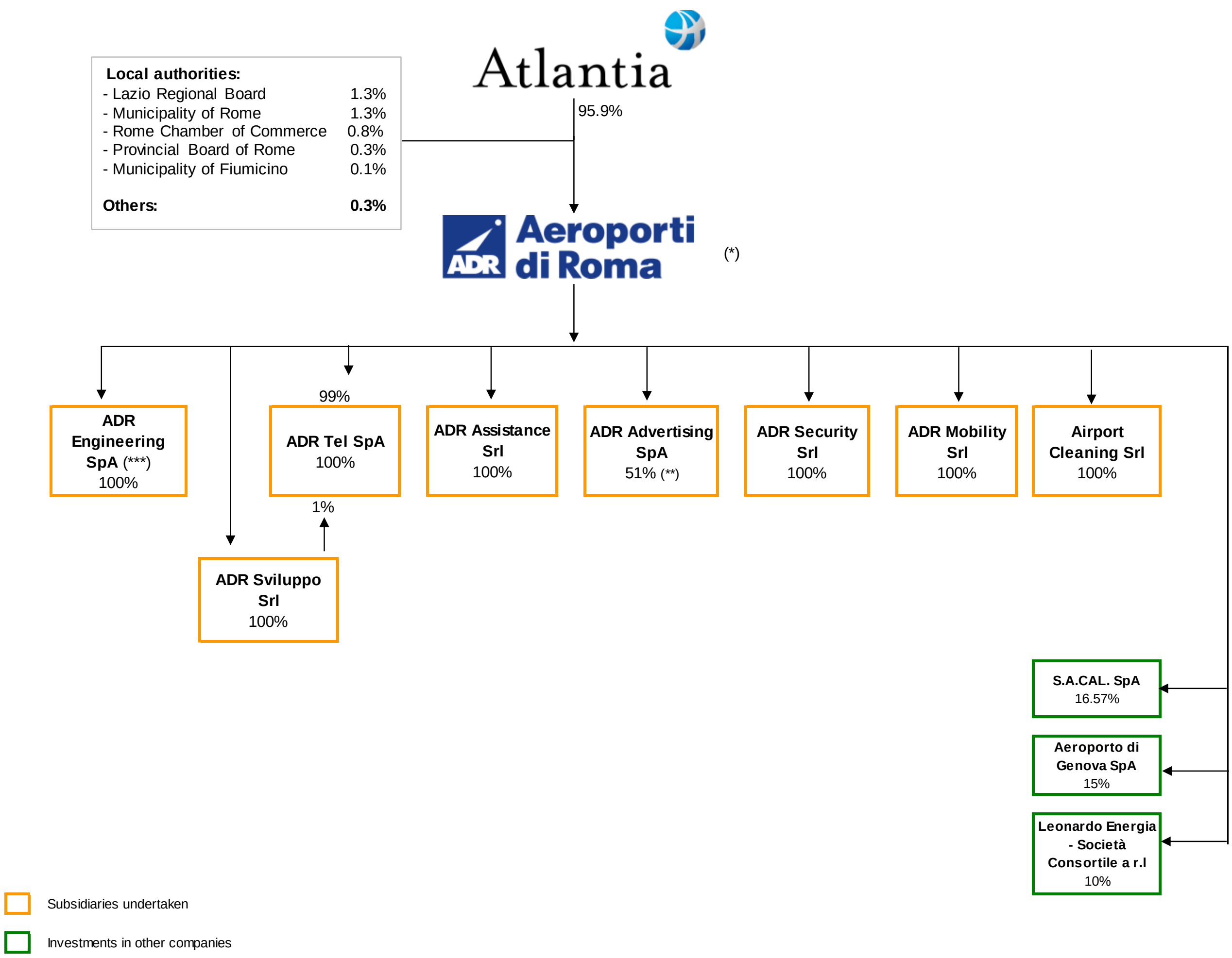
Reconta Ernst & Young SpA

(1) Appointed by the General Meeting of April 15, 2014 to replace Gianni Mion, who resigned as from January 13, 2014, Carlo Bertazzo, who resigned as from January 14, 2014 and Pierluigi Toti, who resigned as from January 27, 2014

(2) Co-opted, pursuant to Article 2386 of the Italian Civil Code, on February 21, 2014.

THE GROUP STRUCTURE

(as of June 30, 2014)



(*) ADR S.p.A. also holds a 25% interest in Consorzio E.T.L. European Transport Law in liquidation
(**) of the share capital
(***) ADR Engineering S.p.A. also holds a 33.33% interest in Consorzio Agere

INTERIM MANAGEMENT REPORT ON OPERATIONS

Interim management report on operations

CORE BUSINESS

Reference scenario

The Roman Airport System

In the first four months of 2014 world air traffic[1] recorded a total of more than 1.3 billion passengers, with a 4.9% increase compared to the same period of 2013. The growth in passenger traffic continues to be driven by the performance of the international segment (+5.9%), where the greatest rise was recorded in the Middle East (+11.1%) and the Far East (+6.0%), confirming the high traffic development potential. Domestic traffic also continues to show signs of recovery (+4.0%).

Positive values of the traffic trends are recorded in all the geographic areas (including the Middle East +10.7%, Central South America +8.4% and the Far East +5.5%); also the European air transport market shows a recovery compared to last year's figures, closing the first four months of the year with growth of 5.4% (substantially even compared to the domestic, +5.3%, and international segment, +5.5%).

In the first six months of the year, air transport in Italy[2] saw passenger volumes increase by 3.5%; the international component rose by 5.0%, against a more modest growth of the domestic component (+1.5%).

More than 20 million passengers used the Roman airport system in the first half of 2014, up 4.6% overall compared to the same period of the previous year. Positive results were recorded also with regard to the capacity offered, with a rise in movements (+2.5%), seats (+3.1%) and aircraft tonnage (+2.3%) in the first six months of the year.

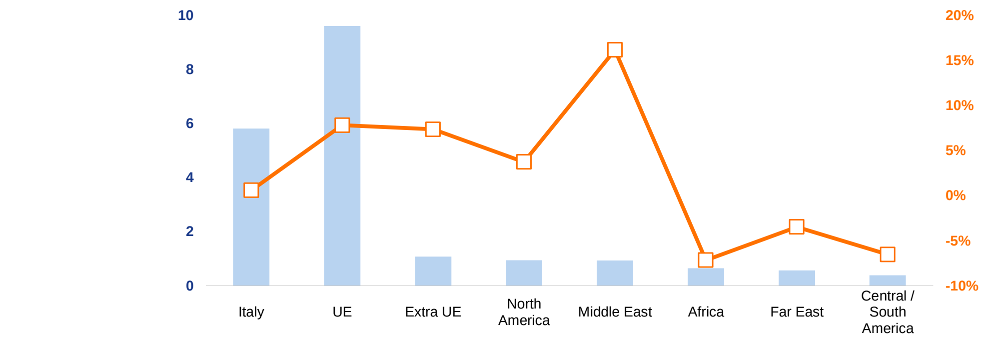
TABLE 1. Main traffic data of the Roman airport system

	1ST HALF 2014	1ST HALF 2014	Δ%
Movements (No.)	**172,068**	**167,799**	**2.5%**
Fiumicino	146,995	144,510	1.7%
Ciampino	25,073	23,289	7.7%
Passengers (No.)	**19,973,207**	**19,102,912**	**4.6%**
Fiumicino	17,583,499	16,971,572	3.6%
Ciampino	2,389,708	2,131,340	12.1%
of which: ***departing pax***	**9,885,912**	**9,450,402**	**4.6%**
Fiumicino	8,691,274	8,389,977	3.6%
Ciampino	1,194,638	1,060,425	12.7%
Cargo (tons)	**72,671**	**74,320**	**(2.2%)**
Fiumicino	64,796	65,684	(1.4%)
Ciampino	7,875	8,636	(8.8%)

[1] Source: ACI Pax Flash, April 2014, latest data available
[2] Source: Assaeroporti, June 2014

In terms of distribution of passengers by geographic area, mention should be made of the growth in the Middle East (+16.2%), Europe (EU +7.8%; Non-EU +7.4%), North America (+3.7%) and, though slightly, the Italian domestic market (+0.6%), against the drop reported in the remaining areas (Africa -7.2%, Central/South America -6.5% and the Far East -3.5%).

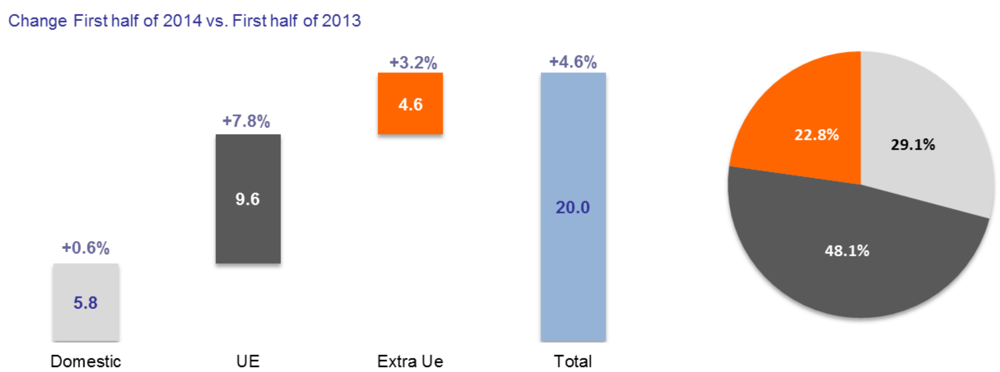
GRAPH 1. Passenger traffic distribution of the Roman airport system by geographic area in the 1st half 2014 (million of passengers)



	Italy	UE	Extra UE	North America	Middle East	Africa	Far East	Central / South America
Total	5.8	9.6	1.1	0.9	0.9	0.7	0.6	0.4
Δ% vs First half of 2013	0.6%	7.8%	7.4%	3.7%	16.2%	-7.2%	-3.5%	-6.5%

A more synthetic breakdown by sector shows how the EU segment represented the main growth driver for the Roman airport system (+7.8% with a 48.1% share compared to total traffic), accompanied by a significant growth in the non-EU segment (+3.2%) and the already mentioned increase in the Domestic area (+0.6%)[3].

GRAPH 2. Traffic composition for the Roman airport system in the first half of 2014 (millions of passengers)

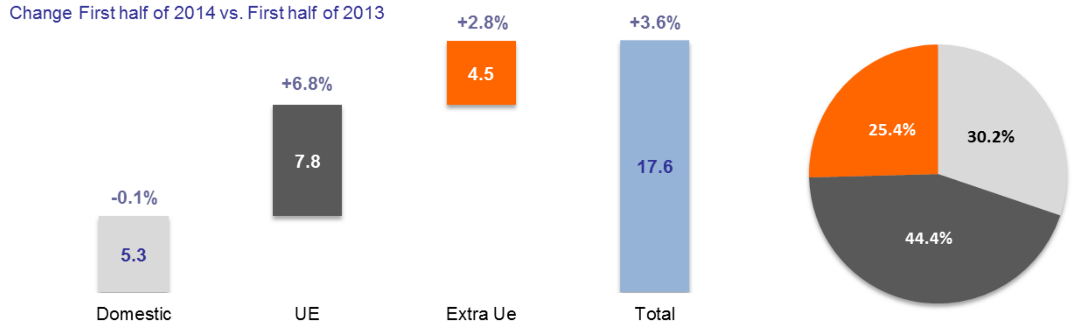


[3] For a homogenous comparison, the performances of the EU and non-EU segments were analyzed with reference to the values of 2013, assuming the presence of Switzerland and Croatia within the EU traffic sphere (since July 1, 2013); otherwise the values would have been equal to +13.5% and -6.4%, respectively.

Fiumicino

Fiumicino airport recorded a growth in volumes. In the first half of the year, both passenger traffic (+3.6%) and capacity, in terms of movements (+1.7%), seats (+2.0%) and aircraft tonnage (+1.4%) increased.

GRAPH 3. Traffic composition for Fiumicino airport in the first half of 2014 (millions of passengers)



With a +5.3% increase, the growth in passenger traffic continues to be driven by the international sector, where both EU and non-EU components contributed to this result with an increase of 6.8% and 2.8%, respectively.

The domestic market, which throughout 2013 had recorded a structural drop in traffic volumes, also due to the intensified competition with the high-speed rail link, is gradually starting to stabilize and ends the six-month period with volumes that are essentially unchanged (-0.1%) compared to the first half of 2013.

This result is mainly attributable to the progressive opening of routes by Ryanair and Vueling, particularly to destinations in the south of Italy, which generated an alternative offer to the carriers already operating on these routes.

The development of international traffic in the first six months of the year shows the consolidation of the traditional carriers towards high-volume markets, with a growth of the segment of "hybrid" low cost/low fare carriers.

Alitalia also records a considerable improvement in traffic volumes for this segment, as a result of the increased coverage of destinations already served and new markets.

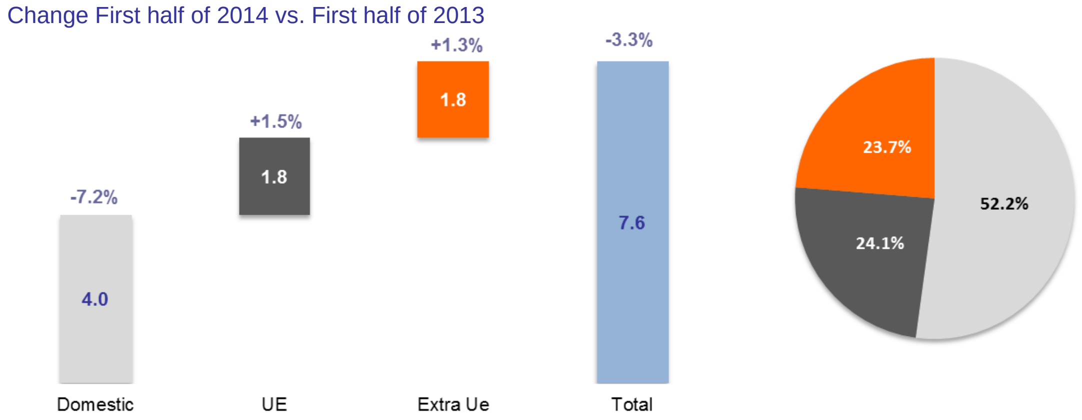
EasyJet, the second carrier in terms of passenger traffic in Fiumicino, maintained the capacity offered at the airport essentially unchanged, adjusting to its new network policy focusing on highly touristic and seasonal destinations.

Finally, the progressive development of a new offer model represented by Vueling and Norwegian, not only with reference to operations towards their own market (Spain and Scandinavia), is further increasing the capacity in the international market.

In the first half of 2014, Alitalia, the reference carrier for Fiumicino airport, confirmed the overall situation of weakness, with passenger traffic decreasing by 3.3% in the period; nevertheless, this decrease was more than offset by the growth of the Other Carriers (+9.5%).

The reduction in passengers transported is essentially attributed to the decrease in domestic traffic (-7.2%), while the international component experienced a 1.4% growth (EU +1.5% and non-EU +1.3). The greater decrease in seats compared to passengers resulted in an increase in the load factor (71.5% with +1.8%).

GRAPH 4. Traffic composition for the carrier Alitalia in the first half of 2014 (millions of passengers)

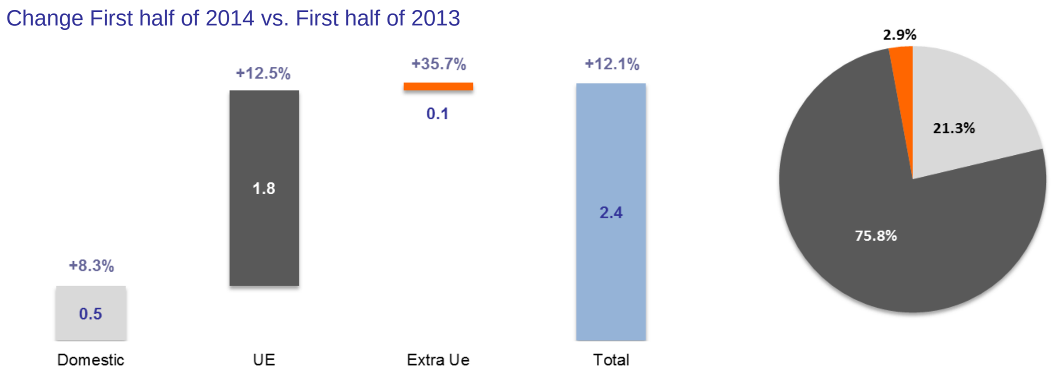


Ciampino

In the first half of 2014 Ciampino airport recorded a growth in terms of both passengers (+12.1%) and capacity offered (movements increased by 7.7%, while seats by 13.0%). This positive performance is partly attributable to Ryanair starting to resume flights in the summer of 2013, after decreasing them during winter 2012-2013, and partly to the diversion of some Wizz Air flights to Fiumicino airport. Regarding the subdivision by segment, positive results are recorded in both the domestic segment (+8.3% which, however, in the last part of the six month period started to be negatively affected by Ryanair interrupting the connection to Bergamo) and internationally (+13.2%, in detail EU +12.5% and non-EU +35.7%).

The growing traffic to international destinations and the suspension of some national routes by Ryanair emphasize the strong incoming vocation of the airport, particularly towards those international markets that express traffic tends that are more sensitive to price.

GRAPH 5. Traffic composition for Ciampino airport in the first half of 2014 (millions of passengers)



Consolidated financial review

Introduction

This consolidated half-year financial report of the Aeroporti di Roma Group ("ADR Group") as of June 30, 2014 is the first to be prepared in compliance with the recognition and measurement criteria in force, established by the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board and endorsed by the European Commission, which include the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC).

The accounting standards applied to prepare this Report are those adopted in the preparation of the yearly financial report 2013, to which reference is made for a description.

Since the consolidated financial statements for the year ending December 31, 2013 were the first to be prepared in compliance with the international accounting standards, the financial and economic data of the first half of 2013, included in the reclassified accounting schedules, were recalculated in compliance with IFRS for comparative purposes.

Compared to December 31, 2013, the consolidation area has changed only after the inclusion of the new subsidiary undertaking Airport Cleaning S.r.l. ("Airport Cleaning").

Consolidated economic performance

The economic performance of the ADR Group in the first half of 2014 was positively affected by the impact deriving from the application of the new tariff regime – which came into force on March 9, 2013 – and from the growing traffic, with passenger traffic rising by 4.6% at airport system level. Moreover, the economic results benefitted from the collection of insolvent amount due recorded as a loss in the previous years.

TABLE 1. Reclassified consolidated income statement

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013	CHANGE	% CHANGE
Revenues from airport management of which:	337,549	300,929	36,620	12.2%
aeronautical revenues	*240,654*	*202,997*	*37,657*	*18.6%*
non-aeronautical revenues	*96,895*	*97,932*	*(1,037)*	*(1.1%)*
Revenues from construction services	16,725	8,916	7,809	87.6%
Other operating income	18,535	2,690	15,845	589.0%
Total revenues	**372,809**	**312,535**	**60,274**	**19.3%**
External operating costs	(68,961)	(67,687)	(1,274)	1.9%
Costs for construction services	(13,137)	(7,172)	(5,965)	83.2%
Concession fees	(14,409)	(13,190)	(1,219)	9.2%
Payroll costs	(59,116)	(56,600)	(2,516)	4.4%
Total net operating costs	**(155,623)**	**(144,649)**	**(10,974)**	**7.6%**
Gross Operating Income (EBITDA)	**217,186**	**167,886**	**49,300**	**29.4%**
Amortization and depreciation, writedowns and value recoveries	(33,919)	(34,285)	366	(1.1%)
Other provisions and other adjusting allowances	(38,770)	(48,377)	9,607	(19.9%)
Operating income (EBIT)	**144,497**	**85,224**	**59,273**	**69.6%**
Financial income (expense)	(28,939)	(33,172)	4,233	(12.8%)
Pre-tax profit from continuing operations	**115,558**	**52,052**	**63,506**	**122.0%**
Income taxes	(43,388)	(22,605)	(20,783)	91.9%
Net income (loss) from continuing operations	**72,170**	**29,447**	**42,724**	**145.1%**
Net income (loss) from discontinued operations	0	0	0	0.0%
Net income (loss) for the period	**72,170**	**29,447**	**42,724**	**145.1%**
Share of income (loss) for the period pertaining to third party shareholders	(95)	(206)	111	(53.9%)
Group share of income (loss) for the period	**72,265**	**29,653**	**42,613**	**143.7%**

Revenues

- Revenues from airport management amounted to 337.5 million euros, growing by 12.2% compared to the first half of 2013, thanks to the contribution of aeronautical activities (+18.6%). The non-aeronautical segment instead recorded a slight decrease (-1.1%) attributable to the performance of the real estate activities (-9.3%) – affected by the new tariff system that restructured the fees previously assigned to this business in favor of the aeronautical sector – and to advertising activities (-26.2%), carried out with a different management model and still affected by the persisting negative economic situation affecting the advertising sector regarding posters. A positive result was recorded with regard to commercial sub-concessions, where revenues grew by 10.5% compared to the same period of the previous year.

For a more in-depth description of the performance of the consolidated revenues, reference should be made to the paragraph dedicated to “The ADR Group’s activities”.

- Revenues from construction services, equal to 16.7 million euros, increased by 7.8 million euros compared to the reference period, in relation to the Infrastructural Development Plan in progress.
- Other operating revenues amounted to 18.5 million euros, up 15.8 million euros due to the collection of 10.4 million euros that the special administration of Alitalia paid for privileged alleged amounts due and that Aeroporti di Roma S.p.A. (the "Company" or "ADR" or the "Parent Company") had prudently posted as a loss in 2008. The re-absorption of the provisions for risks and charges was also recorded for 4.9 million euros, justified by the decrease in some likely potential liabilities and also following the successful conclusion of transactional agreements with the parties concerned.

Net operating costs

- External operating costs, equal to 69.0 million euros, are slightly up compared with the reference period (+1.3 million euros) due to the combined effect of the following changes:
  - a reduction in the costs of raw materials and consumables for 2.4 million euros, essentially attributable to lower purchasing costs for electricity consequent to the drop in both consumption and prices;
  - the increase in service costs for 3.3 million euros, mainly attributable to the costs focusing on the improvement of the service quality (ordinary maintenance, cleaning) and commercial costs (advertising and promotional initiatives);
  - the increase in the other operating costs for 0.4 million euros.
- The Costs for construction services, amounting to 13.1 million euros, increased 6.0 million euros with respect to the previous year, in line with the mentioned creation of the Airport development plan.
- The liability for Concession fees amounts to 14.4 million euros, up 1.2 million euros due to the increase in the airport management fee applied with the enforcement of the Planning Agreement and the rising traffic.
- Payroll costs, amounting to 59.1 million euros, disclosed a rise of 2.5 million euros (+4.4%) consequently to the higher average workforce used by the ADR Group (+103.3 people), mainly attributable to the establishment of Airport Cleaning, the improved quality of the service supplied to passengers, the implementation of the Infrastructural Plan and the enhancement of the areas dedicated to the staff.

Gross operating income (EBITDA)

The gross operating income (EBITDA), equal to 217.2 million euros, improved by 49.3 million euros with respect to the reference period (+29.4%) and as a percentage of revenues from airport management activities which rose from 55.8% in the first half of 2013 to 64.3%.

Amortization and depreciation

Amortization and depreciation of intangible and tangible fixed assets amounted to 33.9 million euros (-0.4 million euros) and mainly represented the amortization of the airport concession which the Parent Company ADR holds.

Other provisions and other adjusting allowances

This item, totaling 38.8 million euros (48.4 million euros in the first half of 2013), is broken down as follows:

- provisions to the renovation fund, amounting to 34.4 million euros (37.9 million euros in the first half of 2013), which represent the updated estimate of the expenses for restoration and replacement work to be carried out in the future, based on the latest business plan approved, to maintain an efficient state of the airport systems and infrastructure under the convention;
- provisions for risks and charges equal to zero, compared to the 4.1 million euros of the first half of 2013;
- provisions for doubtful accounts, amounting to 4.4 million euros, 2.0 million euros less than in the reference period.

Operating income (EBIT)

Operating income EBIT came to 144.5 million euros, rising by 59.3 million euros with respect to the comparison period.

Net financial income (expense)

Net finance expense amounts to 28.9 million euros, decreasing by 4.2 million euros (-12.8%) mainly (-3.3 million euros) due to the reduction in charges for the discounting of the provisions for renovation of airport infrastructure, justified by the positive change recorded in the interest applied, in the periods being compared.

The residual improvement (-0.9 million euros) essentially confirms a negligible economic impact of the debt structure introduced with the refinancing transaction of December 2013, now entirely at fixed rate and mostly unsecured.

Group share of income (loss) for the period

Net of the tax burden estimated for current and deferred taxation, equal to 43.4 million euros, in the first half of 2014 the ADR Group recorded a net profit of 72.3 million euros compared to the net profit of 29.7 million euros of the same period of 2013.

TABLE 2. Consolidated statement of comprehensive income

(THOUSANDS OF EUROS)	NOTES	1ST HALF 2014	1ST HALF 2013
NET INCOME FOR THE PERIOD		**72,170**	**29,447**
Profits (losses) from fair value measurement of cash flow hedges	6.15	(15,324)	17,948
Tax effect		4,214	(4,936)
Other components of the comprehensive income statement that can be reclassified in the income statement, net of the tax effect		**(11,110)**	**13,012**
Income (loss) from actuarial valuation of employee benefits	6.12	(1,792)	510
Tax effect		492	(141)
Other components of the comprehensive income statement that will not be subsequently reclassified in the income statement, net of the tax effect		**(1,300)**	**369**
TOTAL OTHER COMPONENTS OF THE COMPREHENSIVE INCOME STATEMENT, NET OF THE TAX EFFECT		(12,410)	13,381
COMPREHENSIVE INCOME FOR THE PERIOD		**59,760**	**42,828**
of which			
Comprehensive income attributable to the Group		59,855	43,034
Comprehensive income attributable to minority interests		(95)	(206)

Consolidated financial performance

TABLE 3. Reclassified consolidated balance sheet

	(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	Change
	Intangible fixed assets	1,951,944	1,969,312	(17,368)
	Tangible fixed assets	11,257	9,824	1,433
	Non-current financial assets	2,205	2,205	(0)
	Deferred tax assets	132,121	136,685	(4,564)
	Other non-current assets	465	466	(1)
A	**FIXED ASSETS**	**2,097,992**	**2,118,493**	**(20,501)**
	Commercial activities	213,298	203,513	9,785
	Other current assets	34,139	31,075	3,064
	Current tax assets	8,003	7,946	57
	Trade liabilities	(124,121)	(151,478)	27,357
	Other current liabilities	(117,994)	(121,243)	3,249
	Current tax liabilities	(3,756)	(17,765)	14,009
B	**WORKING CAPITAL**	**9,569**	**(47,952)**	**57,521**
	Provisions for employee benefits	(897)	(403)	(494)
	Provision for renovation of airport infrastructure	(134,896)	(107,130)	(27,766)
	Allowance for current provisions	(14,078)	(14,492)	414
C	**CURRENT SHARE OF PROVISIONS**	**(149,871)**	**(122,024)**	**(27,847)**
D = B + C	**WORKING CAPITAL NET OF THE CURRENT SHARE OF PROVISIONS**	**(140,302)**	**(169,976)**	**29,674**
	Non-current liabilities	(218,903)	(240,209)	21,306
E	**NON-CURRENT LIABILITIES**	**(218,903)**	**(240,209)**	**21,306**
F = A + D + E	**NET INVESTED CAPITAL**	**1,738,787**	**1,708,308**	**30,479**
	Group shareholders' equity	1,008,699	948,321	60,378
	Minority interests in shareholders' equity	944	1,039	(95)
G	**SHAREHOLDERS' EQUITY**	**1,009,643**	**949,360**	**60,283**
	Non-current financial liabilities	987,505	971,565	15,940
	Other non-current financial assets	(4,397)	(4,885)	488
H	**NON-CURRENT NET DEBT**	**983,108**	**966,680**	**16,428**
	Current financial liabilities	6,247	607,744	(601,497)
	Current financial assets	(260,211)	(815,476)	555,265
I	**CURRENT NET DEBT**	**(253,964)**	**(207,732)**	**(46,232)**
L = H + I	**NET DEBT**	**729,144**	**758,948**	**(29,804)**
G + L	**FUNDING OF INVESTED CAPITAL**	**1,738,787**	**1,708,308**	**30,479**

Fixed assets

Fixed assets, equal to 2,098.0 million euros at the end of the six months, recorded a drop of 20.5 million euros compared to December 31, 2013, due to:

- the reduction in intangible fixed assets of 17.4 million euros, as the net balance between the amortization for the period exceeding the new investments;

- the reduction of 4.6 million euros of Deferred tax assets re-absorbed mainly as a consequence of the tax component correlated to the use of the provisions for doubtful accounts after the transactional agreements finalized with customers in the period considered.

Working capital

The Working Capital stood at 9.6 million euros, rising by 57.5 million euros compared to the end of the previous year, due to the combined effect of the main changes below.

- Commercial activities rose by 9.8 million euros as a result of the net amounts due from clients (+4.4 million euros) and the receivables for construction services (+3.5 million euros). This increase in net amounts due from clients, which reflects an expansive effect deriving from the seasonal trend, was also determined by the introduction of the Regional tax on aircraft noise (IRESA) – on this point see the comment to Other current liabilities – partly offset by the payment of 9.2 million euros made by the extraordinary administration of the Alitalia Group valid on the prededuction receivables, the reduction in amounts due from clients for surtax on fees and the decreased exposure to the main customer of the Group.
- Other current assets grew by 3.1 million euros, mainly as a consequence of the increased VAT credit.
- Commercial liabilities decreased by 27.4 million euros due to the drop in amounts due to suppliers for 36.2 million euros, partly offset by the increase of 10.2 million euros in deferred income for the advance billing of the sub-concession fees of the period. The trend of the payables to suppliers derives from the increased volume of investment made in the last portion of the year 2013, paid in 2014, compared to those made in the first half of this year. The shorter payment terms continued to be affected by the progressive application for ADR of Legislative Decree 192 of 2012 that incorporates EU legislation for the protection of creditors.
- Other current liabilities dropped by a total of 3.2 million euros mainly due to the combined effect of:
  - a reduction of the payables for the firefighting services of 2.8 million euros due to payment of the price for 2013, net of the pertaining share accrued in the six months in question;
  - decrease in the tax burden for 6.5 million euros in relation to the payments made with regard to the unfavorable sentences concerning the Tax Office dispute;
  - a reduction of the payables for municipal surtax on passenger fees of 11.9 million euros due to the reflecting effect of the performance in the period of this type of collections from carriers. For this type of charges, ADR is an intermediary in the collection of the surcharges, which it pays back to the end beneficiaries in the month after the month of collection;
  - increase in IRESA debts of 19.9 million euros. This new tax is charged by the Lazio Regional Authority to carriers, who are obliged to pay it to the airport management companies which, in line with the surcharges commented on above, must periodically pay them back to the Regional Authority. ADR started to charge this tax in May 2014, applicable from January 1, 2014, after the signing of the agreement for tax management with the Lazio Regional Authority on January 30, 2014.
- Current tax liabilities decreased by 14.0 million euros after the payment of the 2013 balance and the first advance for 2014, net of the estimated tax burden for the period.

Current share of provisions and Non-current liabilities

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	CHANGE
Provisions for employee benefits	23,314	21,665	1,649
Provision for renovation of airport infrastructure	300,456	287,513	12,943
Other allowances for risks and charges	44,585	53,054	(8,469)
TOTAL	**368,355**	**362,232**	**6,123**
of which:			
- current share	149,871	122,024	27,847
- non-current share[4]	218,484	240,208	(21,724)

The renovation provision, which included the current value of the estimate of the charges to be incurred for the contractual obligation to restore and replace assets under concession, increased 12.9 million euros due to the amounts set aside during the period, net of uses made.

Other allowances for risks and charges decreased overall by 8.5 million euros, after uses for 3.6 million euros and re-absorptions in the income statement of 4.9 million euros.

Net invested capital

The invested capital of the ADR Group amounts to 1,738.8 million euros at the end of the six months, increasing by 30.5 million euros compared to December 31, 2013.

Shareholders' equity

The shareholders' equity increased by 60.3 million euros with respect to last year due to the overall net income for the six months (59.8 million euros including the change in the fair value of the derivatives and the actuarial losses relating to the employee severance indemnities) and the increase in the shareholders' equity reserves for 0.5 million euros relating to the fair value accrued on the incentive plans of the management of the ADR Group based on Atlantia's shares.

Net debt

Net debt as of June 30, 2014 amounts to 729.1 million euros, decreasing by 29.8 million euros compared to the end of 2013.

[4] Non-current liabilities also include the item Other liabilities equal to 419 thousand euros as of June 30, 2014

TABLE 4. Consolidated net debt

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	Change
Non-current financial liabilities	987,505	971,565	15,940
Bonds	851,470	840,920	10,550
Financial instruments - derivatives	136,035	130,645	5,390
Other non-current financial assets	(4,397)	(4,885)	488
NON-CURRENT NET DEBT	**983,108**	**966,680**	**16,428**
Current financial liabilities	6,247	607,744	(601,497)
Current share of medium/long-term financial liabilities	6,143	607,491	(601,348)
Financial instruments - derivatives	104	252	(148)
Current financial assets	(260,211)	(815,476)	555,265
Cash and cash equivalents	(248,015)	(789,310)	541,295
Other current financial assets	(12,196)	(26,166)	13,970
CURRENT NET DEBT	**(253,964)**	**(207,732)**	**(46,232)**
NET DEBT	**729,144**	**758,948**	**(29,804)**

Non-current net debt

The non-current net debt amounts to 983.1 million euros, up in total by 16.4 million euros. In detail:

- bond loans (851.5 million euros) refer to Tranche A4 in Pounds Sterling of the bonds issued by Romulus Finance for 258.8 million euros and to the EMTN (“Euro Medium Term Note Program”) bond loan issued by ADR in December 2013 for 592.7 million euros; the positive change of 10.6 million euros is attributable to the adjustment of Tranche A4 at the exchange rate of the end of the period and the effect deriving from the valuation of the two loans by applying the amortized cost method;
- derivative financial instruments, comprising Cross Currency Swaps to hedge Tranche A4 in Pounds Sterling, have a negative fair value of 136.0 million euros, rising by 5.4 million euros, attributable to the interest rate component, partly offset by the improved exchange rate component.

Current net debt

The current portion of the debt is equal to the net funds of 254.0 million euros, increasing by 46.2 million euros.

In detail, current financial liabilities, equal to 6.2 million euros, decreased by 601.3 million euros compared to December 31, 2013 due to:

- on January 30, 2014, voluntary early repayment of all the bank credit facilities used - 2012 Term Loan, 2008 EIB and 2003 Banca Intesa - for a total of 229.6 million euros.
- on March 20, 2014, voluntary early repayment of all Tranches A2 and A3 of the Romulus Finance S.r.l. bonds for a total of 375.0 million euros.

Current financial assets amounted to 260.2 million euros, recording a decrease of 555.3 million euros, attributable essentially to the lower cash on hand (-541.3 million euros) consequently to the abovementioned repayments.

TABLE 5. Statement of consolidated cash flows

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
Net income for the period	**72,170**	**29,447**
Adjusted by:		
Amortization and depreciation	33,919	34,285
Allocation to the provisions for renovation of airport infrastructure	34,364	37,886
Financial expenses from discounting provisions	4,177	7,502
Change in other provisions	(8,808)	1,386
Net change of the deferred (prepaid) tax (assets) liabilities	9,271	(9,796)
Other non-monetary costs (revenues)	2,704	2,704
Changes in the working capital and other changes	(57,102)	9,482
Net cash flow from operating activities (A)	**90,695**	**112,896**
Investments in tangible assets	(3,110)	(964)
Investments in intangible assets	(14,895)	(9,157)
Works for renovation of airport infrastructure	(25,403)	(40,647)
Gains from the divestment of tangible and intangible assets	21	358
Net change of other non-current assets	1	8
Net cash flow from investment activities (B)	**(43,386)**	**(50,402)**
Opening of medium/long-term loans	0	156,000
Repayment of bonds	(375,000)	0
Repayment of medium/long-term loans	(229,579)	(504,250)
Net change of other current and non-current financial liabilities	2,005	(13,583)
Net change of current and non-current financial assets	13,970	19,367
Net cash flow from financing activities (C)	**(588,604)**	**(342,466)**
Net cash flow for the period (A+B+C)	**(541,295)**	**(279,972)**
Cash and cash equivalents at the start of the period	789,310	393,510
Cash and cash equivalents at the end of the period	248,015	113,538

The Net cash flow generated in the first half of 2014 from operations of the ADR Group amounts to 90.7 million euros, decreasing by 22.2 million euros compared to the comparison period. The greater contribution from the net income of the period, considered gross of the non-monetary items (such as amortization and depreciation, provisions to the renovation fund and prepaid taxes), was entirely absorbed by the trend of the working capital compared to the first half of 2013, attributable in particular to the trend of Commercial liabilities and Current tax liabilities.

Self-financed investments and the renovation works absorbed monetary resources for 43.4 million euros (50.4 million euros in the comparison period).

In addition to the trends described above, the cash flow of the period was also affected by the repayment of bonds and long-term loans totaling 604.6 million euros, with cash and cash equivalents at the end of the period reaching 248.0 million euros, compared to an opening balance of 789.3 million euros.

ADR Group's activities

Aeronautical activities

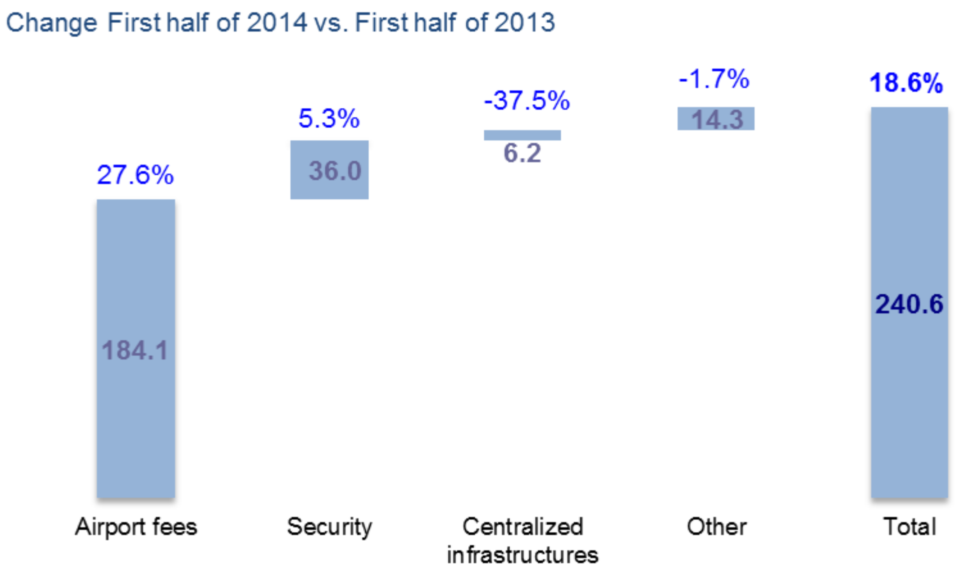
The aeronautical activities directly connected to the airport sector, which include airport fees, centralized infrastructures, security services etc., in the first half of 2014 generated revenues for 240.6 million euros, up by 18.6% compared to the previous year.

The new fees defined by the Planning Agreement have been applied since March 9, 2013. The Agreement introduced significant changes compared to the tariff system previously in force. In addition to the change concerning the main unit amounts, the Planning Agreement defined the amalgamation of several fees, particularly with regard to centralized infrastructures, channeling some of them towards airport fees.

The comparison of the individual items reported below is thus not homogenous yet and does not allow for the full comparison with the results of the previous year, which can be made only at total revenues level.

Hypothesizing the application of the new tariffs set by the Planning Agreement from January 1, 2013, rather than from March 9, 2013, the increase in aeronautical revenues in the first half of 2014 compared to the same period of 2013 can be estimated at about 15 million euros (+7%).

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



Airport fees

Revenues from airport fees in the first six months of 2014 amounted to 184.1 million euros, with an increase of 27.6%.

The positive result obtained in the first half 2014 is attributable to:

- landing, take-off and parking fees: equal to 53.2 million euros, increasing by 25.1% as a consequence of the increase in the number of movements (2.5%) and the relevant aircraft tonnage

(2.3%) on the one hand and the higher unit fee on the other hand. The increase derived from the greater unit fees from the application of the Planning Agreement from March 9, 2013, (which included in the landing and take-off fees the relevant costs previously applied to the use of common assets, catering, fuelling, supply systems in remote aprons and safety) and the subsequent adjustment of the unit fees for the year 2014 applied from March 1, 2014, as established by the Planning Agreement. On January 1, 2014 the new tables of landing and take-off fees were approved, unified for EU flights and non-EU flights attached to the Planning Agreement between ADR and the Italian Civil Aviation Authority ("ENAC"). The new fees were defined by ENAC according to the principle of economic neutrality for the operator;

- passenger boarding fees: these amount to 129.5 million euros and recorded an increase compared to the first half of 2013 of 29.0%. This result is related to the increase in passenger traffic (4.6%) as well as to the positive effects deriving from the adjustment of the fees that took place with the application of the Planning Agreement from March 9, 2013, which included in the passenger boarding fees some fees regarding centralized infrastructures for services attributable directly to passengers (such as baggage handling systems, passenger check-in computerized systems, public announcement and information) and the subsequent mentioned adjustment of the unit fees for the year 2014;
- cargo revenues: the revenues stand at 1.4 million euros, down by 1.3% consequent to the reduced cargo transported compared to the previous year (-2.2%). In consideration of the situation of the reference market, despite the Planning Agreement allowing higher fees to be applied, ADR established to confirm for 2014 too, as already done for the year 2013, the previous fees applied.

Security

Security activities (security checks on passengers and carry-on and checked baggage, explosive detection checks, other security checks requested) generated revenues of 36.0 million euros in the first half of 2014, up 5.3% compared to the previous year. This result is related to the increased unit fees set by the Planning Agreement and the increase in passenger traffic.

Centralized infrastructures

The management of centralized infrastructures, in consideration of the mentioned amalgamation of some fees for centralized infrastructures within airport fees, recorded a turnover of 6.2 million euros, decreasing by 37.5% compared to the same period of the previous year.

The results obtained are attributable to:

- ceasing of the revenues from the services included in the passenger boarding fees (such as baggage handling systems, passenger check-in computerized systems, public announcement and information), which are no longer separately charged since March 9, 2013;
- revenues from loading bridges: 7.9% reduction mainly as a consequence of the new fees defined in the Planning Agreement, down compared to the previously applied value.

Other revenues

Revenues from other aeronautical activities reached 14.3 million euros, down 1.7% compared to the first half of 2013, deriving from:

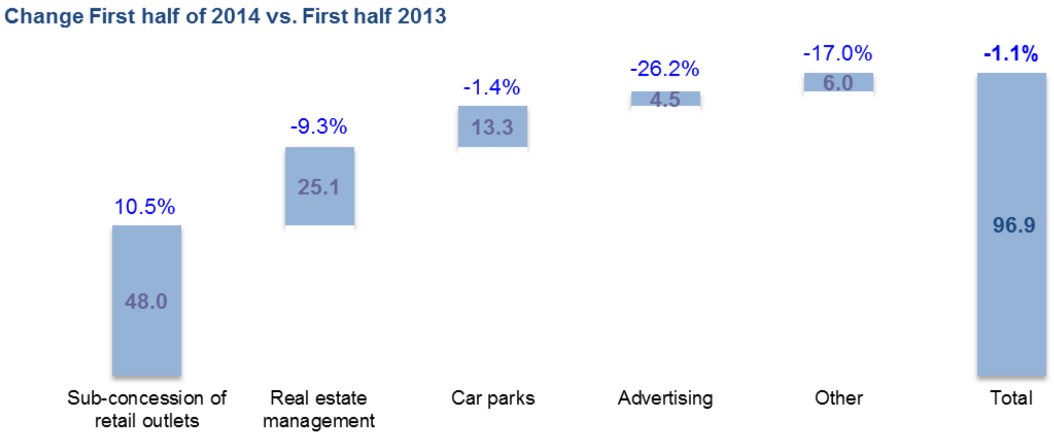
- assistance to passengers with reduced mobility ("PRM"), provided by ADR via a service agreement entrusted to the subsidiary undertaking ADR Assistance S.r.l. ("ADR Assistance"): revenues of 8.0 million euros, increasing by 4.3% compared to the same period of the previous year; this result is a consequence of the increase in passengers transported, despite a slight reduction in the unit fee compared to the one applied until March 8, 2013 at Fiumicino airport;

- passenger check-in desks: revenues of 5.5 million euros, substantially in line (-1.0%) with the figures recorded in the same period of the previous year, consequently to the slight increase in the unit fees established by the Planning Agreement, which were counterbalanced by the optimized use of the providers of passenger check-in services;
- other aeronautical revenues: equal to about 0.8 million euros and consisting, in the first half of 2014, only of the revenues for the use of the porterage and left luggage services and self-service trolleys. These revenues decreased compared to the first half of 2013 (-40.1%), consequent to the cancelled application, from March 9, 2013, of the fees to use goods for common use that, as mentioned above, were included in landing and take-off fees and that, before this date, were included in this segment.

Non-aeronautical activities

Non-aeronautical activities include real estate and commercial sub-concessions, car parks and advertising, in addition to various activities towards third parties.

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



Non-aeronautical revenues decreased slightly from 97.9 million euros in the first half of 2013 to 96.9 million euros in the first half of 2014 (-1.1%). Below is a more specific picture by business area:

Sub-concession of retail outlets

In the first half of 2014, sub-concessions of retail outlets, which include the sub-concessions for the retail sale of goods and services, recorded revenues of 48.0 million euros, increasing by 10.5% compared to 2013. The full operation of the "Core Categories" activity positively contributed to this result, though to the detriment of some Specialist Retail categories, as well as the performance of the Food&Beverage activity. In the first few months of the year, the activities also benefited from a general growth in traffic, though with a mix characterized by an increase in the Schengen and low cost components in particular, typically featuring a lower purchase propensity than the Extra-Schengen component. In detail:

- Core Categories: this includes revenues for 17.7 million euros, up by 35.2% with respect to last year, generated by the retail outlets under sub-concession in favor of LS Travel Retail Roma/Aelia Duty Free, a Lagardère Services group company. The positive effects of the renovation and extension work carried out during 2013 are evident for this line of business;
- Specialist Retail: recorded revenues of 13.9 million euros, decreasing by 10.3% compared to 2013. It is pointed out that the comparison with the same period of the previous year is not made for the same scope, particularly with regard to the Fine Food component, which records a drop, having benefited from the end of the restructuring, in 2013, of the Core Categories activities with a supply that is partly overlapping. Also specified is the reduction in the surface and the closing of some commercial activities to expand the area dedicated to the security points for transits in the Extra-Schengen area.

  The Luxury category worsened its performance as a result of a different purchase propensity of the main high spender customers (Russians, Japanese, Chinese), affected by the trend of their exchange rates (ruble and yen in particular) and the application of some customs regulations for Chinese passengers;
- Food & Beverage: the revenues in the first half of 2014 equaled 12.2 million euros, growing by 12.2%, thanks to the increase in passengers, the development of new commercial formats and the improved economic conditions of the new contracts following the relevant selection procedures;
- Other commercial activities: the passenger service activities recorded revenues equal to 4.2 million euros, with a 5.5% increase compared to the previous year, thanks to the currency exchange counters becoming fully operational and the improved performance of the luggage wrapping business.

Real estate management

The revenues from real estate management – which include the sub-concession of spaces and the relevant utilities and services – equal to 25.1 million euros in the first half of 2014, decreased by 9.3% compared to the same period of last year, when a final value of 27.7 million euros was recorded. The revenues of the first half 2014 are broken down as follows:

- fees and utilities for retail and other sub-concessions: the turnover equaled 22.2 million euros, down by about 1.2 million euros (-5.2%). This trend is essentially attributable to the combined effect of a series of management-related events that, on the one hand, reflect the main positive changes deriving from the adjustment of the sub-concession fees to the inflation trends and the two new sub-concessions of the Emirates VIP Lounge and Painting Hangar, and on the other, the lower revenues due to some releases including the former Air One hangar at Ciampino, the VIP lounge located at Terminal 3 "city side" and some offices and operating and management spaces - some of which already released and others that will be released by Alitalia as established by the new agreement for the Technical Area recently signed, as well as the lower charges to recover utilities and the "hangar" canteen services previously used by Sodexo;
- other fees charged at Fiumicino and Ciampino, calculated on the volumes of activities managed (hotels, car hire, car wash, fuel stations, etc.): the revenues amounted to 3.0 million euros, down by 31.4% compared to the previous year. This decrease is substantially attributable to the fact that the specific items "fuel surcharge" and "catering surcharge" are no longer debited separately

from March 9, 2013, owing to the new fees under the Planning Agreement coming into force. The costs related to these activities have been channeled to the new measurement of the landing and take-off fees.

Car parks

The management of car parks generated total revenues for 13.3 million euros, decreasing slightly compared to the same period of the previous year (-1.4%).

During the six months, new fee actions were implemented aiming to recover profitability margins in the passenger car park customer segments of the booking on line and walk-in distribution channels; web marketing activities supporting the Easy Parking brand were intensified in particular.

Advertising

Since January 1, 2014, the management of advertising spaces has switched from a model managed via ADR Advertising S.p.A. ("ADR Advertising") to a model based on the sub-concession of the activities. In the first half of the year, advertising activities generated revenues for 4.5 million euros, down 26.2% compared to the same period of 2013. Due to the different management model of the activity, compared to 2013, it is not possible to exactly compare the activities relating to the advertising business.

Other revenues

Revenues from other activities amounted to 6.0 million euros, down 17.0%; the most significant items showed the following trends:

- revenues for cleaning fees and biological wastewater treatment for 1.6 million euros (-1.7%);
- revenues for other sales (fuel, consumable materials, etc.), equal to 1.4 million euros (- 2.4%);
- revenues for information systems of 0.9 million euros (-18.1%).

ADR Group capital investment

The first half of 2014 saw a continuation of the initiatives undertaken in 2013 after the approval of the Planning Agreement.

TABLE 1. Detail of ADR Group capital investment in the first half of 2014

(MILLIONS OF EUROS)	1ST HALF 2014			1ST HALF 2013		
	INVESTMENTS (*) (*)	RENEWALS (**)	TOTAL	INVESTMENTS (*)	RENEWALS (**)	TOTAL
Departure area E/F (Pier C and 3rd Bhs)	10.1	-	10.1	4.4	-	4.4
Maintenance works and terminal optimization	0.1	6.9	7.0	0.2	7.9	8.1
Fiumicino - maintenance, electrical network and air-conditioning works	-	3.3	3.3	-	3.6	3.6
Ciampino - infrastructure adaptation works	0.1	3.0	3.1	0.1	1.0	1.1
Works on runways and aprons	0.4	2.4	2.8	0.6	1.5	2.1
Works on baggage systems and new x-ray machines	0.8	2.0	2.8	0.6	2.8	3.4
Fiumicino - civil work maintenance operations (var. build-	1.6	0.4	2.0	-	0.6	0.6
Fiumicino - electromechanical system maintenance works	0.2	1.4	1.6	-	0.6	0.6
Runway 2	-	1.3	1.3	-	16.5	16.5
Works on commercial areas and car parks	1.0	-	1.0	0.2	-	0.2
Fiumicino - Electrical equipment maintenance works	-	1.0	1.0	-	3.9	3.9
Works on airport access	0.7	0.2	0.9	-	0.5	0.5
Aprons in western area	0.8	-	0.8	-	-	-
Fiumicino - sewer and water network maintenance works	-	0.8	0.8	1.2	1.0	2.2
Departure area A (Pier AA / Terminal aprons connection)	0.6	0.1	0.7	0.7	-	0.7
Vehicle and equipment purchases	0.6	-	0.6	0.2	-	0.2
Urbanization of west area / aprons "W" 1st phase	0.3	-	0.3	-	-	-
Runway 3	-	0.2	0.2	-	0.7	0.7
Maintenance works on buildings managed by sub-concessionaires	-	0.2	0.2	-	-	-
Ciampino - Airport reconfiguration from military to civil	-	0.1	0.1	-	-	-
Other	4.6	2.1	6.7	3.5	-	3.5
TOTAL	**21.9**	**25.4**	**47.3**	**11.7**	**40.6**	**52.3**

(*) Inclusive of works ENAC is responsible for (3.9 million euros in the first half of 2014 and 1.5 million euros in the comparison period)

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

Illustrated below are the main investments for the various categories.

Runways and aprons

The works for the upgrade of Runway 2 were resumed after solving the issues deriving from the composition with creditors of the Agent company of the temporary association of companies (ATI) that was awarded the contract, which in the six months had caused the original plans to slow down.

Regarding Ciampino airport, the works were completed to remake connections AD-AF and to upgrade aprons 300; the works are in progress to remake the draw pits of connection Alfa.

Terminals

Regarding the contract with ATI Cimolai – Consta – Gozzo Impianti to create Pier C and the front building, after Cimolai took over from Consta, which was subject to a prior agreement procedure, the relevant works were resumed, though progressing late compared to the provisions, for the necessary reorganization of the worksite by the ATI.

The definitive design of the East Hub continued, which also includes the front building of T1, the new pier at Departure Area A, the restructuring and extension of Departure Area C, already in the initial phase also acknowledging the full demolition of T2 so as to permit the extension of T1 towards the Air Traffic Control Tower.

The activities related to the "Smart Action" program started in September 2012 to improve the image and the service rendered to passengers were continued at existing terminals. In particular, 27 toilet facilities were already renovated according to the new concept at the end of June, with another 13 toilet facilities being renovated or contracted to reach the objective of 40 facilities by this year, thus completing the program of renovation of all the toilet facilities at Fiumicino airport.

The flooring of the people mover stations was replaced with better quality material.

The external paving at Terminals 1 and 2 landside arrivals was continued.

The first 20 stations to recharge electronic devices such as mobile phones, tablets and PCs were installed near the departure gates of T1 and T3.

The works at the security check-points of T1 East and West side were completed by replacing the gravity roller units with 13 modern automatic lines to manage carry-on baggage.

The works of reconfiguration and expansion of the stations for security checks at departures and at the transit points of T3 were completed.

The works to complete the upgrading of the landside arrivals hall of T3 are about to be contracted; in order to improve the areas available to passengers, a reallocation will take place of the offices, the trolley area and the chapel, which will be upgraded.

Multifunctional machines were installed at the information desks of Terminal no. 8 to send and receive faxes and make photocopies, available to passengers free of charge.

Systems

The work to replace a sorter at the BHS baggage treatment system at Terminal 3 was completed.

The works to upgrade a medium voltage electric switch box were completed with the replacement of the related UPS generators to increase the overall reliability of the Fiumicino electric power supply system.

The new water intake from the River Tiber for industrial purposes has been tested and is duly operational.

The works for the construction of the new oil extraction plants for the collection of hydrocarbons, on Runways 1 and 2, which had been suspended in September to comply with the requirements of the “VIA Decree” were resumed at the end of May 2014, after preparing the draft appraisal that implements the set requirements.

The tender procedures were started for the new checked baggage handling and control system (HBS/BHS) at Terminal 1.

A call for tender was published in June with regard to the acquisition of Standard 3 x-ray machines servicing the checked baggage control systems HBS/BHS at departure area F and Terminal 1.

The works to replace two “Pedestal” loading bridges at departure area H were completed.

Infrastructure and buildings

With reference to the landside road access to Fiumicino airport, the horizontal and vertical signals of the landside edges were completed and the surface course and lateral strips were harmonized. Upgrading works will follow that regard the borders and the cement curbs delimiting the green areas and the car parks.

ICT infrastructures and systems

Since May 1, 2014 ADR, as one of the few airports in Europe, has been offering free and unlimited internet access (free wi-fi) to its passengers at Fiumicino airport. The existing wi-fi network has been enhanced to be able to provide this service.

The implementation activities were completed of the new FIDS (Flight Information Departure System), to provide passengers with additional information (transfer time, weather at destination, etc.) and the integration with multimedia content. The monitors for public information have started to be replaced with new LED technology monitors that, in addition to being brighter, save about 50% of energy. The replacement of the monitors was completed at Terminal 1 and departure areas B and C, and started at Terminal 2 and departure areas D, H and G.

The activities were completed that are aimed at creating an automatic control system for the access points of vehicles in correspondence with the entry and exit points of specific area of Fiumicino airport. The system will allow traffic control in the lanes reserved for authorized vehicles (Limited Traffic Areas - ZTL) and the organization of traffic in the various lanes by imposing a maximum crossing time (Controlled Traffic Areas - ZTC).

The activities for the installation of 8 *e-gate* stations for automatic passport control in arrival and departure areas of Terminal 3 are being completed. The system, which allows the automatic control of passports also via biometric recognition of the face and digital fingerprint, will allow the shortening of the waiting times of the current non-automated control processes managed by border police.

A system is expected to be implemented to monitor the movement of aircraft and means in the airside area (runways, connections and aprons). The system, which will be integrated with the airport system, will allow the continuation of the process of optimization of operating activities started with the creation of the CDM (Collaborative Decision Making) system that enables data to be shared among all the airport stakeholders (ENAV, carriers, handlers, airport operator, etc.).

The activities were started to install a large-sized information board (63 m. sq) in central position in the departure hall of Terminal 1. The board, made with LED technology and legible from a distance between 10 and 60 meters, will be one of the best airport information devices at European level in terms of size and image quality.

The Pax Track system, already used at Fiumicino, was implemented at Ciampino airport. It is used for the automatic reading and validation of boarding passes at the security point.

The activity is underway for the migration of the traditional telephony system on the dedicated network towards a new VOIP (Voice Over IP) technology system. The project, which intends to converge the telephone network on the data network, will allow the satisfaction of the growing landline/mobile telecommunication needs linked to the airport's infrastructural development.

Compliance with VIA Decree 236/2013

In order to be able to make the investments envisaged by the Planning Agreement, in line with the Project of Completion of Fiumicino Sud, ADR has undertaken to define the methods of compliance with the provisions of the VIA Decree no. 236 of August 8, 2013 with the reference bodies, on the behalf of ENAC in the capacity as applicant.

The requirements are both of a general and specific nature and essentially concern subject such as land and water management, the arrangement of worksites and the landscape-related aspects as well as the enhancement of the historical buildings in Fiumicino.

The Decree was issued about 8 months later than hypothesized initially, based on the planning of the investments envisaged in the Planning Agreement. This delay has led to lower investments than expected in the first half of 2014, mainly with regard to the works concerning runways and aprons and also affected the time needed to draft the Appraisals of Variation of Pier C and Front Building following the measures regarding energy limits.

Since October 2013 several meetings have been held between the Ministry for the Environment, Land and Sea (MATTM), the Minister of Cultural Heritage, Activities and Tourism (MiBACT), ENAC and ADR in order to share and define the procedures to implement and the documentation and contents needed to fulfill the requirements.

In December 2013 the Ministries were presented with the planning proposals indicating the methods of fulfillment of the requirements, in consideration of the different timing of the actions that ADR shall perform under the Planning Agreement; these proposals, approved by the Ministries, include the measures that ADR is already taking in order to start the actions included in the Project of Completion of Fiumicino Sud.

In the first months of the half-year period, the activities were started for the preparation of the documents needed to fulfill the requirements regarding the following topics:

- hydraulics;
- construction site arrangements;
- budgeting and environmental character of the excavated material.

The phase was consequently started to update the various projects in line with the requirements.

Service Conference of the Project of Completion of Fiumicino Sud

On May 12, 2014, the Directorate of the Ministry of Infrastructure and Transport:

- adopted the decision at the closure of the Service Conference regarding the project of completion of Fiumicino Sud;
- declared the finalized understanding for the localization and creation of the work;
- authorized the completion project;
- declared the public utility, non-delayable nature and urgency of the works;
- applied the restriction arranged for the expropriation in order to start the expropriation procedures for the restriction area of Cargo City.

On May 12, 2014 the Directorate of the Ministry of Infrastructure and Transport forwarded the final measure to ENAC and other External Bodies for its publication and for the consequent legal effects.

Research and development

The ADR Group did not carry out any research and development activities during the first half of 2014.

Human resources

As of June 30, 2014 the ADR Group had a headcount of 2,767, recording a 19.2% increase compared to December 31, 2013. The effects of this change are mainly attributable to the internalization of the cleaning activities by starting the operations of Airport Cleaning in May 2014 (a company dedicated to cleaning services at the airport areas of Terminal 1, Terminal 2 and other buildings) and to the physiological increase in operations and the related use of fixed-term contract. Moreover, ADR Security S.r.l. ("ADR Security") has increased its workforce to ensure that more challenging quality levels are attained in relation to the objective of reducing line times for passengers at check points from 7 to 4 minutes in 90% of cases.

The ADR Group headcount on open-ended contracts as of June 30, 2014 equaled 2,087 people, with an incremental change of 186 people compared to December 31, 2013 (+9.8%). This increase is mainly due to the resources hired by Airport Cleaning (+156 people), the internalization of the airside sweeping activities (+26 people) and the contextual enhancement of the specialist organizational areas connected to the Infrastructural Development Plan envisaged by the Planning Agreement.

The Group's average headcount in the first half of 2014 equals 2,194.2 FTE, rising by 103.3 FTE compared to the same period of 2013. This increase is essentially attributable to the new company Airport Cleaning starting operations on May 20, 2014 (total headcount as of June 30, 2014 equal to 219 people, with an average headcount in the period of 35.3 FTE) and the increase in seasonal personnel involved in the actions aimed at achieving the quality improvement objectives (+44.1 FTE), in addition to the people hired to implement the Infrastructural Plan, the contextual enhancement of the staff areas and other actions.

TABLE 1. Headcount data – ADR Group

	UNIT	06.30.2014	12.31.2013
Group headcount by qualification	No.	**2,767**	**2,321**
Managers	No.	50	50
Administrative staff	No.	189	185
White-collar	No.	1,738	1,625
Blue-collar	No.	790	461
Group headcount by company	No.	**2,767**	**2,321**
ADR	No.	1,115	1,086
ADR Engineering	No.	43	38
ADR Tel	No.	48	15
ADR Advertising	No.	0	7
ADR Assistance	No.	363	268
ADR Security	No.	923	850
ADR Mobility	No.	56	57
Airport Cleaning	No.	219	0
Group headcount by contract type	No.	**2,767**	**2,321**
Open-ended contract	No.	2,087	1,901
Fixed-term contract	No.	680	420

	UNIT	1ST HALF 2014	1ST HALF 2013
Group headcount by qualificat. (average headcount)	FTE	**2,194.2**	**2,090.9**
Managers	FTE	49.8	44.9
Administrative staff	FTE	186.5	180.1
White-collar	FTE	1,504.4	1,459.3
Blue-collar	FTE	453.5	406.6
Group headcount by company (average headcount)		**2,194.2**	**2,090.9**
ADR	FTE	1,047.6	1,014.3
ADR Engineering	FTE	39.3	31.3
ADR Tel	FTE	31.5	15.0
ADR Advertising	FTE	0.0	8.0
ADR Assistance	FTE	240.8	246.5
ADR Security	FTE	743.6	718.7
ADR Mobility	FTE	56.1	57.1
Airport Cleaning	FTE	35.3	0.0
Passengers/FTE employees	**No.**	**9,103**	**9,136**

Development and training

In the first half of 2014 a total of 14,470 training and education hours were provided (23% more than in the same period of the previous year), net of the specific training reserved for the security check operators, totaling 2,469 hours for 1,836 people from January to June 2014.

In the period, the ADR Group created and implemented 23 training projects, which involved 1,919 people, partly funded by the Fondimpresa cross-industry fund.

As regards behavioral training for the operational personnel, attention was focused on the customer experience of passengers in transit at Fiumicino by creating five training projects aimed at improving the quality of services:

- "Terminal Manager" project (training for the personnel of the department responsible for the comfort of passengers at the airport);
- "ADR Care – information to the public" project;
- "ADR In-contact" project (training for the personnel in charge of security checks);
- "ADR Assistance" project (training for the personnel in charge of assisting passengers with reduced mobility);
- "Airport Cleaning" project (training for the personnel of the newly established Group company responsible for the cleaning services).

Finally, the process was completed for the assessment of the annual presentation reserved for the middle management (270 resources of the ADR Group), called "ADRPerformer", in order to support the development of the professional skills that mostly relate to the attainment of the corporate quality and business objectives.

Service quality

During the first half of 2014 the ADR Group continued to firmly support the process of improvement of the performance in terms of quality of the service provided to passengers at Fiumicino and Ciampino airports, constantly rising the level of the services offered.

In the period considered the service levels were monitored by carrying out about 34,000 objective checks and about 11,000 interviews with passengers (customer satisfaction), and by daily analyzing both the passenger appreciation level and the quality provided for the main services such as: check-in, carry-on baggage checks, baggage reclaim and punctuality of departing flights.

The analysis of the evolution of the quality levels highlights how at both Fiumicino and Ciampino airport, the values stated in the Service Charter are fully respected (except for the process of delivery of the first bag at Fiumicino) and almost all the processes have improved.

TABLE 1. Main indicators Service Quality

	UNIT	1ST HALF 2014	1ST HALF 2013[5]	STANDARD
Fiumicino				
Lines at domestic check-in desk, within 7 minutes	%	97.5	95.3	90
Lines at international check-in desk, within 16 minutes	%	90.8	89.8	90
Waiting time for carry-on baggage security checks, within 7 minutes	%	96.1	87.0	90
Delivery of first bag from block-on by set time	%	88.5	85.3	90
Delivery of last bag from block-on by set time	%	90.5	89.8	90
Punctuality of departing flights (flights leaving with less than 15 minutes of delay)	%	80.4	74.6	75
Ciampino				
Lines at check-in desk, within 17 minutes	%	90.2	87.0	90
Waiting time for carry-on baggage security checks, within 10 minutes	%	98.3	97.4	90
Delivery of first bag from block-on by set time	%	93.5	94.3	90
Delivery of last bag from block-on by set time	%	96	97.7	90
Punctuality of departing flights (flights leaving with less than 15 minutes of delay)	%	91.6	85.9	85

The commitment to heightening the service quality has also significantly improved the international positioning of Fiumicino. When considering the European airports with a traffic higher than 25 million passengers, Fiumicino moved from being at the bottom of the list to a position that is close to the average of the main European airports.

[5] Compared to the data published in the half-year report as of June 30, 2013, the data of the first half of 2013 for check-in, security and baggage reclaim was calculated based on the standards in force (Service Charter) from April 1, 2013.

Environment

The maintenance and development of the Environmental Management System (EMS ISO 14001) at Fiumicino and Ciampino continued as planned; two new organizational procedures regarding environmental controls on contracted works and sub-concessionaires were implemented in particular.

Energy consumption

The first half of 2014 featured energy savings of about 6%. On this point, measures continued to improve the efficiency of the systems, the activities to adjust air-conditioning at terminals and buildings, the turning on/off of advertising billboards and the replacement of lighting units with LED devices.

CO2 emissions

At Fiumicino airport ACI Europe confirmed the ACA - Airport Carbon Accredited (optimization) certificate. The drafting of the Report Carbon Footprint (year 2013) was completed and the procedure was started to purchase credits to offset the CO_2 produced by airport activities at Fiumicino, to obtain the certification level 3 + (neutrality).

Ciampino airport was awarded the ACA - Airport Carbon Accredited (reduction) by ACI Europe and the collection of data started to draw up the Report Carbon Footprint for the year 2013).

Production of waste

The drafting of the project for the collection of waste "door to door" called "la raccolta differenziata vola" was completed at Fiumicino; it will become operational in October 2014.

The sorting of some recyclable waste such as paper and cardboard, plastic, humid organic fraction, wood, packaging, etc. continued in the first half of the year, with the percentage of waste to be recycled reaching about 65%. The humid organic fraction in particular reached the average monthly quantity of 60 tons.

The sorting of packaging of mixed products produced by the handlers and the organic fraction of the municipal solid waste produced by the commercial businesses started at Ciampino airport in March continued and the percentage of recycled waste in the period reached 23%.

Two waste disposal areas equipped with sorting systems and controlled by qualified operators are being designed and created.

Atmospheric monitoring and water discharges

During the first half of 2014, at both Fiumicino and Ciampino airport, in line with the previous years, the campaigns were started to monitor the main regulated inorganic gaseous pollutants and atmospheric particulate matter as well as the main volatile organic compounds. Moreover, measurement sites were predisposed for the first time outside the Roman airport areas, placing diffusive samplers in the inhabited centers present in the areas near Fiumicino and Ciampino airport.

As regards the water discharges of the systems within Fiumicino airport grounds, in March the applications were presented to the Rome Provincial Authority for the renewal of the authorizations concerning the discharges of the bio-disc purifier and the separator on the so-called “City Side”.

Noise pollution

ADR continues to constantly monitor the airport noise at both airports in compliance to specific legal provisions. At Ciampino airport, with the objective of curbing noise levels within the limits, the bodies and authorities in charge (ENAC/ENAV), together with ADR, have studied a new take-off procedure that, in full compliance with the safety conditions set by the international aeronautical regulations, allows a reduction of the areas where the limits are exceeded. Activities are being carried out to verify the subsequent actions to be taken to reduce the acoustic impact.

The actions are being assessed that are aimed at integrating the “noise containment and abatement plan” that ADR will complete in the next five years, after its approval by the competent authorities.

Risk factors of the ADR Group

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

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

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

During the first half of 2014, action already undertaken continued, both with regard to the appraisal of the risks and the deadline for the implementation of the action for enhancing the internal control system. Such activities translated into a set of organizational and resource-enhancement measures as well as action on infrastructure and information systems.

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

- the Board of Directors that outlines the guidelines of the risk management system, assesses their suitability and identifies the key corporate figures, as part of the risk assessment and the implementation of the containment actions;
- ADR’s top management, assisted by the Risk Committee, responsible for implementing the guidelines defined by the Board of Directors with regard to risk management. The Risk Committee is responsible for periodically checking the adequacy of the risk profile with respect to the defined levels (risk appetite);
- the Risk Officer, a figure established in 2014 with the objective of developing an integrated risk management model within the ADR Group (of the Enterprise Risk Management type) to support the decision-making processes and achieve the corporate objectives. The Risk Officer assists the risk owners in the annual process of identification, assessment and monitoring of corporate risks, while guaranteeing the adoption of adequate and consistent methodologies, monitors the evolution of the company exposure to risks, also emerging, checking the alignment with respect

to the risk appetite and proposing to the Managing Director and the Risk Committee the actions needed to ensure the alignment of the risk appetite, ensuring constant monitoring and supporting the implementation. The Risk Officer supports the strategic planning and budgeting processes with analyses of consistency of the operations and orientation identified at the defined risk appetite level.

- The management of the ADR Group ensures the general suitability of the system by participating in its correct operation, also through suitable control and monitoring activities, guaranteeing its effectiveness and efficiency over time and preventing irregularities.

The risks of the ADR Group may be divided into four categories: (i) strategic, (ii) operational, (iii) financial and (iv) compliance risks.

Strategic risks

The strategic risk factors may significantly affect the long-term performance, thus determining reviews of the ADR Group's development policies.

Risks linked to the evolution of the air transport market: the Group's economic results are highly affected by the trend of air traffic which, in turn, is conditioned by the economic scenario, the economic-financial conditions of the individual carriers, the alliances among the carriers and the competition, on some routes, and alternative transport. The risk management tools are: (i) short and long-term analysis of the competitive scenario, (ii) monitoring the trends of the demand, (iii) investment program in close cooperation with the stakeholders, (iv) diversification of the customers of the operating carriers.

Risks connected to dependence on Alitalia and other important carriers: the activity of the ADR Group is significantly linked to the relations with some of the main carriers operating at the Roman airport system, such as Alitalia, EasyJet and Ryanair.

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

In particular, Alitalia plays the role of hub carrier at Fiumicino airport. Although the market share of Alitalia on Fiumicino (about 43%) is lower than the incidence of the hub carriers in some of the main European airports (in 2013: Frankfurt 63%, Munich 61%, Paris CDG 55%, Amsterdam 54%, London Heathrow 47%), in case of reduced or interrupted operation of Alitalia, the identification is uncertain – or the necessary time for the identification is unforeseeable – of carriers that adopt the hub&spoke model to restore the transiting passenger volumes, with repercussions on the overall traffic and economic performance of the ADR Group.

Risks linked to image and reputation: a negative perception or poor publicity may undermine the ADR Group's public image and its effective operating management. The risk management tools are: (i) efficient communication strategy, (ii) continuous dialog with the stakeholders, (iii) creation of the alliances for the development of relations with the territory.

Operational risks

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

Risks linked to safety and security management: the occurrence of incidents means negative consequences on the ADR Group's activity and may also have repercussions on passengers, local residents and employees. The risk management tools are: (i) safety management system, (ii) progressive investments in safety and security (iii) staff training, (iv) security standard control and monitoring.

Risks linked to the discontinuation of the activities: the activities of the ADR Group may undergo an interruption following; (i) strikes of its staff and those of airlines, the staff employed for air traffic control services and public emergency service operators; (ii) incorrect and inaccurate performance of services by third parties and (iii) adverse weather conditions (snow, fog, etc.). The risk management tools are: (i) emergency plan and procedures, (ii) highly trained and skilled staff, (iii) insurance policies.

Risks linked to human resource management: achieving Group objectives depends on internal resources and the relations established with the employees. Unethical or inappropriate behavior by employees may have legal and financial consequences on company activities. The risk management tools are: (i) optimal working environments, (ii) development programs for talented people, (iii) continuous cooperation and communication with trade unions, (iv) Code of Ethics; (v) Law 231 procedures.

Risks linked to dependence on third parties: airport operator activities depend on third parties to a large degree such as, for example, local authorities, carriers, handlers, etc. Any interruption of their activity or unacceptable behavior by third parties may damage the reputation and business of the ADR Group. This risk is heightened by the condition of Fiumicino as hub for the reference carrier, which is experiencing a delicate phase of reorganization. The risk management tools are: (i) constant updating of agreements with third parties, (ii) selection of partners based on economic-financial and sustainability criteria, (iii) suitable contract management.

Financial risks

The net debt of the ADR Group amounts to 729.1 million euros as of June 30, 2014 (758.9 million euros as at December 31, 2013).

The gross nominal debt of the ADR Group is exclusively referred to the Parent Company ADR (925.0 million euros) and is currently attributable essentially to the bond tranche issued in December of last year, equal to 600.0 million euros, valid on the EMTN program – of the senior unsecured type – launched in November 2013 for a total of 1.5 billion euros, in addition to the Romulus tranche A4 for a par value of 325 million euros.

The resources acquired through the new issue were used for the early repayment of all the pre-existing senior secured lines of credit, of a total par value of 605.0 million euros (tranches A2 and

A3 Romulus 2003, bank Term Loan 2012, EIB loan 2008 and Banca Intesa 2003), excluding Romulus tranche A4 2003 (in Pound Sterling) still in place.

Romulus tranche A4 is the last one standing out of the five issued in 2003, for a total value of 1.26 billion euros, to support the securitization transaction – performed through the vehicle Romulus Finance Srl – of the pre-existing bank debt attributed to ADR.

Tranche A4 of a par value of 215 million Pound Sterling is hedged from the exchange rate risk and the interest rate risk by means of a Cross Currency Swap entered into at the time of the transaction (2003). The face value of the tranche at the swap exchange rate fixed in 2003 equals 325 million euros.

In December 2013 ADR started a senior unsecured line of credit of the revolving type (RCF) for 250 million euros maturing in 2018. The “RCF” line has never been used.

The loan agreements entered into by the ADR Group contain a series of clauses and commitments, typical of international practice, to the charge of the borrower and/or guarantor of the debt. The A4 tranche enjoys the guarantee granted by the monoline insurance company Ambac.

Therefore, in compliance with the contractual regulations applied, ADR has the representation and formalization obligation via the issue of specific compliance certificates of the declarations pertaining to the respect of the information commitments contractually envisaged.

As regards the Romulus tranche A4 and the RCF facility, this refers to two of the four dates available to make the payments regarding the debt service (so-called application dates): March 20 - on the figures at December 31 - and September 20 - on the figures at June 30 – duly approved. On conclusion of the preliminary checks carried out in relation to the results of the first half of 2014, it can be reasonably maintained that also on the next application date of September 2014 this declaration will be presented without exceptions of non compliance with the set covenants.

Credit risk

This is the risk that a customer or the counterparty in a financial instrument fails to meet its obligations, thereby causing a loss. As of June 30, 2014, the ADR Group’s maximum exposure to this risk is the nominal value of the guarantees provided for third parties’ debt or commitments, the carrying value of the financial assets shown in the financial statements and especially trade receivables to customers.

For an analysis of the policies in place to control the investment in credit as well as the particular situation of concentration deriving from the relationship with the main carrier Alitalia, please see note 9.3 in the Notes to the consolidated financial statements.

Liquidity risk

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

The financial structure of the ADR Group is distinguished by a moderate incidence of the financial leverage component, since net debt as of June 30, 2014 equals 1.5x the EBITDA of the last 12 months. Nevertheless, a substantial portion of the cash generated from operating activities is used to pay loan interest.

The RCF facility only provides for costs that change according to the rating issued by Moody's, Fitch Rating and Standard & Poor's; the rating level also affects the application of stricter clauses included in the "Security Package", which assists the agreement relating to Romulus Tranche 4 to guarantee the priority allocation of the generated cash to service the debt. These additional measures are activated in connection with the rating, but also in the case certain financial ratios do not exceed the minimum levels previously agreed.

However, in case of temporary additional financial requirements for operations, in addition to cash and cash equivalents, the revolving line of credit (RCF) of 250 million euros is available (currently not use) destined for this purposes by contract.

Interest rate risk

The ADR Group uses external financial resources. The funding lines currently used are at a fixed rate. For this reason, the exposure to risk is limited to the cost of the revolving facility (RCF), which is not used in any case. The ADR Group uses interest rate swaps to manage its exposure to unfavorable fluctuations in interest rates. Reference should also be made to the paragraph on Information on financial risk in the Notes to the consolidated financial statements.

Exchange rate risk

This is linked to unfavorable variations in the exchange rate with consequent increases in the outgoing cash flows. Concerning transactions with consumers, the ADR Group has a negligible exposure to the risk since the transactions in currencies other than the euro are related to limited purchases of goods and services.

Risk related to outstanding loan agreements

Rating

As previously emphasized, ADR and its debt are subject to assessment by the rating agencies Standard & Poor's, Moody's and, as from the end of 2013, also Fitch Rating.

At the end of last year, at the time of implementing the refinancing program mentioned at the start of this session, ADR obtained a solid investment grade from almost all the agencies (S&P BBB+, Fitch BBB+ and Moody's Baa3 unsecured / Baa2 secured). This favorable trend continued in the first part of 2014: On February 8 the agency Moody's changed the outlook on ADR from stable to positive while on May 13 Standard & Poor's updated the outlook from "negative" to "stable" with regard to rating BBB+.

It is worth pointing out once again that, thanks to the improved rating assigned by the two reference agencies for the agreements that govern the A4 Romulus issue (Moody's and Standard & Poor's), ADR has been released from the constraints imposed by the Trigger Event and Cash Sweep regime it was subject to, exactly as a result of the rating, from November 30, 2007. Consequently, all the related cash operating and use limits are no longer applicable.

Security Package: covenant

The refinancing project of the end of 2013 required, so as to be finalized, prior consent (through waiver) by all the pre-existing ADR creditors with the right to do so. When formulating the consent request, ADR did not only intend to ensure the refinancing of the tranches of debt close to maturity, but also wished to guarantee that the necessary conditions might come about so that the new senior debt be undertaken as per contractual conditions different to those which characterized (and characterize) the pre-existing Romulus structure approaching, finally, solutions as close as possible to those typically applied to an investment grade company.

In this key to interpretation, the main spheres which have concerned amendments and updates to the Romulus agreements are summarized below:

- the definition of the entry thresholds in the Trigger Event and in the Cash Sweep due to the rating, have been positioned at a lower level with respect to the previous ones. Accordingly, it was possible to considerably reduce - given above all else the recent upgrade of the Romulus and company notes - the risk of a possible short-term relapse of ADR in the system imposed by those restrictive regimes (Trigger, Cash Sweep) seldom compatible with a standard contract form for investment grade companies.
- possibility of raising additional senior debt up to a maximum of 300 million euros to support the investment plan agreed with ENAC, without the need for further consent of the creditor Romulus. This measure makes it possible to eliminate the main restriction which, shortly, could have hindered the implementation of the investment plan which represents the main obligation undertaken by ADR vis-à-vis ENAC at the time of the signing of the Planning Agreement.

The essential innovation of the refinancing transaction implemented at the end of 2013 is that just the structure of the Romulus financial agreement - who ADR remains the debtor of in perspective for a total of 325 million euros - remains anchored to the "Security Package" which so far has been applied to the entire structure of the ADR debt.

The Security Package is made up of a series of secured guarantees and a series of financial control covenants (calculated on a historic and forecast basis) which measure: (i) Debt Service Coverage Ratio (DSCR), measuring the ratio between available cash flow and debt servicing; (ii) Concession Life Cover Ratio (CLCR), measuring the ratio between discounted future cash flows and net debt; and (iii) Leverage Ratio, that is the ratio between net debt and gross operating income. These ratios are checked twice a year, on two of the four dates available to make the payments regarding the debt service (application dates) of March 20 and September 20, by applying the calculation methods of the respective ratios to the relative data at December 31 and June 30, in addition to the prospective information resulting from the last plan approved.

If the above ratios are exceeded, dividends can be distributed (if any surplus cash is available) and if the ratios are exceeded by higher margins, further borrowing may be undertaken (exceeding the afore-mentioned 300 million euros supporting the investment plan agreed with ENAC); on the other hand, if the ratios fall below specific thresholds, a trigger event or an event of default may occur.

With reference to the most sensitive ratio to short-term changes, represented by the DSCR, the table below summarizes the different DSCR levels and the related consequences laid down in the agreement.

LEVEL	CONDITION
>= 1.7	Additional debt
>= 1.5	Dividend distribution
< 1.25	Trigger event
< 1.1	Default

The closing data at June 30, 2014 confirms, based on the simulations carried out, the respect of the financial ratios set in the agreements that will be finalized on the next application date of September 2014.

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

In line with market practices for similar transactions, the new revolving bank facility by contrast envisages, with regard to the financial ratios, exclusively the observance of a maximum Leverage ratio threshold defined on the basis of the long-term rating assigned to ADR by the agencies Standard & Poor's and Moody's (4.25:1 at level BBB/Baa2 or higher; 3.75:1 at level BBB/Baa3 or lower). These Leverage thresholds were extended also to the Romulus contract sphere. Instead, the RCF facility borrows from the Romulus contract sphere the definition of minimum DSCR threshold correlated to the default event whose triggering requires a level above 1.1:1. Therefore, for both the new RCF and the Romulus contracts, currently in force only for the A4 facility, the failure to observe just one of the afore-mentioned threshold constitutes a default event as per the related contractual documentation.

The documentation of the EMTN Program, in line with market practice for "investment grade" issuers does not envisage limitations to the charge of ADR nor the observance of financial covenants or obligation to perform/not perform (except for a negative pledging commitment, typical of the contractual documentation of a non-banking issuer).

Compliance risks

The ADR Group operates in a sector that is highly regulated at domestic, EU and international level.

Compliance with the Concession Agreement: the airport operator performs the activities under a concession agreement, in compliance with a series of obligations whose non-fulfillment may cause the termination or cancellation of the concession. The risk management tools are: (i) respecting the obligations of the concession, (ii) cooperation with the reference authorities to update the fee programs, (iii) transparency on the fee programs adopted, (iv) participation in discussions with the government authorities responsible.

Compliance with regulations regarding noise and the environment: the operator is obliged to respect the national and international laws on respecting noise limits and environmental protection. The risk management tools are: (i) respect of laws and regulations, (ii) cooperation with the reference authorities for the definition of laws and regulations, (iii) implementing activities to protect the environment.

ADR S.p.A.: results for the period

Since the financial statements for the year ending December 31, 2013 were the first to be prepared in compliance with the international accounting standards, the financial and economic data of the first half of 2013, included in the reclassified accounting schedules, were recalculated in compliance with IFRS.

Economic management

TABLE 1. Reclassified income statement

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013	CHANGE	% CHANGE
Revenues from airport management of which:	330,286	292,474	37,812	12.9%
aeronautical revenues	*240,654*	202,997	*37,657*	*18.6%*
non-aeronautical revenues	*89,632*	89,477	*155*	*0.2%*
Revenues from construction services	16,360	8,717	7,643	87.7%
Other operating income	19,738	4,075	15,663	384.4%
Total revenues	**366,384**	**305,266**	**61,118**	**20.0%**
External operating costs	(97,048)	(94,171)	(2,877)	3.1%
Costs for construction services	(15,766)	(8,373)	(7,393)	88.3%
Concession fees	(14,409)	(13,191)	(1,218)	9.2%
Payroll costs	(34,523)	(33,702)	(821)	2.4%
Total net operating costs	**(161,746)**	**(149,437)**	**(12,309)**	**8.2%**
Gross Operating Income (EBITDA)	**204,638**	**155,829**	**48,809**	**31.3%**
Amortization and depreciation, writedowns and value recoveries:	(33,821)	(33,885)	64	(0.2%)
Other provisions and other adjusting allowances	(39,358)	(49,014)	9,656	(19.7%)
Operating income (EBIT)	**131,459**	**72,930**	**58,529**	**80.3%**
Financial income (expense)	(18,052)	(26,876)	8,824	(32.8%)
Pre-tax profit from continuing operations	**113,407**	**46,054**	**67,353**	**146.2%**
Income taxes	(39,119)	(17,526)	(21,593)	123.2%
Net income (loss) from continuing operations	**74,288**	**28,528**	**45,760**	**160.4%**
Net income (loss) from discontinued operations	0	0	0	0
Net income (loss) for the period	**74,288**	**28,528**	**45,760**	**160.4%**

Revenues

- Revenues from airport management amounted to 330.3 million euros, growing by 12.9% compared to the first half of 2013 thanks to the contribution of aeronautical activities (+18.6%), while the non-aeronautical activities recorded a performance in line with last year (+0.2%). The negative performance of real estate activities (-11.0%) and advertising (-13.1%) was offset by the positive result obtained from commercial sub-concessions (+10.5%); for an analysis of these trends please see the paragraph related to the Consolidated economic management.
- Revenues from construction services, equal to 16.4 million euros, increased by 7.6 million euros as a result of the Infrastructural Development Plan in progress.

- Other operating revenues amounted to 19.7 million euros, up 15.7 million euros due to the collection from the special administration of Alitalia of 10.4 million euros for privileged amounts, prudently posed as a loss in 2008. The re-absorption of the provisions for risks and charges was also recorded for 4.6 million euros, justified by the decrease in some likely potential liabilities and also following the successful conclusion of transactional agreements with the parties concerned.

Net operating costs

- External operating costs, equal to 97.0 million euros, are up compared with the reference period (+2.9 million euros) due to the combined effect of:
  - a reduction in the costs of raw materials and consumables for 2.1 million euros, essentially attributable to lower purchasing costs for electricity consequent to the drop in both consumption and prices;
  - the increase in service costs for 5.1 million euros, mainly attributable to the costs incurred to improve the service quality (ordinary maintenance, cleaning) and commercial costs (advertising and promotional initiatives);
  - the decrease in the other operating costs for 0.1 million euros.
- The Costs for construction services, amounting to 15.8 million euros, increased 7.4 million euros with respect to the previous year, in line with the mentioned creation of the Airport development plan.
- The liability for Concession fees amounts to 14.4 million euros, up 1.2 million euros due to the increase in the airport management fee applied with the enforcement of the Planning Agreement and the rising traffic.
- Payroll costs, amounting to 34.5 million euros, disclosed a rise of 0.8 million euros (+2.4%) consequently to the higher average workforce used by ADR (+33.3 people), mainly attributable to the improved quality of the service supplied to passengers, the implementation of the Infrastructural Plan and the enhancement of the areas dedicated to the staff.

Gross operating income (EBITDA)

The gross operating income (EBITDA), equal to 204.6 million euros, rose by 48.8 million euros compared to the reference period (+31.3%).

Amortization and depreciation

Amortization and depreciation of intangible and tangible fixed assets amounted to 33.8 million euros (-0.1 million euros compared to the reference period) and mainly represented the amortization of the airport concession which ADR holds.

Other provisions and other adjusting allowances

These total 39.4 million euros (49.0 million euros in the first half of 2013) and are broken down as follows:

- provisions to the renovation fund, amounting to 35.4 million euros (40.1 million euros in the first half of 2013), which represent the updated estimate of the expenses for restoration and replacement work to be carried out in the future, based on the latest business plan approved, to maintain an efficient state of the airport systems and infrastructure under the convention;
- provisions for risks and charges equal to zero, compared to the 3.0 million euros of the first half of 2013;

- provisions for doubtful accounts, amounting to 4.0 million euros, 1.9 million euros less than in the reference period.

Operating income (EBIT)

Operating income (EBIT) came to 131.5 million euros, rising by 58.5 million euros with respect to the comparison period.

Net financial income (expense)

Net finance expense amounts to 18.1 million euros, decreasing by 8.8 million euros (-32.8%) mainly as a consequence of the increase in dividends paid to due to subsidiary undertakings (+4.0 million euros) and the reduction in charges for the discounting of the provisions for renovation of airport infrastructure (-3.3 million euros), deriving from the positive performance recorded in the interest applied, in the periods being compared.

The residual improvement (-1.5 million euros) essentially confirms a negligible economic impact of the debt structure introduced with the refinancing transaction of December 2013, now entirely at fixed rate and mostly unsecured.

Net income (loss) for the period

Net of the tax burden estimated for current and deferred taxation, equal to 39.1 million euros, ADR closed the first half of 2014 with a net income of 74.3 million euros, increasing by 45.8 million euros compared to the same period of 2013.

TABLE 2. Statement of comprehensive income

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
NET INCOME FOR THE PERIOD	**74,288**	**28,527**
Effective part of the profits (losses) on cash flow hedge	134	(242)
Tax effect of the other profits (losses)	(37)	67
Other components of the comprehensive income statement that can be reclassified in the income statement, net of the tax effect	97	(175)
Actuarial gains (losses) on benefits to employees posted in the Shareholders' equity	(1,092)	346
Tax effect of the other actuarial gains(losses)	300	(95)
Other components of the comprehensive income statement that will not be subsequently reclassified in the income statement, net of the tax effect	(792)	251
TOTAL OTHER COMPONENTS OF THE COMPREHENSIVE INCOME STATEMENT, NET OF THE TAX EFFECT	**(695)**	**76**
TOTAL COMPREHENSIVE PROFIT (LOSS)	**73,593**	**28,603**

Financial management

TABLE 3. Reclassified balance sheet

	(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	CHANGE
	Intangible fixed assets	1,961,529	1,979,392	(17,863)
	Tangible fixed assets	11,128	8,526	2,602
	Non-current financial assets	13,240	11,740	1,500
	Deferred tax assets	116,323	125,670	(9,347)
	Other non-current assets	463	463	0
A	**FIXED ASSETS**	**2,102,683**	**2,125,791**	**(23,108)**
	Commercial activities	213,674	202,934	10,740
	Other current assets	32,223	29,904	2,319
	Current tax assets	7,081	7,081	0
	Trade liabilities	(145,226)	(174,163)	28,937
	Other current liabilities	(108,627)	(112,999)	4,372
	Current tax liabilities	(3,090)	(13,882)	10,792
B	**WORKING CAPITAL**	**(3,965)**	**(61,125)**	**57,160**
	Provisions for employee benefits	(568)	(359)	(209)
	Provision for renovation of airport infrastructure	(134,373)	(106,137)	(28,236)
	Allowance for current provisions	(11,152)	(11,283)	131
C	**CURRENT SHARE OF PROVISIONS**	**(146,093)**	**(117,778)**	**(28,315)**
D = B + C	**WORKING CAPITAL NET OF THE CURRENT SHARE OF PROVISIONS**	**(150,058)**	**(178,904)**	**28,846**
	Non-current liabilities	(210,430)	(233,084)	22,654
E	**NON-CURRENT LIABILITIES**	**(210,430)**	**(233,084)**	**22,654**
F = A + D + E	**NET INVESTED CAPITAL**	**1,742,195**	**1,713,804**	**28,391**
	Share capital	62,225	62,225	0
	Reserves and Retained earnings (losses)	915,276	832,155	83,121
	Net income (loss) for the period	74,288	83,163	(8,875)
G	**SHAREHOLDERS' EQUITY**	**1,051,789**	**977,543**	**74,246**
	Non-current financial liabilities	931,954	932,214	(260)
	Other non-current financial assets	(7,872)	(8,198)	326
H	**NON-CURRENT DEBT**	**924,082**	**924,016**	**66**
	Current financial liabilities	8,968	608,624	(599,656)
	Current financial assets	(242,644)	(796,380)	553,736
I	**CURRENT DEBT**	**(233,676)**	**(187,755)**	**(45,921)**
L = H + I	**NET DEBT**	**690,406**	**736,260**	**(45,854)**
G + L	**FUNDING OF INVESTED CAPITAL**	**1,742,195**	**1,713,804**	**28,391**

Fixed assets

Fixed assets, equal to 2,102.7 million euros as of June 30, 2014, recorded a drop of 23.1 million euros compared to December 31, 2013, due to:

- the reduction in intangible fixed assets of 17.9 million euros, as the net balance between the amortization for the period exceeding the new investments;
- the reduction of 9.3 million euros of Deferred tax assets re-absorbed mainly as a consequence of the tax component correlated to the use of the provisions for doubtful accounts after the transactional agreements finalized with customers in the period considered.
- Non-current financial assets rose by 1,500 thousand euros in relation to ADR subscribing 100% of the capital of the newly established company Airport Cleaning.

Working capital

The Working Capital was negative for 4.0 million euros, rising by 57.2 million euros compared to the end of the previous year, due to the combined effect of the main changes below.

- Commercial activities rose by 10.7 million euros mainly as a result of the net amounts due from clients (+8.1 million euros) and the receivables for construction services (+3.5 million euros), partly offset by the reduction in amounts due from subsidiary undertakings (-1.8 million euros). This increase in net amounts due from clients, which reflects an expansive effect deriving from the seasonal trend, was also justified by the introduction of the Regional tax on aircraft noise (IRESA), only partly offset by:
  - the payment of 9.2 million euros made by the extraordinary administration of the Alitalia Group valid on the prededuction receivables;
  - the reduction in due from clients for surtax on fees and
  - more generally, the shortening of the average time of collection from customers, favored by the decreased exposure to the Group's main customer.
- Other current assets grew by 2.3 million euros, mainly as a consequence of the increased VAT credit.
- Commercial liabilities decreased by 28.9 million euros mainly due to the drop in amounts due to suppliers for 37.2 million euros, partly offset by the increase of 8.9 million euros in deferred income for the advance billing of the sub-concession fees of the period. The trend of the payables to suppliers derives from the increased volume of investments made in the last portion of the year 2013, compared to the first half of 2014. The shorter payment terms continued to be affected by the progressive application for ADR of Legislative Decree 192 of 2012 that incorporates EU legislation for the protection of creditors.
- Other current liabilities dropped by a total of 4.4 million euros mainly due to the combined effect of:
  - a reduction of the payables for the firefighting services of 2.8 million euros due to payment of the price for 2013, net of the pertaining share accrued in the six months in question;
  - decrease in the tax burden for 6.5 million euros in relation to the payments made with regard to the unfavorable sentences concerning the Tax Office dispute;
  - a reduction of the payables for municipal surtax on passenger fees of 11.9 million euros due to the reflecting effect of the performance in the period of this type of collections from carriers. For this type of charges, ADR is an intermediary in the collection of the surcharges, which it pays back to the end beneficiaries in the month after the month of collection;
  - increase in IRESA debts of 19.9 million euros.

  Current tax liabilities decreased by 10.8 million euros after the payment of the 2013 balance and the first advance for 2014, net of the estimated tax burden for the period.

Current share of provisions and Non-current liabilities

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	CHANGE
Provisions for employee benefits	15,528	15,236	292
Provision for renovation of airport infrastructure	298,917	285,781	13,136
Other allowances for risks and charges	41,659	49,845	(8,186)
TOTAL	**356,104**	**350,863**	**5,241**
of which:			
- current share	146,093	117,778	28,315
- non-current share[6]	210,011	233,084	(23,073)

The renovation provision, which included the current value of the estimate of the charges to be incurred for the contractual obligation to restore and replace assets under concession, increased 13.1 million euros due to the amounts set aside during the period, net of uses made.

Other allowances for risks and charges decreased overall by 8.2 million euros, after uses for 3.6 million euros and re-absorptions in the income statement of 4.6 million euros.

Net invested capital

The invested capital of the Company amounts to 1,742.2 million euros at the end of the six months, increasing by 28.4 million euros compared to December 31, 2013.

Shareholders' equity

The shareholders' equity increased by 74.2 million euros with respect to last year due essentially to the overall net income for the six months (73.6 million euros including the change in the fair value of the derivatives and the actuarial losses relating to the employee severance indemnities) and the increase in the shareholders' equity reserves for 0.5 million euros relating to the fair value accrued on the incentive plans of the management of ADR based on Atlantia's shares.

[6] Non-current liabilities also include the item Other liabilities equal to 419 thousand euros as of June 30, 2014.

Net debt

Net debt as of June 30, 2014 amounts to 690.4 million euros, decreasing further by 45.9 million euros compared to the end of 2013.

TABLE 4. Net debt

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	Change
Non-current financial liabilities	931,954	932,214	(260)
Bonds	592,650	592,283	367
Medium/long-term loans	339,304	339,931	(627)
Other non-current financial assets	(7,872)	(8,198)	326
NON-CURRENT NET DEBT	**924,082**	**924,016**	**66**
Current financial liabilities	8,968	608,624	(599,656)
Current share of medium/long-term financial liabilities	6,255	607,181	(600,926)
Financial instruments - derivatives	0	142	(142)
Other current financial liabilities	2,713	1,301	1,412
Current financial assets	(242,644)	(796,380)	553,736
Cash and cash equivalents	(230,440)	(770,205)	539,765
Other current financial assets	(12,204)	(26,175)	13,971
CURRENT NET DEBT	**(233,676)**	**(187,756)**	**(45,920)**
NET DEBT	**690,406**	**736,260**	**(45,854)**

Non-current net debt

Non-current net debt equals 924.1 million euros, in line with the value of the end of 2013 (+0.1 million euros) and includes 339.3 million euros of facility A4 of the Romulus Finance loan and 592.7 million euros of the bond loan EMTN (“Euro Medium Term Note Program”) issued by ADR in December 2013.

Current net debt

The current portion of the debt is equal to the net funds of 233.7 million euros, increasing by 45.9 million euros.

In detail, current financial liabilities, equal to 9.0 million euros, decreased by 599.7 million euros compared to December 31, 2013 due to:

- on January 30, 2014, voluntary early repayment of all the bank credit facilities used - 2012 Term Loan, 2008 EIB and 2003 Banca Intesa - for a total of 229.6 million euros.
- on March 20, 2014, voluntary early repayment of all Tranches A2 and A3 of the Romulus Finance S.r.l. bonds for a total of 375.0 million euros.

Current financial assets amounted to 242.6 million euros, recording a decrease of 553.7 million euros, attributable essentially to the lower cash on hand (-539.8 million euros) consequently to the abovementioned repayments.

ADR's statement of cash flows is reported below. For a description of the financial events, reference is made to what is illustrated for the ADR Group.

TABLE 5. Statement of cash flows

	1ST HALF 2014	1ST HALF 2013
Net income (loss)	74,288	28,528
Net income for the period	**74,288**	**28,528**
Adjusted by:		
Amortization and depreciation	33,821	33,885
Allocation to the provisions for renovation of airport infrastructure	35,326	40,114
Financial expenses from discounting provisions	4,082	7,428
Change in other provisions	(8,227)	557
Net change of the deferred (prepaid) tax (assets) liabilities	9,610	(10,198)
Other non-monetary costs (revenues)	1,962	3,137
Changes in the working capital and other changes	(56,175)	12,785
Net cash flow from operations (A)	**94,687**	**116,236**
Investments in tangible assets	(4,090)	(822)
Investments in intangible assets	(14,470)	(8,802)
Works for renovation of airport infrastructure	(26,148)	(42,876)
Equity investments	(1,500)	0
Gains from divestment of tangible and intangible assets and equity investments and divisions	(1,322)	0
Net change of other non-current assets	0	7
Net cash flow from investments (B)	**(47,530)**	**(52,493)**
Raising of medium/long-term loans	0	156,000
Repayment of medium/long-term loans	(604,579)	(504,250)
Net change of other current and non-current financial liabilities	2,434	(13,258)
Net change of current and non-current financial assets	13,809	18,929
Net cash flow from financing activities (C)	**(588,336)**	**(342,579)**
Net cash flow for the period (A+B+C)	**(541,179)**	**(278,836)**
Cash and cash equivalents at the start of the period	768,904	379,330
Cash and cash equivalents at the end of the period	227,725	100,494

The main Group companies

Below are the characteristics and economic performance of the ADR Group companies during the first half of 2014.

ADR Engineering S.p.A.

The company (100% ADR), which provides airport engineering services (design, work supervision and technical consultancy), closed the first half of 2014 with a net profit of 1.6 million euros, an improvement of around 0.6 million euros with respect to the previous year, mainly attributable to Design activities. Revenues amounted to 8.2 million euros, up 59% compared to the same period of the previous year. The consumption of external materials and services, up by 81%, equaled 4.2 million euros; payroll costs increased (+27%), to 1.6 million euros. Consequently, positive EBITDA of 2.4 million euros was recorded, compared to 1.6 million euros in the comparative period. Operating income of 2.5 million euros was recorded (+0.9 million euros compared to the first half of 2013).

ADR Assistance S.r.l.

ADR Assistance (100% ADR) started operating in July 2008 and became responsible for providing assistance services to passengers with reduced mobility (PRM) at Fiumicino and Ciampino airports, based on a service contract signed with ADR.

In the first half of 2014, the company reported a net profit of 0.6 million euros, growing by 0.5 million euros compared to the first half of 2013. Revenues, amounting to 8.0 million euros, reported a 4.3% rise mainly attributable to the growing passenger traffic. Operating costs, totaling 6.7 million euros, are essentially stable compared to the reference period (+0.1%).

The expansion of revenues, together with the trend in operating costs positively affected the gross operating income, which improved by 32.9% to reach 1.3 million euros.

ADR Tel S.p.A.

The company creates and manages the telecommunication systems in the Roman airport system; in the first half of 2014 it recorded a positive performance of operations, reaching a positive net result of 1.0 million euros with an increase of 0.2 million euros compared to the first half of 2013. The company generated revenues for 8.1 million euros, recording an increase of 42.8% mostly due to ADR Tel S.p.A. ("ADR Tel") undertaking the Information Technology activities previously managed directly by ADR. Operating costs equaled 6.1 million euros, with a 62.6% increase compared to first half of 2013, thus resulting in gross operating income of 2.0 million euros, up 3.3% compared to the reference period.

On January 31, 2014, the company's Board of Directors approved, as that of the parent Company ADR had already done in November 2013, the project for the merger of all the Information Technology (IT) activities, previously handled also directly by ADR, within the sphere of ADR Tel, maintaining the policy and control functions at Parent Company level. The efficacy of the venture was finalized on April 1, 2014 with the transfer of the IT business segment (essentially comprising the staff and the entitlement and charge contracts) from ADR to ADR Tel. The aim of the venture is to integrate within ADR Tel all the operational development and running activities, ensuring a more efficient operational coverage of the main IT processes.

ADR Security S.r.l.

The company was established on May 2, 2012 through the transfer by ADR of the company branch concerning the airport security services business at the two main Roman airports. Therefore a long-term tender contract (2012-2016) was entered into between ADR and the company to regulate the activities ADR Security must carry out as specialized corporate organization of the airport operator: passenger control services, carry-on luggage, checked baggage, goods and express courier parcels, as well as on-demand services such as surveillance of the airport perimeter.

The company ended the first half of 2014 with a net profit of 1.5 million euros, increasing by about 0.9 million euros compared to the same period of 2013, on a turnover of 21.0 million euros, which rose by 4.6% compared to the reference period. The gross operating income of 2.6 million euros is up 5.3% on the first half of 2013, with a percentage of revenues of 12.2% essentially stable compared to the first six months of 2013 (12.1%). Operating costs amounted to 18.4 million euros, rising by 4.5% compared to the first half of 2013, 15.2 million euros of which as payroll costs (+3.2%).

ADR Mobility S.r.l.

The company was established on May 3, 2012 through the contribution in kind by ADR of the "car park" company branch, consisting of the assets and liabilities relating to the management of the car parks within the airports of Fiumicino and Ciampino and the relations with the car hire companies, with the exclusion of the activities carried out by ADR as the owner of airport concession (e.g. the management of the parking of taxies, buses and/or minibuses of public and private services, etc.). Under an agreement stipulated with ADR, the company manages the parking areas of Ciampino and Fiumicino airports for a duration of 14 years by sub-concession. In the first half of 2014, the company recorded a net profit of 3.2 million euros, down 5.7% from the first half of 2013, against revenues of 17.5 million euros, essentially in line with the value of the first half of 2013 (-0.5%). Operating costs equaled 11.9 million euros, increasingly slightly compared to the 11.8 million euros in the reference period. The cost of materials and external services totaled 10.4 million euros, up 0.8% compared to the first six months of 2013, while payroll costs equaled 1.4 million euros, decreasing by 1.6% compared to the reference period. The gross operating income equaled 5.7 million euros, decreasing by 2.5% compared to the first six months of 2013, while the operating income reached 4.7 million euros, down 1.6% compared to the first half of 2013.

Airport Cleaning S.r.l.

The company was set up on February 28, 2014 and became operational on May 20, 2014. It manages part of the cleaning activities at Fiumicino and Ciampino airports. Airport Cleaning closed the first half of 2014 with a loss of 22 thousand euros against revenues of 1.4 million euros. Operating costs amounted to 1.4 million euros, of which 0.9 million euros relating to the consumption of external materials and services and 0.5 million euros for payroll costs. Consequently, the gross operating income, the operating income and the pre-tax income essentially broke even given the absence of depreciation and extraordinary and financial income and expense.

ADR Advertising S.p.A.

ADR holds 51% of the ordinary share capital and 25.5% of the total share capital of ADR Advertising; the remaining share is held by IGPDecaux S.p.A. The company carried out the management activity of the advertising spaces on the Roman airport system until December 31, 2013, when the lease agreement for the advertising company branch of ADR expired definitively without the parties agreeing on any subsequent extension. Therefore, starting from January 1, 2014, the advertising company branch for the management of the relevant business, was returned to the Parent Company ADR.

On June 26, 2014 the General Meeting approved the annual financial statements for the year ended December 31, 2013, recording a profit of 268 thousand euros. The approval schedule followed the decision, taken by the Board of Directors of the company, to extend the terms for the approval to encourage a more updated valuation of the company assets and the trade receivables collected in the meanwhile in particular.

The favorable outcome of this procedure now facilitates the identification of alternatives to the liquidation. For this reason, the Board resolved to postpone the decision on the possible liquidation of the company until the end of this year.

The non operation of ADR Advertising inevitably led to a loss (128 thousand euros) being suffered in the first half of 2014.

OTHER INFORMATION

Updates and changes to the reference regulatory framework

Airport Development Plan

Project of completion of Fiumicino Sud

On May 12, 2014 the Interregional Directorate for Public Works for the regions of Lazio, Abruzzo and Sardinia authorized, with measure Prot. 1774/512, the Project of completion of Fiumicino Sud, declaring its public utility, and consequently applied the restriction arranged for the expropriation of the areas concerned by the works.

Investments

- On January 13, 2014, ENAC informed ADR of the authorization of the Ministry of Infrastructure and Transport for the redrafting of the investment program for the period 2012 - 2016.
- On January 29, 2014 an ENAC-ADR meeting was held for the monitoring of the investments made and on planning for 2014. On this occasion, the Body positively judged how the Company had essentially observed the commitments undertaken - subject to limited discrepancies caused by external elements, not dependent on the management company - and had pledged to continue to do so, despite the presence of a scenario that is still evolving.

Consultations with the users

On January 14, 2014 the second, and conclusive, annual meeting/consultation was held at Fiumicino airport with the User base on the 2014 tariff proposal, which came into force on March 1, 2014. The following were illustrated during the meeting: the 2014 investments reviewed on the basis of the new restructuring of the Plan for the present tariff sub-period 2012-2016, which envisages a rearrangement of the investments as per the acceleration of the Prime Ministerial Decree dated December 21, 2012; the final balance for 2013 traffic and the expectations for 2014 and the final 2014 tariff scheme - which envisages an average tariff of 28.2 euros per outbound passenger at Fiumicino airport - including the change with regard to transit fee. The report was published in the Company's website.

Planning Agreement

II Additional Deed to the Single Deed-Agreement of December 23, 2013

With Prime Ministerial Decree of January 31, 2014 (communicated in the Official Gazette no. 63 on March 17, 2014), the II Additional Deed to the Single Deed, signed by ENAC and ADR on December 23, 2013 was approved.

With this deed, the Parties replaced attachment 9 of the Single Deed (regarding the tariff arrangement) to implement a different graduation of the fees on transit passengers with corresponding rebalancing of the fees for outbound passengers. This update of the tariff scheme, in force since March 1, 2014, was made pursuant to Interministerial Decree no. 373 of October 14, 2013.

Airport operations

Plan for containing and combating noise at Ciampino airport

Pursuant to Italian Ministerial Decree dated November 29, 2000 ADR forwarded the Lazio Regional Authority and the Municipal Authorities of Rome, Marino and Ciampino the "Plan of measures for containing and combating aviation-related noise" for Ciampino airport on November 28, 2013. In February 2014, Ciampino Municipal Council and Rome Municipal Council expressed a negative opinion on the proposed plan; also the Marino Municipal Authority expressed its negative opinion on the noise reduction plan.

With note Prot. 258402 of May 5, 2014, the Lazio Regional authority formally set up a technical panel to discuss the "Plan of measures for containing and combating aviation-related noise – Aeroporto G.B. Pastine di Ciampino". The members of the technical panel include the Lazio Regional authority and the representatives from Roma Capitale (Rome City Council), the municipalities of Ciampino and Marino, ENAC, ARPA Lazio and ADR.

Airport noise – European Parliament and Council Regulation

On June 12, 2014, the European Parliament and Council Regulation of April 16, 2014 was published in the Official Gazette of the European Union L173. This established the rules and procedures to introduce operating restrictions aimed at containing the noise at airports in the EU, as part of a balanced approach.

Regulation 598/2014, which abolished Directive 2002/30/EC (adopted in Italy with Italian Legislative Decree no. 13 of January 17, 2005), will come into force on June 13, 2016 and will apply to the European airports "with a traffic higher than 50,000 movements of civil aircraft per calendar year based on the average of the last three calendar years before determining the noise".

The regulation hinges on the concept of "balanced approach", i.e. the process developed by the International Civil Aviation Organization to consistently determine the series of measures available, and namely the reduction of the noise produced by aircraft at the source, the planning and management of the territory, the noise abatement operating procedures and operating restrictions, in order to solve the problem of noise pollution in full compliance with the cost/effectiveness principle at the level of individual airports.

Airport certification

On February 14, 2014 EU Regulation no. 139/2014 of February 12, 2014 was published in the Official Gazette of the European Union L44, which defined the EU legislation on the certification of the airports and the operator.

The Regulation came into force on March 6, 2014. Airport operators must obtain the new certification by December 31, 2017, by respecting the requirements of attachment II to the Regulation.

"Destination Italy" Law Decree

The national law converting Italian Law Decree No. 145/2013 "Destination Italy", published in the Italian Official Gazette on February 21, 2014, envisages:

- that the airport operators who disburse grants, subsidies or any other form of emolument to air carriers in relation to the launch and development of routes destined to satisfy and promote the demand in the respective user catchment areas, must carry out procedures for the choice of the beneficiary which are transparent and such as to ensure the widest participation of the carriers potentially interested, in accordance with formalities to be defined with specific Guidelines adopted by the Ministry of Infrastructure and Transport, having consulted the Transport regulation authority and ENAC, and informing the Transport regulation authority and ENAC of the outcome of these procedures for the purpose of checking the observance of the transparency and competitiveness conditions;
- the maximum value of the parameters of the IRESA measures applicable in Italy: “For the purpose of avoiding distortive effects of the competition between the airports and furthering the attraction of the Italian airport system […] in the definition of the measure of the Regional tax on civil aircraft noise - IRESA […], the maximum value of the parameters of the IRESA measures cannot exceed 0.50 euros. Without prejudice to the maximum value indicated above, the calculation of the tax is restructured taking into account also the additional criteria for the distinction between day and night-time flights and the urban singularities of the geographic areas facing the individual airports”;
- that the municipal surcharge established by Article 2.11 of Italian Law No. 350 dated December 24, 2003, and the subsequent increases, is not payable by transit passenger in Italian airports, if originating from domestic airports;
- that the administrative surcharge for Roma Capitale (Rome City Council) continues to be applied to all the passengers with flights originating or in transit at Rome Fiumicino and Ciampino airports, with the exception of those in transit with domestic origin and destination.

Steps are taken to cover the minor proceeds generated by the previous points in favor of the parties concerned, by means of decree of the Ministry of Infrastructure and Transport, together with the Home Office, the Ministry of Labor Social Policies and the Ministry for Economy and Finance, to be adopted by June 30 of each year.

With deliberation no. 196 of April 15, 2014, the Council of the Lazio Regional Authority proposed the appeal before the Constitutional Court for the declaration of illegitimacy of Italian Law Decree “Destination Italy”- and particularly article 13, paragraph 15 bis – as converted into law no. 9 of February 21, 2014, due to violation of articles 3, 77, 117, 118, 119 and 120 of the Constitution.

The Appeal for a question of constitutional illegitimacy presented by the Lazio Regional Authority and filed with the chancery on April 23, 2014 was published in the Official Gazette of June 4, 2014, 1^ Special Series no. 24.

Amendments regarding public tenders

Two new directives on tenders were published in the Gazette of the European Union of March 28, 2014 (directive 2014/24/EU and 2014/25/EU), which amend and supersede directive 2004/18/EC (public tenders for works, supplies and services) and directive 2004/17/EC (tenders in the water, energy, transport and postal service sectors), respectively in order to simplify the procedures and make them more flexible as well as making the regulations on “special sector” closer to the one of classic sectors. The new directive on the awarding of concession contracts (directive 2014/23/EU) governs organically a sector that is only partly governed at EU level so far.

Labor decree 34/2014

With Labor Decree 34/2014, so-called “Jobs Act”, important updates are made to the regulations on the employment relationships with an impact also on ADR and the Group companies:

- art. 1 rises the duration of temporary contracts from 1 to 3 years, including maximum five extensions; the reason for the temporary contract (i.e. the technical, organizational or replacement reasons) does not need to be stated anymore; a ceiling is set for the number of temporary employment contracts that the company may stipulate with a limit of 20% of the number of employees hired with an open-ended contract in force since January 1 of the year of hiring the temporary personnel;
- art. 2 governs the apprenticeship contract, which must contain, in summarized form, the individual training program, defined also on the basis of the forms and documents established by collective agreements or by bilateral bodies.

Audition at the Transport Regulation Authority

The Transport Regulation Authority (ART) was set up with art. 37 of Italian Legislative Decree no. 201/2011 (so-called “Save Italy” decree), as amended by art. 36 of the subsequent Italian Law Decree no. 1/2012 (so-called “liberalization” decree, converted into law no. 214/2011) and became fully operational on January 15, 2014 with the task of regulating, promoting and protecting the competition in the transport sector.

On May 7, 2014, with Resolution no. 31/2014, the Authority started a consultation on the airport fee models, with explicit exclusion of the operators that hold planning agreements under derogation already operational (ADR, SEA and SAVE). The Content and methods of this consultation are published on the website of ART.

Corporate transactions

In the first half of 2014, the ADR Group took actions aimed at obtaining even higher service efficiency and quality levels, improving the operating processes and maximizing profits through three important corporate transactions.

Advertising

The business segment rental agreement with which ADR Advertising managed the advertising business at Fiumicino and Ciampino airports was not subject to any further extensions with respect to the expiry of December 31, 2013. Therefore, as from January 1, 2014 the business segment once again returned to the Parent Company ADR.

From that date, the management of advertising spaces has switched to a model based on the sub-concession of the activities.

Information Technology

On January 31, 2014, the Board of Directors of the subsidiary undertaking ADR Tel approved, as that of the parent Company ADR had already done in November 2013, the project for the merger of all the Information Technology (IT) activities, previously handled also directly by ADR, within the sphere of ADR Tel, maintaining the policy and control functions at Parent Company level. The efficacy of the venture was finalized on April 1, 2014 with the transfer of the IT business segment (essentially comprising the staff and the entitlement and charge contracts) from ADR to ADR Tel. The aim of the venture is to integrate within ADR Tel all the operational development and running activities, ensuring a more efficient operational coverage of the main IT processes.

Cleaning

In order to improve the level of the service provided to airport users, the ADR Group set up the company Airport Cleaning, wholly owned by ADR, to manage part of the cleaning activities at Fiumicino and Ciampino airports. The company became operation on May 20, 2014.

Relations with related parties

Notice regarding management and coordination of the company

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

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

Relations with related parties

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

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

Subsequent events

Traffic trends in the first seven months of 2014

In the period January-April 2014[7] the Roman airport system recorded a 4.7% increase in passengers due to the growing international component (+6.5%, with EU +8.2% and non-EU +2.9%[8]), while the Domestic component (+0.7%) confirms stable volumes.

TABLE 1. Main traffic data of the Roman airport system

	JAN. – JUL. 2014	JAN. – JUG. 2013	Δ%
Movements (No.)	**202,816**	**197,676**	2.6%
Fiumicino	173,984	170,328	2.1%
Ciampino	28,832	27,348	5.4%
Passengers (No.)	**23,850,453**	**22,773,016**	4.7%
Fiumicino	21,080,577	20,236,955	4.2%
Ciampino	2,769,876	2,536,061	9.2%
of which: ***departing pax***	**11,846,924**	**11,311,835**	4.7%
Fiumicino	10,460,220	10,047,786	4.1%
Ciampino	1,386,704	1,264,049	9.7%
Cargo (t)	**85,040**	**86,833**	(2.1%)
Fiumicino	76,025	77,030	(1.3%)
Ciampino	9,014	9,803	(8.0%)

Fiumicino

In the first seven months of 2014, Fiumicino recorded a 4.2% rise in passenger traffic, in movements (+2.1%), aircraft tonnage (+1.9%) and seats (+2.6%). An increase in the load factor (+1.1%) was also recorded, which stood at 73.5%. The growing passenger traffic is mainly attributable to the considerable improvement in the performance of the international segment (+5.9%), with the EU component increasing by 7.8% and the Non-EU component by 2.6%. Volumes were rather stable in the domestic segment (+0.4%).

Passenger traffic grew by 7.1% in July 2014, as a result of the developing “Other carriers” component (+17.2%), which counterbalanced the decrease for Alitalia (-4.6%). Traffic development was common to all the segments; the most considerable growth in particular concerned EU traffic (+12.9%), followed by domestic traffic (+3.2%), while the increase in Non-EU traffic was lower (+1.7%)

In terms of network development, worth highlighting in July are the new Ethiad daily flight to Abu Dhabi and the Japan Airlines two-weekly flight to Tokyo-Haneda for the summer period. In addition to Vueling’s successful development started in April, the Spanish company opened the seasonal flight to Lefkada.

[7] As of July 27, 2014

[8] For a homogenous comparison, the performances were analyzed on a “like-for-like” basis, with Switzerland and Croatia within the EU tariff sphere also in 2013; otherwise the growth would have equaled 13.0% for the EU segment and -5.1% for the non-EU segment.

Ciampino

In the first seven months of 2014 the airport reported a +9.2% growth in passengers. The capacity offered was also positive (movements +5.4%, aircraft tonnage +7.9% and seats 9.8%).

The results of passenger traffic in July worsened by 6.1%, in connection with a network change that has led to some domestic (flights cancelled to and from Bergamo because of the greater competition from the high-speed rail link) and international flights being reduced , not yet entirely counterbalanced by the increases to international destinations that are specific for the summer period.

Other significant events

- In light of the hearing set for July 9, 2014, on July 2, 2014, via its attorneys, Lufthansa/Austrian Airlines/Swiss International Airlines, Freight agents operating out of Ciampino (AICAI – DHL – TNT) and Cargo operators, filed at the Administrative Court of Lazio sect. I, the deeds to waive the appeals they promoted against the Planning Agreement due to the discontinuance of the matter in issue. At the hearing of July 9, 2014, in line with the deeds filed on July 2, the legal representative of the plaintiffs declared the matter in issue as discontinued.
- Regarding the ruling for Air Europe under special administration - relating to the cancellation of the payments made by ADR in the year prior to the admission of the carrier to the special administration procedure -, with sentence filed on July 18, 2014, the Appeal Court of Milan rejected ADR's appeal which, in order to avoid the enforceable proceeding, is paying 2 million euros (including interests and expenses).
- With reference to the dispute with the ATI Alpine Bau relating to the upgrade works of the flight infrastructure of Runway 3 of Fiumicino airport, with sentence filed on July 14, 2014 the Court of Appeal of Rome, in the substance, rejected the appeal on the proposals of the ATI Alpine Bau, accepting the arguments put forward by ADR and declared the contract stipulated on December 30, 1997 terminated, due to the fault of the ATI contractor.
- In July ADR was notified by the carriers numerous appeals to the Provincial Tax Commission for Rome and two appeals to the Regional Administrative Court against the application of IRESA, for which ADR is exercising the activities of collection in compliance with the provisions of the agreement in force signed with the Lazio Regional Authority.

Business Outlook

The leading official sources confirm the weak economic situation for Italy in 2014. Nevertheless, in consideration of the traffic performance recorded in the 1st half of 2014, combined with the additional planned developments at Roman airports announced for 2014, a substantially stabilization of the traffic can be predicted at year end, in any case in the hypothesis of operational continuity of the reference carrier.

ADR will continue to pursue its strategy of development of its relationships with intercontinental carriers and destinations, also enhancing the short-mid haul services in Europe seeking to attract carriers with the greatest growth potential.

Alongside, the ADR Group will continue its considerable efforts in searching for maximum efficiency in managing its core business and the operating efficiency so as to ensure greater value for the user, the stakeholders and the shareholders.

The infrastructure development plan will be continued alongside the ongoing improvement of the quality level and the renewal of the commercial offer so as to enhance the passenger experience and ensure greater value for the user, the stakeholders and the shareholders.

For the year 2014, unless the traffic trend worsens, the results from ordinary management operations, net of non recurrent extraordinary items, are predicted to improve compared to the previous year.

The Board of Directors

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF JUNE 30, 2014

Condensed consolidated interim financial statements as of June 30, 2014

CONSOLIDATED FINANCIAL STATEMENTS OF THE AEROPORTI DI ROMA GROUP

Consolidated statement of financial position

ASSETS (THOUSANDS OF EUROS)	NOTES	06.30.2014	OF WHICH TOWARDS RELATED PARTIES	12.31.2013	OF WHICH TOWARDS RELATED PARTIES
NON-CURRENT ASSETS					
Tangible assets	6.1	11,257		9,824	
Concession fees		1,945,089		1,963,036	
Other intangible assets		6,855		6,276	
Intangible assets	6.2	1,951,944		1,969,312	
Equity investments	6.3	2,205		2,205	
Other non-current financial assets	6.4	4,397		4,885	
Deferred tax assets	6.5	132,121		136,685	
Other non-current assets	6.6	465		466	
TOTAL NON-CURRENT ASSETS		2,102,389		2,123,377	
CURRENT ASSETS					
Inventories		2,421		2,358	
Assets for contract work in progress		276	*12*	255	
Trade receivables		210,601	*1,378*	200,900	*1,763*
Commercial activities	6.7	213,298	*1,390*	203,513	*1,763*
Other current financial assets	6.4	12,196		26,166	
Current tax assets	6.8	8,003	*7,787*	7,946	*7,629*
Other current assets	6.9	34,139	*4,707*	31,075	*4,707*
Cash and cash equivalents	6.10	248,015		789,310	
TOTAL CURRENT ASSETS		515,651	*13,884*	1,058,010	*14,099*
ASSETS HELD FOR SALE		0		0	
TOTAL ASSETS		**2,618,040**	***13,884***	**3,181,387**	***14,099***

SHAREHOLDERS' EQUITY AND LIABILITIES (THOUSANDS OF EUROS)	NOTES	06.30.2014	OF WHICH TOWARDS RELATED PARTIES	12.31.2013	OF WHICH TOWARDS RELATED PARTIES
SHAREHOLDERS' EQUITY					
GROUP SHAREHOLDERS' EQUITY					
Share capital		62,225		62,225	
Reserves and retained earnings		874,209		796,448	
Net income for the period		72,265		89,648	
		1,008,699		**948,321**	
MINORITY INTERESTS IN SHAREHOLDERS' EQUITY					
Share capital and reserves		1,039		775	
Net income for the period		(95)		264	
		944		**1,039**	
TOTAL SHAREHOLDERS' EQUITY	6.11	**1,009,643**		**949,360**	
LIABILITIES					
NON-CURRENT LIABILITIES					
Provisions for employee benefits	6.12	22,417		21,262	
Provision for renovation of airport infrastructure	6.13	165,560		180,384	
Other allowances for risks and charges	6.14	30,507		38,562	
Allowances for non current provisions		218,484		240,208	
Bonds		851,470		840,920	
Financial instruments - derivatives		136,035		130,645	
Non-current financial liabilities	6.15	987,505		971,565	
Other non-current liabilities	6.16	419		0	
TOTAL NON-CURRENT LIABILITIES		1,206,408		1,211,773	
CURRENT LIABILITIES					
Provisions for employee benefits	6.12	897		403	
Provision for renovation of airport infrastructure	6.13	134,896		107,129	
Other allowances for risks and charges	6.14	14,078		14,492	
Allowances for current provisions		149,871		122,024	
Trade payables	6.17	124,121	*8,855*	151,478	*5,426*
Trade liabilities		124,121	*8,855*	151,478	*5,426*
Current share of medium/long-term financial liabilities		6,143		607,491	
Financial instruments - derivatives		104		253	
Current financial liabilities	6.15	6,247		607,744	
Current tax liabilities	6.8	3,756	*1,654*	17,765	
Other current liabilities	6.18	117,994	*553*	121,243	*737*
TOTAL CURRENT LIABILITIES		401,989	*11,062*	1,020,254	*6,163*
LIABILITIES ASSOCIATED TO ASSETS HELD FOR SALE		0		0	
TOTAL LIABILITIES		**2,618,040**	***11,062***	**3,181,387**	***6,163***

Consolidated income statement

(THOUSANDS OF EUROS)	NOTES	1ST HALF 2014	OF WHICH TOWARDS RELATED PARTIES	1ST HALF 2013	OF WHICH TOWARDS RELATED PARTIES
REVENUES					
Revenues from airport management		337,549	5,012	300,929	5,522
Revenues from construction services		16,725		8,916	
Other operating income		18,535	107	2,690	620
TOTAL REVENUES	7.1	372,809	5,119	312,535	6,142
COSTS					
Consumption of raw materials and consumables	7.2	(14,426)	(10,477)	(16,807)	(11,790)
Service costs	7.3	(87,557)	(3,416)	(93,911)	(979)
Payroll costs	7.4	(59,508)	(1,588)	(56,601)	(1,406)
Concession fees		(14,409)		(13,190)	
Expenses for leased assets		(1,519)	(50)	(1,570)	
Allocation to (use of) the provisions for renovation of airport infrastructure		(8,961)		2,763	
Allocation to the allowances for risks and charges		(17)		(4,103)	
Other costs		(7,996)		(9,607)	
Other operating costs	7.5	(32,902)	(50)	(25,707)	
Depreciation of tangible assets	6.1	(1,666)		(2,287)	
Amortization of intangible concession fees	6.2	(30,796)		(30,665)	
Amortization of other intangible assets	6.2	(1,457)		(1,333)	
Amortization and depreciation		(33,919)		(34,285)	
(Write-downs) Value recoveries		0		0	
TOTAL COSTS		(228,312)	(15,531)	(227,311)	(14,175)
OPERATING INCOME (EBIT)		**144,497**		**85,224**	
Financial income		11,542		1,292	461
Financial expense		(30,489)		(46,859)	(65)
Foreign exchange gains (losses)		(9,992)		12,395	
FINANCIAL INCOME (EXPENSE)	7.6	(28,939)		(33,172)	396
INCOME (LOSS) BEFORE TAXES		115,558		52,052	
Income taxes	7.7	(43,388)		(22,605)	
NET INCOME (LOSS) FROM CONTINUING OPERATIONS		**72,170**		**29,447**	
Net income (loss) from discontinued operations		0		0	
NET INCOME FOR THE PERIOD		**72,170**		**29,447**	
of which					
Group income		72,265		29,653	
Minority interests		(95)		(206)	

Consolidated Statement of Comprehensive Income

(THOUSANDS OF EUROS)	NOTES	1ST HALF 2014	1ST HALF 2013
NET INCOME FOR THE PERIOD		**72,170**	**29,447**
Profits (losses) from fair value measurement of cash flow hedges	6.15	(15,324)	17,948
Tax effect		4,214	(4,936)
Other components of the comprehensive income statement that can be reclassified in the income statement, net of the tax effect		**(11,110)**	**13,012**
Income (loss) from actuarial valuation of employee benefits	6.12	(1,792)	510
Tax effect		492	(141)
Other components of the comprehensive income statement that will not be subsequently reclassified in the income statement, net of the tax effect		**(1,300)**	**369**
TOTAL OTHER COMPONENTS OF THE COMPREHENSIVE INCOME STATEMENT, NET OF THE TAX EFFECT		(12,410)	13,381
NET INCOME FOR THE PERIOD		**59,760**	**42,828**
of which			
Comprehensive income attributable to the Group		59,855	43,034
Comprehensive income attributable to minority interests		(95)	(206)

Statement of changes in consolidated equity

(THOUSANDS OF EUROS)	SHARE CAPITAL	LEGAL RESERVE	SHARE PREMIUM RESERVE	CASH FLOW HEDGE RESERVE	OTHER RESERVES AND RETAINED EARNINGS	NET INCOME FOR THE PERIOD	TOTAL	MINORITY INTERESTS IN SHAREHOLDERS' EQUITY	TOTAL SHAREHOLDERS' EQUITY
BALANCE AS OF DECEMBER 31, 2012	62,225	12,462	667,389	(50,069)	(73,855)	235,756	853,908	775	854,683
Net income for the period						29,653	29,653	(206)	29,447
Other components of comprehensive income:									
Profits (losses) from fair value measurement of the cash flow hedges, net of the tax effect				13,012			13,012		13,012
Profits (losses) from actuarial estimates, net of the tax effect					369		369		369
Comprehensive income for the period				13,012	369	29,653	43,034	(206)	42,828
Profit allocation					235,756	(235,756)	0		0
Other changes					693		693		693
BALANCE AS OF JUNE 30, 2013	62,225	12,462	667,389	(37,057)	162,963	29,653	897,635	569	898,204
BALANCE AS OF DECEMBER 31, 2013	**62,225**	**12,462**	**667,389**	**(45,287)**	**161,884**	**89,648**	**948,321**	**1,039**	**949,360**
Net income for the period						72,265	72,265	(95)	72,170
Other components of comprehensive income:									
Profits (losses) from fair value measurement of the cash flow hedges, net of the tax effect				(11,110)			(11,110)		(11,110)
Profits (losses) from actuarial estimates, net of the tax effect					(1,300)		(1,300)		(1,300)
Comprehensive income for the period				(11,110)	(1,300)	72,265	59,855	(95)	59,760
Profit allocation					89,648	(89,648)	0		0
Other changes					523		523		523
BALANCE AS OF JUNE 30, 2014	**62,225**	**12,462**	**667,389**	**(56,397)**	**250,755**	**72,265**	**1,008,699**	**944**	**1,009,643**

Consolidated Statement of cash flows

(THOUSANDS OF EUROS)	NOTES	1ST HALF 2014	1ST HALF 2013
Net income for the period		**72,170**	**29,447**
Adjusted by:			
Amortization and depreciation	6.1/6.2	33,919	34,285
Allocation to the provisions for renovation of airport infrastructure		34,364	37,886
Financial expenses from discounting provisions	7.6	4,177	7,502
Change in other provisions		(8,808)	1,386
Net change of the deferred (prepaid) tax (assets) liabilities		9,271	(9,796)
Other non-monetary costs (revenues)		2,704	2,704
Changes in the working capital and other changes		(57,102)	9,482
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		90,695	112,896
Investments in tangible assets	6.1	(3,110)	(964)
Investments in intangible assets	6.2	(14,895)	(9,157)
Works for renovation of airport infrastructure		(25,403)	(40,647)
Gains from divestment of tangible and intangible assets and equity investments		21	358
Net change of other non-current assets		1	8
NET CASH FLOW FROM INVESTMENTS (B)		(43,386)	(50,402)
Raising of medium/long-term loans	6.15	0	156,000
Repayment of bonds		(375,000)	0
Repayment of medium/long-term loans		(229,579)	(504,250)
Net change of other current and non-current financial liabilities		2,005	(13,583)
Net change of current and non-current financial assets		13,970	19,367
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(588,604)	(342,466)
NET CASH FLOW FOR THE PERIOD (A+B+C)		**(541,295)**	**(279,972)**
Cash and cash equivalents at the start of the period	6.10	789,310	393,510
Cash and cash equivalents at the end of the period	6.10	248,015	113,538

Additional information on the statement of cash flows

(THOUSANDS OF EUROS)		1ST HALF 2014	1ST HALF 2013
Net income taxes paid (reimbursed)		48,152	20,416
Interest income collected		1,356	1,114
Interest payable and commissions paid		20,892	35,929

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

1. General information

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

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

On the date of presenting the financial statements, Atlantia S.p.A. (“Atlantia”) is the shareholder that directly holds the majority of the shares of ADR (no. of shares 59,681,635, equal to 95.913% of the capital) and exercises the management and coordination towards the company.

These condensed consolidated half-year financial statements of ADR and its subsidiary undertakings (the “ADR Group”) were approved by the Board of Directors of the company during the meeting of July 30, 2014 and subject to audit by Reconta Ernst & Young S.p.A.

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

2. Form and content of the consolidated financial statements

The condensed consolidated half-year financial statements as of June 30, 2014 were prepared in accordance with IAS 34 “Interim financial reporting”. The condensed consolidated half-year financial statements must be read together with the consolidated yearly financial statements of the ADR Group as of December 31, 2013, which were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (“IASB”) and adopted by the European Union.

The accounting statements are the same as those adopted in the consolidated yearly financial statements as of December 31, 2013.

For each item in the consolidated financial statements, the corresponding value of the previous year is reported for comparison purposes. As the consolidated financial statements as of December 31, 2013 were the first that the Group drew up in accordance with IFRS, the financial and economic data and the change in equity of the first half of 2013 were recalculated for comparative purposes, in compliance with IFRS. For an analysis of the conversion of the afore-mentioned data according to IFRS, reference is made to Note 13.

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

3. Consolidation area and principles

The condensed consolidated half-year financial statements include the financial statements of ADR and its subsidiary undertakings for the year ending June 30, 2014.

Compared to December 31, 2013, the consolidation area has changed only after the inclusion of the newly established subsidiary undertaking Airport Cleaning S.r.l. Annex 1 “List of equity investments” lists the companies included in the consolidation area.

For consolidation purposes, the accounting situations of the subsidiary undertakings were used, approved by the relevant Board of Directors[1] and the Sole Directors, adjusted on the basis of the IFRS standards adopted by the Group.

The consolidation principles are the same applied to the preparation of the consolidated financial statements for the year ended December 31, 2013, to which reference is made.

4. Accounting standards applied

In preparing the condensed consolidated half-year financial statements as of June 30, 2014, the same accounting standards and valuation criteria applied in preparing the consolidated financial statements for the year ended December 31, 2013, were used, to which reference is made for an analytical description of these standards and criteria.

Therefore, the accounting standards applied in preparing this document have not changed significantly compared to those adopted in preparing the consolidated financial statements for the year ended December 31, 2013, as, during the first six months of 2014, no new accounting standards, new interpretations or amendments to the applicable standards came into force, which had a significant impact on the consolidated financial statements of the ADR Group.

[1] Regarding ADR Advertising S.p.A., for consolidation purposes, the accounting data included in the reporting package specifically prepared by the company was used.

For complete information, it is specified that the accounting standards and/or the amendments to already enforced accounting standards and interpretations listed below are applicable from January 1, 2014:

- **IFRS 10 – Consolidated financial statements and IFRS 12 – Disclosure of interests in other entities**. IFRS 10 replaces the old IAS 27 and SIC 12 and contains a new definition of control as well as the methodologies to be used to prepare the financial statements according to IFRS, already contained in the old IAS 27 and which were not amended. According to IFRS 10 an investor controls an entity when it is exposed, or holds the right, to variable returns on its investment in the entity and has the ability to change these returns through its power on the entity. Finally, IFRS 10 refers to the new IFRS 12 regarding information to be provided in the statements as regards equity investments owned in other companies. This last standard envisages the mandatory information the entity drawing up the financial statements must provide as regards equity investments in subsidiary undertakings and associates as well as the joint arrangements (under the new IFRS 11 illustrated below). The disclosure requirements provided for by IFRS 12 do not apply to the condensed half-year financial statements, unless significant events and/or transactions that took place in the period imply the need to provide such disclosure. Consequently the Group did not provide the disclosure pursuant to IFRS 12 in the condensed consolidated half-year financial statements;
- **IFRS 11 – Joint Arrangements**. This standard replaced IAS 31 and SIC 13, providing for the entity that is a party to a joint arrangement to determine the type of arrangement in which it is involved by assessing its rights and obligations deriving from the arrangement. A joint arrangement is an arrangement of which two or more parties have joint control; the standard defines joint control as the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (which significant influence the returns of the arrangement) require the unanimous consent of the parties sharing control. According to IFRS 11, joint arrangements can be classified into two types: (i) a joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets (and obligations for the liabilities), relating to the arrangement; (ii) a joint venture is a joint arrangement whereby the parties have rights to the net assets of the arrangement. From an accounting standpoint, for joint operation arrangements IFRS 11 provides for the recognition of the assets/liabilities and the revenues/costs connected to the arrangement based on the rights/obligations of the participant, to be measured on the basis of the IFRSs applicable to these items. For joint venture arrangements, on the other hand, the new standard requires that these are accounted for based on the equity method set by IAS 28;
- **IAS 28 – Investments in associates and joint ventures**. The changes made to the standard take into account the introduction of the new IFRS 11 and have led to the introduction of the obligation to apply the equity method to the valuation of equity investments in joint ventures;
- **Recoverable Amount Disclosures for Non-Financial Assets – Amendments to IAS 36**. The amendments introduced essentially clarified the information to be provided with regard to the recoverable value of non-financial assets, and simplified the disclosures to be made for the recoverable amount of the CGUs for which impairment has not been accounted for;
- **Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39**. The changes made to the standard concern the introduction of some exemptions from the hedge accounting requirements defined by IAS 39 in case an existing derivative must be replaced with a new derivative that has a central counterparty (Central Counterparty – CCP), directly or indirectly, by law or regulation.

- **Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32**. The amendments clarify the meaning of “currently has a legally enforceable right to set off” and the offsetting criterion in case of settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous.

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

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

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

5. Concession Agreement

Concessionary Relationship

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

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

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

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

Duration of the Concession

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

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

Subject matter of the Concession

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

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

Income

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

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

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

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

Concession fees

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

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

Disputes were started on the subject in 2003; reference is made to Note 9.5 Litigation.

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

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

The asset regime

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

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

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

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013
Assets received under the concession at Fiumicino	119,812	119,812
Assets received under the concession at Ciampino	29,293	29,293
Assets completed on behalf of the State (*)	698,962	697,343
TOTAL	**848,067**	**846,448**

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

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

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

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

6.1 Tangible assets

(THOUSANDS OF EUROS)			12.31.2013				CHANGES			06.30.2014
	COST	ACC. AMORT.	NET VALUE	INVESTMENTS	AMORTIZATION	OTHER CHANGES	DISPOSALS	COST	ACC. AMORT.	NET VALUE
Plant and machinery	43,094	(38,779)	4,315	469	(939)	2,192	(11)	45,665	(39,639)	6,026
Industrial and commercial equipment	10,069	(9,255)	814	151	(305)	478	0	10,698	(9,560)	1,138
Other assets	20,920	(19,103)	1,817	592	(422)	88	0	21,084	(19,009)	2,075
Work in progress and advances	2,878	0	2,878	1,898	0	(2,758)	0	2,018	0	2,018
TOTAL TANGIBLE ASSETS	**76,961**	**(67,137)**	**9,824**	**3,110**	**(1,666)**	**0**	**(11)**	**79,465**	**(68,208)**	**11,257**

Tangible assets, equaling 11,257 thousand euros (9,824 thousand euros as of December 31, 2013) rose in the six months by 1,433 thousand euros due mainly to investments, partly offset by the depreciation for the period of 1,666 thousand euros.

Investments of 3,110 thousand euros mainly refer to:

- within the category Plant and machinery (469 thousand euros) to transport vehicles and the like;
- within the category Industrial and commercial equipment (151 thousand euros) to cleaning equipment (150 thousand euros);
- within the category Other assets (592 thousand euros) to electronic machinery (580 thousand euros);
- within the category work in progress and advances (1,898 thousand euros), and advertising equipment for 712 thousand euros and safety equipment for 773 thousand euros.

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

The guarantees provided by the ADR Group to some financers, concerning movable property (such as plant, machinery and instruments, etc.), are described in Note 8 - Guarantees and covenants on medium-long term liabilities of these Explanatory Notes.

6.2 Intangible assets

(THOUSANDS OF EUROS)	12.31.2013			CHANGES			06.30.2014		
	COST	ACC. AMORT.	NET VALUE	INVESTMENTS	AMORTIZATION	OTHER CHANGES	COST	ACC. AMORT.	NET VALUE
Concession fees									
Airport management concession - rights acquired	2,167,966	(664,814)	1,503,152	0	(24,642)	0	2,167,966	(689,456)	1,478,510
Airport management concession - investments in infrastructure	572,076	(112,192)	459,884	12,849	(6,154)	0	584,925	(118,346)	466,579
	2,740,042	(777,006)	1,963,036	12,849	(30,796)	0	2,752,891	(807,802)	1,945,089
Other intangible assets	44,380	(38,104)	6,276	2,046	(1,457)	(10)	46,416	(39,561)	6,855
TOTAL INTANGIBLE ASSETS	**2,784,422**	**(815,110)**	**1,969,312**	**14,895**	**(32,253)**	**(10)**	**2,799,307**	**(847,363)**	**1,951,944**

Intangible assets, equal to 1,951,944 thousand euros (1,969,312 thousand euros as of December 31, 2013) reduced by 17,368 thousand euros mainly due to the amortization for the six months, equal to 32,253 thousand euros, only partly offset by the investments equal to 14,895 thousand euros.

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

- Airport management concession - rights acquired: represents the value of the airport management concession, and reflects the difference between the price paid for ADR's shares by Leonardo S.p.A. (incorporated in Leonardo effective January 1, 2001) compared to the pro-rata value of shareholders' equity.
- Airport management concession - investments in infrastructure: includes the activities to create new infrastructure and/or improve and enhance the existing airport infrastructure carried out by the ADR Group.

The investments in the Airport management concession - investments in infrastructure equal 12,849 thousand euros and relate to construction services provided in the period on infrastructure in concession. In applying IFRIC 12, in the income statement the costs connected to these investments are recorded, as well as the fair value of the related construction services carried out.

Worth noting are:

- works to create departure area F (formerly Pier C) for 6.2 million euros;
- civil work operations on buildings for 1.6 million euros;
- works on aprons in Western Area for 0.8 million euros;
- work at Boarding Area A for 0.6 million euros.

The Other intangible assets, equal to 6,855 thousand euros (6,276 thousand euros as of December 31, 2013), include the rights to use the property rights, concessions, licenses, trademarks and similar rights. The investments for the six months, equal to 2,046 thousand euros, mainly refer to the implementation of airport systems, the evolutionary maintenance of the accounting system and the acquisition of licenses.

6.3 Equity investments

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	CHANGE
ASSOCIATED UNDERTAKINGS			
Consorzio E.T.L. (in liquidation)	0	0	0
Ligabue Gate Gourmet Roma S.p.A. (insolvent)	0	0	0
Consorzio Agere	3	3	0
	3	**3**	**0**
OTHER COMPANIES			
Aeroporto di Genova S.p.A.	894	894	0
S.A.CAL. S.p.A.	1,307	1,307	0
Leonardo Energia – Società Consortile a r.l.	1	1	0
	2,202	**2,202**	**0**
TOTAL	**2,205**	**2,205**	**0**

The guarantees provided by the ADR Group to some financers, concerning the shares and stakes held by ADR in the capital of the subsidiary undertakings, are described in Note 8 - Guarantees and covenants on medium-long term liabilities of these Explanatory Notes.

6.4 Other current and non-current financial assets

Other non-current financial assets equal 4,397 thousand euros (4,885 thousand euros as of December 31, 2013) and refer to ancillary charges incurred on the revolving facility booked to the income statement pro-quota based on the duration of the facility.

The Other current financial assets, equal to 12,196 thousand euros (26,166 thousand euros as of December 31, 2013), include the following items:

- the balance of the Debt Service Reserve Account of 11,496 thousand euros (24,876 thousand euros as of December 31, 2013). The decrease compared to the end of 2013 (-13.4 million euros) is the consequence of the repayment of all the funding lines (except for A4) for which the debt service in the period was guaranteed, as established by the "Romulus Finance" financial contracts, also through the establishment and update of this reserve. Based on this type of contracts (currently applicable to the A4 tranche only), the "Debt Service Reserve Account" is a term current account in the name of the Security Agent in which the Company is obliged to keep a sum as security for debt servicing, to be adjusted every six months (periods March 20 – September 19 and September 20 – March 19);
- current financial prepayments for 700 thousand euros (1,257 thousand euros as of December 31, 2013) entirely referred to the premium paid to AMBAC Assurance UK (1,139 thousand euros as of December 31, 2013), the monoline insurance company that guarantees the A4 bond tranche issued by Romulus Finance in 2003.

6.5 Deferred tax assets

The Deferred tax assets, equal to 132,121 thousand euros (136,685 thousand euros as of December 31, 2013), are shown net of deferred tax liabilities that can be offset. The nature of the temporary differences that determined the net deferred tax assets is illustrated in the table below.

(THOUSANDS OF EUROS)	12.31.2013	CHANGES DURING THE PERIOD				06.30.2014
		PROVISIONS	RELEASES	DEFERRED TAX ASSETS/DEFERRED TAX LIABILITIES ON INCOME AND CHARGES RECORDED IN THE SHAREHOLDERS' EQUITY	RATE CHANGE EFFECT	
DEFERRED TAX ASSETS						
Allocation to (use of) the Provisions for renovation of airport infrastructure	103,585	7,492	(4,204)		(1,150)	105,723
Allocation to allowance for obsolete and slow moving goods	11	14				25
Allocations to provisions for doubtful accounts	18,768	916	(6,619)			13,065
Staff provisions	4,890	1,121	(1,340)	493		5,164
Amortized cost and Derivative instruments	17,514	72	14	4,214		21,814
Allowances for risks and charges	8,090		(1,213)		(95)	6,782
Other	1,116	214	(377)			953
TOTAL DEFERRED TAX ASSETS	153,974	9,829	(13,739)	4,707	(1,245)	153,526
DEFERRED TAX LIABILITIES THAT CAN BE OFFSET						
Application of IFRIC 12	17,289	5,490	(1,162)		(212)	21,405
TOTAL DEFERRED TAX LIABILITIES	17,289	5,490	(1,162)		(212)	21,405
TOTAL NET DEFERRED TAX ASSETS	**136,685**	**4,339**	**(12,577)**	**4,707**	**(1,033)**	**132,121**

The changes of the first half of 2014 mainly refer to the uses of the provisions for doubtful loans recorded after the transactional agreements finalized with customers in the period considered, and to the allocation to and use of provisions for renovation of airport infrastructure and the other effects of applying IFRIC 12 on fixed assets.

The “rate change effect” considers the adjustment of Deferred tax assets consequent to the 0.4% reduction in the IRAP rate introduced by Law Decree 66/2014.

6.6 Other non-current assets

Other non-current assets, equal to 465 thousand euros (466 thousand euros as of December 31, 2013), refer to guarantee deposits.

6.7 Commercial activities

Commercial activities, equal to 213,298 thousand euros (203,513 thousand euros as of December 31, 2013), include:

- inventories (equal to 2,421 thousand euros, 2,358 thousand euros as of December 31, 2013) comprising consumable materials, clothing, spare parts, fuel, telephone material, etc. The guarantees provided by ADR to some financers, concerning the inventories are described in Note 8 - Guarantees and covenants on medium-long term liabilities of these Explanatory Notes;

- assets for contract work in progress (equal to 276 thousand euros, 255 thousand euros as of December 31, 2013) refer to the work in progress for design and work management of ADR Engineering towards third parties;
- trade receivables (equal to 210,601 thousand euros, 200,900 thousand euros as of December 31, 2013) are broken down in the table below:

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	CHANGE
Due from clients	245,688	262,413	(16,725)
Due from parent companies	89	56	33
Receivables for construction services	18,633	15,096	3,537
Other trade receivables	2,731	1,007	1,724
TOTAL TRADE RECEIVABLES, GROSS OF THE PROVISIONS FOR DOUBTFUL ACCOUNTS	267,141	278,572	(11,431)
Provisions for doubtful accounts	(48,846)	(69,660)	20,814
Provisions for overdue interest	(7,694)	(8,012)	318
TOTAL PROVISIONS FOR DOUBTFUL ACCOUNTS	(56,540)	(77,672)	21,132
TOTAL TRADE RECEIVABLES	**210,601**	**200,900**	**9,701**

"Due from clients" (gross of provisions for doubtful loans) total 245,688 thousand euros and recorded a negative change of 16,725 thousand euros, attributable to the combined effect of the reduction of 25,521 thousand euros deriving from the use of the provisions for doubtful loans recorded after the transactional agreements finalized with customers in the period considered, and a net increase in gross amounts due from clients of 8,796 thousand euros. This increase, which reflects an expansive effect deriving from the seasonal trend, was also determined by the introduction of the Regional tax on aircraft noise (IRESA) (+17.5 million euros) – on this point see Note 6.18 Other current liabilities – partly offset by the payment of 9.2 million euros made by the extraordinary administration of the Alitalia Group valid on the prededuction receivables, the reduction in due from clients for surtax on fees and the decreased exposure to the main customer of the Group.

Following the payment mentioned above, the amounts to the ADR Group from the companies of the Alitalia group under special administration equal 11.1 million euros. For the amounts due from Alitalia S.p.A. under special administration, worth remembering is that in 2011 the surety of 6.3 million euros was enforced, issued by Alitalia/CAI to secure the amounts due to ADR from Alitalia S.p.A. under special administration (as well as to the aircraft owned by lessors, obliged in a fair manner) in order to allow the aircraft owned by the lessors to reach Alitalia/CAI free from claims of seizure for protection purposes made by ADR. The amount enforced and collected was posted under the Other current liabilities.

The receivables for construction services (gross of the provisions for doubtful accounts), equal to 18,633 thousand euros, include the receivables for invoices issued and to be issued for work in progress, largely relating to the state-financed portion of construction works in departure area F (formerly new Pier C).

The other trade receivables (2,731 thousand euros and 1,007 thousand euros as of December 31, 2013) refer to prepaid expenses of a commercial nature.

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

(THOUSANDS OF EUROS)	12.31.2013	INCREASES	DECREASES	06.30.2014
Provisions for doubtful accounts	69,660	4,389	(25,203)	48,846
Provisions for overdue interest	8,012	0	(318)	7,694
TOTAL PROVISIONS FOR DOUBTFUL ACCOUNTS	**77,672**	**4,389**	**(25,521)**	**56,540**

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

The guarantees provided by the ADR Group to some financers, concerning the receivables are described in Note 8 - Guarantees and covenants on medium-long term liabilities of these Explanatory Notes.

6.8 Current tax assets and liabilities

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

	ASSETS			LIABILITIES		
(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	CHANGE	06.30.2014	12.31.2013	CHANGE
Due from/to parent companies for tax consolidation	7,787	7,629	158	1,654	0	1,654
IRES	216	299	(83)	0	15,776	(15,776)
IRAP	0	18	(18)	2,102	1,989	113
TOTAL	**8,003**	**7,946**	**57**	**3,756**	**17,765**	**(14,009)**

Current tax assets, equal to 8,003 thousand euros (7,946 thousand euros as of December 31, 2013), comprise 7,625 thousand euros of the receivable from the parent company Atlantia for the application for refund regarding the higher IRES paid in the taxation periods 2007-2011 due to the non deduction of IRAP on staff costs.

Current tax liabilities equal 3,756 thousand euros (17,765 thousand euros as of December 31, 2013) and comprise:

- the payable to the parent company, in relation to the participation in the tax consolidation of the Group, for 1,654 thousand euros, corresponding to the IRES tax burden estimated in the six months, net of the advances paid; for further information on the tax consolation please see Note 7.7 Income taxes;
- the IRAP payable for 2,102 thousand euros deriving from the estimated taxes for the six months, net of the advances paid.

6.9 Other current assets

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	CHANGE
Due from parent companies	4,225	4,225	0
Due from associated undertakings	482	482	0
Due from tax authorities	26,297	23,752	2,545
Due from others	3,135	2,616	519
TOTAL OTHER CURRENT ASSETS	**34,139**	**31,075**	**3,064**

"Due from parent companies", equal to 4,225 thousand euros, refers to the tax indemnity issued by the parent company for the dispute with the Customs Office relating to the sales made at duty free shops in the period 1993-1998, in relation to its enforcement upon the finalization of ADR's conviction, with the ruling of the Supreme Court mentioned of September 2013.

Due from tax authorities, equal to 26,297 thousand euros (23,752 thousand euros as of December 31, 2013), mainly include:

- the VAT credit for 16,260 thousand euros, up by 2.5 million euros with respect to December 31, 2013;
- due from tax authorities for 9,580 thousand euros, equal to the best estimate of the taxes (and the relevant collection charges and interest) regarding the period 1/1/1993-3/23/1995, recognized as limited by the Supreme Court mentioned above, within the dispute with the Customs Office (for more information see Note 9.5 Litigation).

6.10 Cash and cash equivalents

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	CHANGE
Bank and post office deposits	247,876	789,173	(541,297)
Cash and notes in hand	139	137	2
TOTAL CASH AND CASH EQUIVALENTS	**248,015**	**789,310**	**(541,295)**

Cash and cash equivalents, amounting to 248,015 thousand euros, have decreased by 541,295 thousand euros compared to December 31, 2013 as a consequence of the use of the available liquidity allocated to the repayment of the medium/long-term loans anchored to the contractual structure "Romulus" of 2003: bank Term Loan 2012, Banca Intesa and EIB – occurring in January; Tranche A2 and A3 of the Romulus Finance issue of 2003 – occurring in March. The overall effect on cash was in any case mitigated by the positive cash flow generated in the period considered.

ADR's liquidity from operations is held in an account called "Proceeds Account", subject to the guarantees contractually provided in favor of the secured facilities (currently the A4 tranche only), except for a residual amount available as of June 30, 2014 of 23.3 million euros credited on ADR's bank account and not subject to the constraints or guarantees deriving from the financial contracts.

The balance of the account called "loan collateral" was zeroed in the six months; it had 37.9 million euros as of December 31, 2013, constrained to the repayment, already occurred, of tranches A2 and A3 of the Romulus Finance bonds.

The guarantees provided by the ADR Group to some financers concerning the cash on hand in banks are described in Note 8 - Guarantees and covenants on medium-long term liabilities of these Explanatory Notes.

6.11 Shareholders' equity

The shareholders' equity of the ADR Group as of June 30, 2014 amounts to 1,008,699 thousand euros (948,321 thousand euros as of December 31, 2013), while the minority interests in shareholders' equity amount to 944 thousand euros (1,039 thousand euros as of December 31, 2013) and refer to the third-party shareholders of ADR Advertising.

The shareholders' equity is broken down as follows:

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	CHANGE
Share capital	62,225	62,225	0
Share premium reserve	667,389	667,389	0
Legal reserve	12,462	12,462	0
Cash flow hedge reserve	(56,397)	(45,287)	(11,110)
Other reserves and retained earnings	250,755	161,884	88,871
Net income for the period	72,265	89,648	(17,383)
TOTAL GROUP SHAREHOLDERS' EQUITY	1,008,699	948,321	60,378
Share capital and reserves	1,039	775	264
Net income for the period	(95)	264	(359)
TOTAL MINORITY INTERESTS IN SHAREHOLDERS' EQUITY	944	1,039	(95)
TOTAL SHAREHOLDERS' EQUITY	**1,009,643**	**949,360**	**60,283**

As of June 30, 2014 ADR's share capital, wholly subscribed and paid up, amounts to 62,224,743 euros, represented by 62,224,743 shares with a par value of 1 euro each.

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

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

Pursuant to IFRS 2, the value accrued in the period of the fair value of the remuneration plans based on shares resolved by the Board of Directors of the Parent Company Atlantia also in favor of employees and directors of the ADR Group, equal to 523 thousand euros, was booked to the income statement under payroll costs and costs for services, counterbalanced by an increase in the specific shareholders' equity reserve, classified in the item "other reserves and retained earnings". For information on the remuneration plans based on shares reference is made to Note 11 Other information.

6.12 Provisions for employee benefits

Provisions for employee benefits are 23,314 thousand euros (21,665 thousand euros as of December 31, 2013) of which 22,417 thousand euros non-current, and consist of an employee severance indemnity provision, governed by art. 2120 of the Italian Civil Code, which includes the estimate of the bond, determined based on actuarial techniques, relating to the amount to be paid to ADR employees when terminating the employment relationship. The change in the employee severance indemnity provision is shown in the following table.

(THOUSANDS OF EUROS)		1ST HALF 2014
INITIAL VALUE OF THE EMPLOYEE SEVERANCE INDEMNITY PROVISION		**21.665**
Current cost	191	
Interest payable	195	
Total costs recorded in the income statement		386
Liquidation / Releases		(443)
Actuarial gains/losses recognized in the comprehensive income statement		1,792
Other changes		(86)
FINAL VALUE OF THE EMPLOYEE SEVERANCE INDEMNITY PROVISION		**23,314**
of which:		
non-current share		22,417
current share		897

Summarized below are the main assumptions made for the actuarial estimate process regarding the employee severance indemnities at June 30, 2014:

FINANCIAL ASSUMPTIONS	1ST HALF 2014	1ST HALF 2013
Discounting rate	1.63%	3.2%
Inflation rate	2.0%	2.0%
Annual rate of increase in employee severance indemnities	3%	2.7%
Annual rate of pay increase	0.2%	2.5%
Annual turnover rate	1.0%	1.2%
Annual rate of disbursement of advances	1.4%	1.4%

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

DEMOGRAPHIC ASSUMPTIONS	2014/2013
Mortality	ISTAT indices reduced to 85%
Inability	INPS tables reduced to 70%
Retirement	General Compulsory Insurance requirements

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

The Provisions for renovation of airport infrastructure, equal to 300,456 thousand euros (287,513 thousand euros at December 31, 2013), of which 134,986 thousand euros for the current share (107,129 thousand euros at December 31, 2013), include the current value of the updated estimate of the charges to be incurred for extraordinary maintenance recoveries and replacements in the face of the contractual obligation set by the airport concession signed by the granting Administration with the aim of ensuring the due functionality and safety of the airport infrastructure.

Reported below is the analysis of the changes during the six months.

(THOUSANDS OF EUROS)	12.31.2013	PROVISIONS	DISCOUNTING EFFECT	DECREASES FOR THE REVERSAL OF FUNDS IN EXCESS	OPERATING USES	06.30.2014
Provision for renovation of airport infrastructure	287,513	34,365	3,982	0	(25,404)	300,456
of which:						
current share	107,129					134,896
non-current share	180,384					165,560

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

The Other allowances for risks and charges are equal to 44,585 thousand euros (53,054 thousand euros at December 31, 2013), of which 14,078 thousand euros for the current share (14,492 at December 31, 2013). Reported below is the analysis of the breakdown of the item and the changes during the six months.

(THOUSANDS OF EUROS)	12.31.2013	PROVISIONS	DECREASES FOR THE REVERSAL OF FUNDS IN EXCESS	OPERATING USES	06.30.2014
Tax provisions	12,121				12,121
Provisions for current and potential disputes	38,749	17	(4,564)	(3,557)	30,645
Provisions for internal insurance	1,568		(365)		1,203
Restructuring	596				596
To cover investee companies' losses	20				20
TOTAL OTHER ALLOWANCES FOR RISKS AND CHARGES	**53,054**	**17**	**(4,929)**	**(3,557)**	**44,585**
of which:					
current share	14,492				14,078
non-current share	38,562				30,507

The tax provision, equal to 12,121 thousand euros, remained unchanged compared to December 31, 2013, and is in relation to the risk of a negative outcome of the pending cases regarding the dispute with UTF (now the Customs Office) on the tax and additional fee on electricity for the period 2002-2005 and 2007-2010, following the unfavorable decisions of the Supreme Court on some disputes already considered by the Court.

The provisions for current and potential disputes of 30,645 thousand euros (38,749 thousand euros at December 31, 2013) include the estimated charges that are expected to be incurred in connection with the disputes in progress at the end of the period. These provisions were used in the first half of 2014 for 3,557 thousand euros mainly for the settlement of two disputes; the provisions were also re-absorbed for an overall value of 4,564 thousand euros due to the decrease in some likely potential liabilities also following the successful conclusion of transactional agreements with the parties concerned.

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

6.15 Financial liabilities (current and non-current share)

(THOUSANDS OF EUROS)	06.30. 2014					12.31.2013		
	BOOK VALUE	CURRENT SHARE	NON-CURRENT SHARE	BETWEEN 1 AND 5 YEARS	OVER 5 YEARS	BOOK VALUE	CURRENT SHARE	NON-CURRENT SHARE
MEDIUM/LONG-TERM FINANCIAL LIABILITIES								
Bonds	851,470	0	851,470	0	851,470	1,215,699	374,779	840,920
Medium/long-term loans	0	0	0	0	0	228,589	228,589	0
Accrued expenses medium/long-term financial liabilities	6,143	6,143	0	0	0	4,123	4,123	0
TOTAL MEDIUM/LONG-TERM FINANCIAL LIABILITIES	857,613	6,143	851,470	0	851,470	1,448,411	607,491	840,920
FINANCIAL INSTRUMENTS - DERIVATIVES	136,139	104	136,035	0	136,035	130,898	253	130,645
TOTAL FINANCIAL LIABILITIES	**993,752**	**6,247**	**987,505**	**0**	**987,505**	**1,579,309**	**607,744**	**971,565**

Bonds

	12.31.2013				CHANGES	06.30.2014
(THOUSANDS OF EUROS)	BOOK VALUE	NEW LOANS RAISED	REPAYMENTS	EXCHANGE RATE DIFFERENCES	AMORTIZED COST EFFECT	BOOK VALUE
Bonds	1,215,699	0	(375,000)	9,989	782	851,470
current share	374,779					0
non-current share	840,920					851,470

Bonds are equal to 851,470 thousand euros (1,215,699 thousand euros at December 31, 2013). The change for the period, equaling 364,229 thousand euros, mainly refers to the voluntary early repayment, on March 20, 2014, of Tranches A2 and A3 of the bonds issued by the vehicle Romulus Finance in 2003, equal to 375 million euros.

Reported below is the main information regarding the bond issues existing as of June 30, 2014.

(THOUSANDS OF EUROS) NAME	ISSUER	PAR VALUE	CURRENCY	BOOK VALUE	INTEREST RATE	COUPON	REPAYMENT	DURATION	EXPIRY
A4 (*)	Romulus Finance	215,000 GBP	GBP	258,820	5.441%	every six months	expiring in	20 years	02/2023
€600,000,000 3.250% Notes exp. 02.20.2021	ADR	600,000	EUR	592,650	3.25%	yearly	expiring in	7 years and 2 months	02/2021
TOTAL BONDS				**851,470**					

(*) This is the par value of debt; the book value recorded in the financial statements (258.8 million euros) is affected by the adoption of the amortized cost method, the adjustment to the exchange rate at the end of the period of Class A4 in Pound Sterling, net of bonds A4 currently held by ADR, equal to 4 million Pound Sterling.

In addition to the bond issue carried out through the vehicle Romulus Finance, the bonds shown in the financial statements include the senior unsecured bond issue for 600 million euros issued on December 10, 2013 as part of the important plan adopted by ADR to refinance its financial debt.

The securities representing the bond issue of December 2013 were placed with qualified investors listed in the regulated market of the Irish stock exchange.

The bonds were issued by ADR with validity on its medium-term bond issue plan (Euro Medium Term Note Program - EMTN Program) approved by ADR in November 2013 for an overall amount of 1.5 billion euros.

It is through this issue that ADR refinanced in advance a large part of the secured medium-long term financial debt subscribed from 2003 and anchored to contracts characterized by particularly stringent constraints and covenants. In particular: Tranches A2 and A3 of the Romulus Finance bonds, the bank loan stipulated in 2012, the EIB loan and the Banca Intesa Sanpaolo facility (hereafter described in more detail) were repaid between January and March 2014 for a total principal amount of about 605 million euros.

At the time of issue, the senior unsecured bond issue was rated “BBB+”, “Baa3” and “BBB+” by the agencies Standard & Poor's, Moody's and Fitch, respectively.

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

(THOUSANDS OF EUROS)	06.30.2014		12.31.2013	
	BOOK VALUE	FAIR VALUE	BOOK VALUE	*FAIR VALUE*
Fixed rate	851,470	949,219	840,920	868,633
Floating rate	0	0	374,779	374,085
TOTAL BOND ISSUES	**851,470**	**949,219**	**1,215,699**	**1,242,718**

The fair value of the bond issues was determined on the basis of the market values available at June 30, 2014; in particular, the future interest flows were discounted on the basis of the standard discounting curves regarding liabilities (6-month Euribor and 6-month Libor GBP). A spread was also considered on the discounting curves to express the counterparty risk, in line with the situation on the recording date. It can be seen how, between the two dates compared in the table, the effect of the credit spread applied for the purpose of the assessment is such to determine an increase in the fair value that may be explained, on one side, with the additional improvement of the creditworthiness of the ADR Group, on the other, with the drop of the benchmark rates of the capital markets.

(THOUSANDS OF EUROS)	12.31.2013			CHANGES	06.30.2014
	BOOK VALUE	NEW LOANS RAISED	REPAYMENTS	AMORTIZED COST EFFECT	BOOK VALUE
Medium/long-term loans	**228,589**	0	(229,579)	990	**0**
non-current share	0				0
current share	228,589				0

Medium/long-term loans are equal to zero (228,589 thousand euros as of December 31, 2013). The variation of the six month period is due to the mentioned voluntary early repayment, on January 30, 2014, of the banking part of the pre−existing debt (Term loan of 2012, EIB of 2008 and Banca Intesa of 2003) for a total amount equal to 229.6 million euros.

The table below shows the current Revolving type line of banking credit subscribed by ADR in December 2013, with the indication of the expiration and the applicable rate. As of June 30, 2014 this line, still available, is not used.

(THOUSANDS OF EUROS)				06.30.2014					
FINANCER	NAME	AMOUNT GRANTED	AMOUNT USED (PAR VALUE)	BOOK VALUE	CURRENCY	RATE	REPAYMENT	DURATION	EXPIRY
Syndicate of banks	*Revolving Credit Facility*	250,000	0	0	EUR	variable index-linked to the Euribor + margin	revolving	5 years	12/2018
TOTAL MEDIUM/LONG-TERM LOANS			**0**	**0**					

Also this new revolving line of credit, like the new ADR debt deriving from the first bond issue carried out under the EMTN Program, is of the senior unsecured type and is aimed at ensuring suitable liquidity support for the Company's development plans in the next five years, . The syndicate of banks that granted this loan comprises: Banca Nazionale del Lavoro S.p.A., Barclays Bank Plc, Crédit Agricole Corporate & Investment Bank, Mediobanca – Banca di Credito Finanziario S.p.A. (Mediobanca), Natixis S.A., The Royal Bank of Scotland N.V., UniCredit S.p.A. and Société Générale - Milan Branch.

The interest rates applied to the Revolving Facility vary in relation to the level of ADR's rating. It is specified below how during the first half of 2014 the rating agencies supported the investment grade rating already expressed on ADR (S&P BBB+, Fitch BBB+ and Moody's Baa3), performing the following rating actions:

- on February 18, 2014, Moody's changed the outlook to "positive" from "stable", and
- on May 13, 2014, Standard & Poor's changed the outlook to "stable" from "negative".

The fair value of the medium-long term loans is shown in the table below and equals zero as of June 30, 2014 just as for the related book value.

(THOUSANDS OF EUROS)	06.30.2014		12.31.2013	
	BOOK VALUE	FAIR VALUE	BOOK VALUE	FAIR VALUE
Fixed rate	0	0	0	0
Floating rate	0	0	228,589	225,614
TOTAL MEDIUM/LONG-TERM LOANS	**0**	**0**	**228,589**	**225,614**

Derivatives with negative fair value

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013
Foreign currency hedging derivatives	56,772	67,132
Interest rate hedging derivatives	79,263	63,646
Interest accrual	104	120
TOTAL DERIVATIVES WITH NEGATIVE FAIR VALUE	**136,139**	**130,898**
non-current share	136,035	130,645
current share	104	253

Exchange rate and interest rate hedging derivatives

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

As of June 30, 2014, the ADR Group has a cross currency swap allowing the cash flows in euro regarding the payment of interest and the redemption of the A4 bond in Pounds Sterling to be stabilized.

The hedging contracts of the interest rate risk of the Term loan, existing as of December 31, 2013, were closed at the same time of the voluntary early repayment of the Term loan.

Below is a table summarizing the outstanding derivative contracts of the ADR Group at June 30, 2014.

									FAIR VALUE OF THE DERIVATIVE		CHANGE IN FAIR VALUE	
CONCESSIONAIRE	COMPANY	INSTRUM.	TYPE.	RISK COVERED	SUBSCR. DATE	EXP.	NOTIONAL VALUE COVERED	RATE APPLIED	AT 06.30.2014	AT 12.31.2013	TO THE INCOME STATEMENT	TO OCI
Mediobanca, UniCredit	Romulus Finance	CCS	CF	I	02/2013	02/2023	325,019	It receives a fixed rate of 5.441% and pays 3 month Euribor + 90bps until 12/2009, then pays a fixed rate of 6.4%	(79,263)	(63,512)	(293)	(15,458)
				C					(56,772)	(67,132)	10,360	0
									(136,035)	(130,644)	10,067	(15,458)
UniCredit, Mediobanca, Barclays, Natixis, BNP, Société Générale	ADR	IRS	CF	I	02/2013	06/2014	140,000	It receives 3 month Euribor. It pays a fixed rate of 0.48%	0	(134)	0	134

Total	**(136,035)**	**(130,778)**	**10,067**	**(15,324)**
Tax effect				4,214
TOTAL NET OF THE TAX EFFECT (*)				**(11,110)**
of which:				
Foreign currency hedging derivatives	(56,772)	(67,132)		
Interest rate hedging derivatives	(79,263)	(63,646)		

(*) Change in the hedging reserve

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

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

6.16 Other non-current liabilities

The other non−current liabilities are equal to 419 thousand euros (0 thousand euros as of December 31, 2013) and consist for 336 thousand euros of dues to personnel and 83 thousand euros of dues to social security agencies.

6.17 Trade payables

Trade payables are equal to 124,121 thousand euros (151,478 thousand euros at December 31, 2013).

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	CHANGE
Due to suppliers	101,759	138,084	(36,325)
Due to associated undertakings	971	971	0
Due to parent companies	538	165	373
Deferred income	12,205	2,050	10,155
Advances received	8,648	10,208	(1,560)
TOTAL TRADE PAYABLES	**124,121**	**151,478**	**(27,357)**

Due to suppliers equal 101,759 thousand euros, down 36,325 thousand euros. This trend derives from the higher volume of investments made during the last part of 2013, paid in 2014, compared to those made in the first half of this year. In addition, the progressive entry of the effects from the application in ADR of Legislative Decree 192 of 2012 that incorporates EU legislation for the protection of creditors.

Deferred income, equal to 12,205 thousand euros, rose by 10,155 thousand euros consequently to the advance billing of the sub-concession fees made in May.

6.18 Other current liabilities

The Other current liabilities are equal to 117,994 thousand euros (121,243 thousand euros at December 31, 2013).

The item is analyzed in the table below.

(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	CHANGE
Payables for taxes other than income taxes	70,583	70,312	271
Payables for firefighting services	4,257	7,023	(2,766)
Payables to personnel	9,943	10,293	(350)
Due to social security agencies	7,659	6,988	671
Payables for security deposits	8,854	8,725	129
Other payables	16,698	17,902	(1,204)
TOTAL OTHER CURRENT LIABILITIES	**117,994**	**121,243**	**(3,249)**

The Payables for taxes other than income taxes are equal to 70,583 thousand euros (70,312 thousand euros at December 31, 2013) and mainly include:

- payable for the passenger surcharges for 48,031 thousand euros (59,910 thousand euros at December 31, 2013). This amount was paid the following month after collection of municipal surcharge from carriers, while the outstanding amounts due are recorded in a contra-entry under receivables from clients. The surcharge on the passenger boarding fee charged to the carriers equals 7.5 euros per passenger, of which 5 euros allocated to INPS and one euro (commissarial surcharge) for the commissarial management of the Municipality of Rome. The decrease of 11.9 million euros of the payable for the surcharge compared to the end of 2013 reflects the correlated effect of the trend, in the period, of the corresponding fees from the carriers;
- payable of 19,872 thousand euros to the Lazio Regional Authority for IRESA. This new tax is charged by the Lazio Regional Authority to carriers, who are obliged to pay it to the airport management companies which, in line with the surcharges commented on above, must periodically pay them back to the Regional board. ADR started to charge this tax in May 2014, applicable from January 1, 2014, after the signing of the agreement for tax management of the tax with the Lazio Regional Authority on January 30, 2014;
- excise tax payable of 148 thousand euros (6,683 thousand euros as of 12.31.2013), whose reduction is attributable to payments made against some unfavorable rulings issued by the Supreme Court with reference to the period 2002-2006 in relation to the UTF (now the Customs Office) concerning taxation of the consumption, excise tax and surcharge on electricity.

The Payables for the firefighting service equal 4,257 thousand euros, with a reduction of 2,766 thousand euros in relation to the payment of the amount related to 2013, partly compensated by the portion pertaining to the six months in question.

The Other payables, equal to 16,698 thousand euros, include 14,126 thousand euros (14,115 thousand euros at December 31, 2013) of the payable to ENAC for the concession fee. The balance of this payable is aligned to the value of the end of 2013 since the portion pertaining to the first half of 2014 was offset by the payment of the second installment of 2013.

7. Information on the items of the consolidated income statement

7.1 Revenues

Revenues in the first half of 2014 equal 372,809 thousand euros (312,535 thousand euros in the first half of 2013) and are broken down as follows:

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
AERONAUTICAL		
Airport fees	184,115	144,315
Centralized infrastructures	6,197	9,912
Security services	36,018	34,204
Other	14,324	14,566
	240,654	202,997
NON-AERONAUTICAL		
Sub−concessions:		
properties and utilities	25,141	27,704
commercial - shops	47,981	43,440
advertising	4,476	6,065
Car parks	13,268	13,463
Other	6,029	7,260
	96,895	97,932
REVENUES FROM AIRPORT MANAGEMENT	337,549	300,929
REVENUES FROM CONSTRUCTION SERVICES	16,725	8,916
OTHER OPERATING INCOME	18,535	2,690
TOTAL REVENUES	**372,809**	**312,535**

Revenues from airport management, equal to 337,549 thousand euros, rose by 12.2% compared to 2013 due to the combined effect of the 18.6% growth of aeronautical activities, due to the application of the new the fee regime, which became effective from March 9, 2013 and the positive performance in terms of traffic, and the 1.1% decrease in the aeronautical segment. The trend of non-aeronautical activities is mainly related to the real estate activities (-9.3%) - affected by the new tariff system that restructured the fees previously assigned to this business in favor of the aeronautical sector - and to advertising activities (-26.2%), carried out with a different management model and still affected by the persisting negative economic situation the billboard advertising industry is suffering. A positive result was recorded with regard to commercial sub-concessions, where revenues grew by 10.5% compared to the same period of the previous year.

The revenues from construction services equal to 16,725 thousand euros (8,916 thousand euros in the first half of 2013) refer to revenues from construction services for self-funded works for 12,849 thousand euros (7,421 thousand euros in the comparison period) and revenues for construction services for works funded by the government (Pier C) for 3,876 thousand euros (1,495 thousand euros in the six month period of 2013). Consistently with the accounting model adopted, according to the application of accounting standard IFRIC 12, these revenues, which represent the consideration due for the activity performed, are measured at fair value, determined on the basis of the total costs incurred (external costs mainly).

Other operating income equal to 18,535 thousand euros (2,690 thousand euros in the first half of 2013) is broken down as follows:

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
Grants and subsidies	106	63
Gains on disposals	2	3
Other:		
Reabsorption of funds:		
- provisions for overdue interest	7	1
- other allowances for risks and charges	4,929	0
Expense recoveries	1,816	2,193
Damages and compensation from third parties	444	78
Other income	11,231	352
TOTAL	**18,535**	**2,690**

The Other income item includes the non-operating income of 10.4 million euros collected by the extraordinary administration of Alitalia against privileged alleged amounts due and that ADR had posted as a loss in 2008, following the admission of the company to the extraordinary administration procedure.

7.2 Consumption of raw materials and consumables

The item Consumption of raw materials and consumables is equal to 14,426 thousand euros (16,807 thousand euros in the comparison period). The details are reported in the table below.

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
Fuel and lubricants	1,562	1,524
Electricity	12,443	13,954
Consumables and various spare parts	421	1,329
TOTAL	**14,426**	**16,807**

The reduction of 2,381 thousand euros mainly relates to the purchase price of electricity, consequently to the lower consumption and lower prices.

7.3 Service costs

Service costs equal 87,557 thousand euros (93,911 thousand euros in six month period of 2013). The details are reported in the table below.

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
Costs for maintenance	15,855	14,721
Costs for renovation of airport infrastructure	25,011	40,647
External service costs	3,958	3,535
Costs for construction services	13,137	7,172
Cleaning and disinfestations	9,172	8,778
Professional services	5,794	6,259
Firefighting services	4,241	4,008
Other costs	9,653	8,112
Remuneration of Directors and Statutory Auditors	686	389
Adjustments of costs for services of previous years	50	290
TOTAL SERVICE COSTS	**87,557**	**93,911**

The decrease of 6,354 thousand euros is mainly attributable to the lower costs incurred for the renewal of the airport infrastructure (15.6 million euros), partly offset by the higher costs for construction services (6.0 million euros), ordinary maintenance (1.1 million euros) and cleaning (0.4 million euros) and advertising and promotional initiatives, included in the Other costs (1.5 million euros).

7.4 Payroll costs

Payroll costs equal 59,508 thousand euros (56,601 thousand euros in the comparison period). The details are reported in the table below.

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
Salaries and wages	43,753	42,237
Social security charges	12,459	12,007
Post-employment benefits	2,600	2,517
Previous years payroll costs adjustments	(164)	(888)
Other costs	860	728
TOTAL PAYROLL COSTS	**59,508**	**56,601**

Payroll costs increased by 2.9 million euros due to the higher average headcount of the Group (+103.3 FTE) compared to the six month period in 2013, chiefly due to the start of the operations of Airport Cleaning, the improvement of the service quality provided to passengers, the creation of the infrastructural plan and enhancement of the staff areas.

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

AVERAGE HEADCOUNT	1ST HALF 2014	1ST HALF 2013	CHANGE
Managers	49.8	44.9	4.9
Administrative staff	186.5	180.1	6.4
White-collar	1,504.4	1,459.3	45.1
Blue-collar	453.5	406.6	46.9
TOTAL	**2,194.2**	**2,090.9**	**103.3**

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

AVERAGE HEADCOUNT	1ST HALF 2014	1ST HALF 2013	CHANGE
ADR S.p.A.	1,047.6	1,014.3	33.3
ADR Engineering S.p.A.	39.3	31.3	8.0
ADR Tel S.p.A.	31.5	15.0	16.5
ADR Advertising S.p.A.	0.0	8.0	(8.0)
ADR Assistance S.r.l.	240.8	246.5	(5.7)
ADR Security S.r.l.	743.6	718.7	24.9
ADR Mobility S.r.l.	56.1	57.1	(1.0)
Airport Cleaning S.r.l.	35.3	0.0	35.3
TOTAL	**2,194.2**	**2,090.9**	**103.3**

7.5 Other operating costs

The other operating costs equal 32,902 thousand euros (25,707 thousand euros in the comparison period). The details are reported in the table below.

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
Concession fees	14,409	13,190
Expenses for leased assets	1,519	1,570
Allocation to (use of) the provisions for renovation of airport infrastructure	8,961	(2,763)
Allocations to allowances for risks and charges	17	4,103
Other costs:		
Allocations to provisions for doubtful accounts	4,389	6,389
Indirect taxes and levies	2,616	2,654
Other expenses	991	564
TOTAL OTHER OPERATING COSTS	**32,902**	**25,707**

Concession fees, equal to 14,409 thousand euros, increased by 1.2 million euros due to the rising airport management fee applied with the enforcement of the Planning Agreement, as well as the increase in traffic.

The item Allocation to (use of) the provisions for renovation of airport infrastructure includes the allocation to the provisions for renovation of airport infrastructure, recorded net of the uses against the costs incurred in the six month period (mainly service costs); these costs are classified in the corresponding item of the income statement. For more details reference should be made to Note 6.13.

7.6 Financial incomes (expenses)

The item financial incomes (expenses) equals -28,939 thousand euros (-33,172 thousand euros in the first half of 2013). The tables below provide details on the financial income and expenses.

Financial incomes

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
Interest on bank deposits and loans	1,119	651
TOTAL FINANCIAL INTEREST INCOME	1,119	651
Valuation of derivatives	10,360	581
TOTAL INCOME ON DERIVATIVES	10,360	581
Interest on overdue current receivables	0	4
Interest from clients	1	1
Other incomes	62	55
TOTAL OTHER INCOME	63	60
TOTAL FINANCIAL INCOMES	**11,542**	**1,292**

"Interest on bank deposits and loans", totaling 1,119 thousand euros, rose by 468 thousand euros compared to the comparison period, due to higher average liquidity held during the first half of 2014 and the increase in benchmark interest rates.

The income from Valuation of derivatives reflects the change occurring in the first half of 2014 in the fair value of the cross currency swap contracts for the hedging component against the changes of the Euro/Sterling exchange rate that affects the A4 bonds issued in Pound sterling (shown in Note 6.15).

The negative changes of the exchange rate for the period led to a positive change of the fair value of the derivative, which almost completely balanced – excluding the residual ineffective component correlated to the irrelevant portion of A4 owned by ADR - the accounting of an exchange rate loss (on this point see the subsequent Foreign exchange gains/loss table) equal to 10.1 million euros.

On the contrary in the first half of last year, the positive trend of the exchange rate had led to a negative change of the fair value of the derivative (12.6 million euros), balanced, net of 581 thousand euros of income correlated to the mentioned ineffective component, in a corresponding recording of foreign exchange gains.

Financial expenses

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
FINANCIAL EXPENSES FROM DISCOUNTING PROVISIONS FOR RENOVATION OF AIRPORT INFRASTRUCTURE	3,982	7,269
Interest on outstanding bonds	20,481	17,202
Interest on medium/long-term loans	1,464	4,454
Effects of applying the amortized cost method	2,260	3,218
Other financial interest expenses	5	22
TOTAL FINANCIAL INTEREST EXPENSE	24,210	24,896
Valuation of derivatives	293	12,631
IRS differentials	1,809	1,826
TOTAL EXPENSES ON DERIVATIVES	2,102	14,457
Financial expenses from discounting employee benefits	195	233
Other expenses	0	4
TOTAL OTHER COSTS	195	237
TOTAL FINANCIAL EXPENSES	**30,489**	**46,859**

The Financial expenses from discounting provisions for renovation of airport infrastructure, equal to 3,982 thousand euros, includes the financial component for the discounting of the provision and dropped by 3,287 thousand euros consequently to the change in the rate applied.

Interest on outstanding bonds amounts to 20,481 thousand euros; the increase of 3,279 thousand euros is attributable to the EMTN bond loan issued in December 2013, whose effect is partly offset by the voluntary early repayment, on March 20, 2014, of Tranches A2 and A3 of the Romulus Finance bonds.

Interest on medium/long term loans equals 1,464 thousand euros, down 2,990 thousand euros in relation to the voluntary early repayment, on January 30, 2014, of all the credit facilities used – Term loan of 2012, EIB of 2008 and Banca Intesa of 2003.

For the notes on the Expense on derivatives please refer to the paragraph relating to the Financial incomes.

Foreign exchange gains (losses)

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
Foreign exchange gains	135	12,474
Foreign exchange losses	(10,127)	(79)
TOTAL FOREIGN EXCHANGE GAINS (LOSSES)	**(9,992)**	**12,395**

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

7.7 Income taxes

The income taxes equal 43,388 thousand euros (22,605 thousand euros in the first half of 2013). The item is analyzed in the table below.

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
CURRENT TAXES		
IRES	22,710	23,809
IRAP	9,270	8,821
	31,980	**32,630**
DIFFERENCES ON CURRENT TAXES OF PREVIOUS YEARS		
Income taxes of previous years	2,137	139
	2,137	**139**
DEFERRED TAX ASSETS AND LIABILITIES		
Deferred tax assets	5,155	(651)
Deferred tax liabilities	4,116	(9,513)
	9,271	**(10,164)**
TOTAL INCOME TAXES	**43,388**	**22,605**

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

The IRAP estimate considers the reduction of the rate by 0.4% introduced by Law Decree 66/2014 starting from 2014.

The Income taxes of previous years, equal to 2,136 thousand euros in the first half of 2014, include the amount paid after signing two acts of accession with Inland Revenue on May 16, 2014 to define what was ascertained for the tax period 2008. In particular, the highest taxes mainly refer to the recording relating to the requalification of the AMBAC premium as a charge compatible with interest payable.

The company believes that the above amount can be potentially recovered following the audit, which will be presumably carried out by the Inland Revenue in relation to the tax periods still open after 2008.

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

Finally, it should be noted that, given the absence of clear indications on the availability of tax provisions, the possible non-operating income of 1,610 thousand euros has been omitted from income statement data. This sum relates to an IRES rebate deriving from the 10% deduction of IRAP regarding the years from 2004 to 2007. Rebate applications were submitted by the consolidating company, ADR, for the years from 2004 to 2006, and by the consolidating company, Gemina S.p.A. (now Atlantia), for 2007, on February 1, 2010 and February 24, 2010, respectively.

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

The A4 bond tranche issued in 2003 by Romulus Finance is guaranteed by:

- a lien (in the form of a mortgage) on the plant, machinery, capital goods and goods constituting ADR's and ADR Mobility's inventory, as well as any receivables deriving from the sale of these assets;
- a lien on all receivables by ADR, ADR Mobility and ADR Security and, more generally, any right deriving from the contracts with clients and the insurance policies;
- a lien on ADR's, ADR Mobility's and ADR Security's bank current accounts;
- a lien on ADR's shareholdings in ADR Tel, ADR Advertising and ADR Assistance, ADR Mobility, ADR Security and Airport Cleaning;
- "ADR Deed of Charge" (a lien under British law on loans, hedging agreements and insurance policies governed by British law).

These guarantees will remain valid until the Romulus loan linked to the outstanding A4 bonds is extinguished.

In addition to the mentioned guarantees, the A4 Tranche, and in particular the reflecting loan that Romulus Finance granted to ADR (the "facility A4"), is governed by financial contracts that provide for a large number of contractual regulations, commitments and covenants assumed by the company during the securitization of the previous bank loan referring to the original privatization project of the company.

The operation to refinance Tranche A2 and A3 of Romulus Finance bonds, the bank Term Loan stipulated in 2012, the EIB loan and the Banca Intesa Sanpaolo facility – through the EMTN Program and the replacement of the revolving facility of May 31, 2012 with that of December 16, 2013, defines a new important turning point compared to the previous situation. For the first time since 2003 ADR only has a new unsecured debt with a system of covenants that is aligned to the standard applied to investment grade companies and thus redeemed by the previous Romulus structure. As mentioned previously, to date the latter still only has Tranche A4 anchored to it, expiring in 2023, which will exist until the repayment of the same, together with the new loan assumed at the end of 2013. The relationship between the various categories of ADR creditors continues to be governed by the pre-existing inter-credit agreement of February 20, 2003 (so-called ADR STID) as amended on November 29, 2013, however based on the new majority relationships among the various types of creditors.

Moreover, with the consent to the waiver for the refinancing obtained in November 2013 by ADR's creditors as part of ADR STID, a series of changes were made to the contracts of the original Romulus structure, with the objective, on the one side, of allowing different types of creditors and credit facilities to compatibly coexist, and, on the other side, of intervening on other contractual provisions that, in the original format of 2003, could have hindered the commitments taken by the company when signing the Planning Agreement, with special reference to the investment plan.

For this reason, today the system of covenants described here is applied only to the Tranche A4 of the Romulus Finance bonds:

- financial assets may only be acquired with the permission of creditors or via a “non-recourse vehicle”, and in any case only using authorized borrowing or liquidity;
- income from the sale of financial assets may be used for investment or, if not used within 12 months of collection, must be used to repay borrowings;
- dividends may only be distributed if specific financial ratios exceed contractually pre-established thresholds, and if no events of default or trigger events have occurred;
- further loans may only be undertaken (exceeding by 300 million euros the debt at June 30, 2013) if the above financial ratios exceed determined thresholds (higher than those required under normal lending conditions) and if the rating awarded to ADR is greater than pre-defined minimum levels;
- if a maturing line of credit is not repaid/re-financed at least 12 months before the maturity date, any surplus cash flow generated during this period must be allocated on a priority basis (based on defined proportions) to the repayment of borrowing according to the so-called retention regime. Furthermore, if certain financial ratios are not met 24 months ahead of maturity, a 24-month retention regime may come into force;
- if the financial covenants are below certain predetermined minimum thresholds, or if the rating is below the sub-investment grade level, or if other specific contractually defined critical situations occur, further restrictive measures relating to cash flow management are set in motion in order to protect creditors from the risk of default by ADR.

Moreover, the financial agreements that govern Romulus Finance bonds and the new Revolving facility provide for the compliance with financial covenants that measure: (i) the Debt Service Coverage Ratio (DSCR), measuring the ratio between available cash flow and debt servicing and (ii) the Leverage Ratio that is the ratio between net debt and gross operating income. Romulus Finance agreements only include another index (CLCR) measuring the ratio between discounted future cash flows and net debt.

These ratios are checked twice a year, on the application dates of March 20 and September 20, by applying the calculation methods of the respective ratios to the relative data at December 31 and June 30.

The respect of certain thresholds that are higher than the specific levels allows the distribution of the dividends and the resorting to further borrowing; if, on the other hand, the ratios fall below specific minimum thresholds, a trigger event or an event of default may occur.

The closing data at June 30, 2014 confirms, based on the simulations carried out, the respect of the financial ratios set in the agreements. The calculation of these ratios will be formalized at the next application date of September 2014.

The documentation of the EMTN Program, just as that governing the new revolving facility of 250 million euros, is therefore set based on market practices applicable to transactions of this kind to investment grade companies.

The rating currently assigned to ADR’s secured debt (basically to the Romulus Finance bond issue) by both agencies stated in the agreements (Moody’s and Standard and Poor’s) stands at levels higher than the thresholds that trigger the restrictive condition of so-called Trigger Events and Cash

Sweep which in any case, starting from March 20, 2014, would apply to the benefit of Tranche A4 only.

The only restrictive conditions currently in force and deriving from the mentioned re-negotiation of Romulus Finance agreements concern: (i) the distribution of dividends limited to the current rating level at 50% of the net profits and (ii) the subscription of a new additional loan, which may be entered into without the consent of any financial creditor for an amount not exceeding 300 million euros (including expressly Romulus Finance).

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

9. Other guarantees, commitments and risks

9.1 Guarantees

As of June 30, 2014 the ADR Group has guarantees issued as part of the loan agreements mentioned in Note 8. Sureties issued to clients and third parties were not issued.

9.2 Commitments

The commitments on purchases of the ADR Group amount to 93.5 million euros.

Commitments on purchases also include ADR's commitment, as an operator of airport infrastructures, to draw up and implement noise reduction and abatement plans, as required by noise pollution legislation (Law no. 477/1995) and the Ministerial Decree of November 29, 2000, for Fiumicino and Ciampino airports.

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

In view of the above, ADR, based on available estimates regarding the investments made on the date of these Statements, judges its overall commitment to be no more than 45 million euros. This figure relates to extension activities only, and does not include maintenance. The figure may be calculated with more certainty depending on the interpretation which will be given pursuant to current legislation and once the specific projects have been carried out on the types of interventions to be done. This sum is thus conditional on subsequent events and on the effective program of works to be carried out.

9.3 Management of financial risks

Credit risk

As of June 30, 2014, the ADR Group's maximum exposure to credit risk is equal to the carrying value of the financial assets shown in the financial statements, as well as the nominal value of the guarantees provided for third parties' debt or commitments.

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

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

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

Economic and financial relations with Alitalia CAI – Compagnia Aerea Italiana, require specific monitoring of the accrued credit. On this point, at June 30, 2014 the exposure for invoices issued by the ADR Group to companies of the Alitalia-CAI Group is shown below:

	LOAN		TO MATURE		PAST DUE	
(THOUSANDS OF EUROS)	06.30.2014	12.31.2013	06.30.2014	12.31.2013	06.30.2014	12.31.2013
Alitalia - Compagnia Aerea Italiana S.p.A.	66,591	94,285	46,809	46,443	19,782	47,842
AirOne S.p.A.	8	1,263	2	226	6	1,037
ALITALIA / AIRONE	66,599	95,548	46,811	46,669	19,788	48,879
EAS S.p.A. - current	166	308	0	0	166	308
ALITALIA GROUP/CAI-AIRONE-EAS	66,765	95,856	46,811	46,669	19,954	49,187

from which a considerable containment of the overall exposure can be seen in the first half of 2014.

The positive trend was also assisted by the signing, on March 10, 2014, of an "Integration and Settlement Agreement" with which the parties aimed to definitively close some long standing disputes and also defined the regulations for the sub-concession of the so-called Technical Area and the non regulated airport assets. This deed took effect on March 30, 2014, upon the satisfaction of the termination clauses and conditions precedent that it was subject to. The related financial settlements were all made by May 30, 2014 with the payment by Alitalia CAI of the last tranche of disbursements set by the agreement.

Note that the loans maturing on June 30, include the charge of the new tax IRESA for an amount equaling 7.7 million euros currently challenged, as more generally happens on this case, by the carrier.

Liquidity risk

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

As of June 30, 2014 the ADR Group had a liquidity reserve estimated at 498.0 million euros, comprising:

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

Interest rate and exchange rate risk

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

At June 30, 2014 the ADR Group only has cross currency swap derivatives to cover the A4 bonds.

As regards indebtedness, Tranche A4 of the bonds issued by Romulus Finance, equal to 215 million pounds sterling, was covered, for the entire duration (until expiration in 2023) by a cross currency swap in euro. The characteristics of this derivative instrument are described in Note 6.15.

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

9.4 Information on fair value measurements

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

				06.30.2014
(THOUSANDS OF EUROS)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Hedging derivatives	0	136,035	0	**136,035**

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

During the first half of 2014 no transfer took place between the various fair value hierarchy levels.

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

9.5 Litigation

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

Tax litigation

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

Litigation with the Customs Office - Electricity

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

  In short, the Supreme Court, recognizing the erroneousness of the rulings by the Regional Tax Commission, deemed the claims by the Customs Office to be legitimate with regard to both the transfer of energy to third parties and the denied inclusion in the category of “industrial operators”.
- Similarly with the audit undertaken, for the years 2002-2006, by the former Rome Tax Office, in 2011, the Customs Office audited ADR on its taxation of the consumption, excise tax and surcharge on electricity in the period 2007-2010. Following this audit, the Customs Office notified the company, in October 2012, of a demand for payment and the imposition of administrative sanctions totaling 5.3 million euros. The company, given the favorable outcome of the dispute concerning the period 2002 – 2006, appealed to the Provincial Tax Commission, with a request to suspend the collection. The Tax Office notified the company of the tax assessment for the VAT due on the challenged taxation of the consumption for 2007 for a total of 0.3 million euros. On October 11, 2013 the sentence of the Provincial Tax Commission was filed, which accepts, subject to reunion, the appeals lodged against the assessments issued by the Customs Office and the Inland Revenue for the taxation period 2007. In light of the development of the contested dispute for the period 2002 – 2006, the Tax Authorities proposed to appeal against this decision.

  On September 20, 2013, the Tax Office notified the tax assessment for the VAT due on the challenged taxation of the consumption for 2008 for a total of 0.2 million euros for which an appeal was lodged at the Provincial Tax Commission.

Litigation with the Customs Office - Duty Free Shop

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

Commission in April 2009. Therefore the Custom Office activated the procedure to collect the sum due, equal to 26.1 million euros (including interest and expenses), which ADR paid by installment. ADR lodged an appeal against the sentence submitted in first instance, rejected with sentence of May 2010 of the Provincial Tax Commission for Rome. This further adverse development has given additional weight to the risk of a negative outcome, regardless of the fact that the position of the Company and its tax experts expressed during the legal proceedings, which maintains that there are no grounds for the imposition of such taxation, is unchanged. Moreover, the Company is convinced of the substantial and formal legitimacy of its behavior. Therefore, in preparing the financial statements for 2010, it was decided to allocate provisions based on the estimated amount of taxes assessed, thereby bringing the allowance for taxes into line with the tax payable, inclusive of interest and ancillary charges. ADR, which firmly maintains its position that there are no grounds for the imposition of such taxation and is convinced of the substantial and formal legitimacy of its behavior, appealed to the Supreme Court.

On September 6, 2013 the sentence of the Supreme Court was filed with which only the sixth reason of appeal concerning the provision made of the taxes ascertained by the Customs Office for the period prior to March 23, 1995 was accepted. Therefore, the Supreme Court rejected the other grounds for appeal, repealing the appealed sentence limited to the sixth reason, referring the case to the relevant Regional Tax Commission, which, with a different composition, will have to conform to the principles of law issued as regards the partial limitation of the accepted reason.

Due to this ruling, the company has the right to partially recover from the Tax Authorities the sums already paid for taxes, default interest, collection fees and extension interest, for an amount estimated at 9.6 million, with analysis referred to the Regional Tax Commission, with which, on January 3, 2014, the Reinstatement deed with referral to the Supreme Court of Cassation was filed.

On June 10, 2014 the hearing was held for discussion at the Regional Tax Commission. Before the debate, the Company is waiting for the sentence to be filed.

Tax Indemnity

In 2002, when IRI obtained the consent to sell to the Macquarie Group 44.74% of ADR, the entities Gemina, Impregilo S.p.A. and Falck S.p.A. replaced the same IRI and directly assumed the commitment towards ADR (with a 50.0%, 13.10% and 36.90% share, respectively) to compensation as issued by IRI during the privatization of ADR, aimed at covering 51.166% of the losses that the company may incur for tax claims relating to deeds and declarations concerning periods prior to the privatization that took place in July of 2000. The dispute between ADR and the Customs Office refers to the period of 1993/1998 and is covered by the mentioned guarantee that can be enforced upon the finalization of ADR's conviction. Impregilo S.p.A. and Falck S.p.A. repudiate the validity of the guarantee; ADR has brought a case against the latter companies to obtain the payment of the sums due conditionally to the definitive sentence convicting ADR. With sentence of October 2012, the Court of Rome accepted ADR's application, against which Impregilo S.p.A. and Falck S.p.A. have appealed. At a first hearing in September 27, 2013, the case was adjourned until November 10, 2017 for final judgment.

Tax Police Audit

Concluding the auditing activities regarding Direct Taxation for the taxation period 2008, started on May 15, 2013 by the Rome Tax Police Unit Headquarters, the company was served a Tax Audit Report. This report contains three findings concerning the determination of the deductible portion of the allowance for doubtful accounts, the deduction of costs that are not pertinent and the requalification of the costs regarding the Ambac premium as charges assimilated to interest expense. On December 19, 2013 the related tax assessments were notified by the Inland Revenue.

The company, with the aim of avoiding a dispute with the Tax Authorities, proposed a tax settlement on February 14, 2014.

Following the preparatory activity carried out by the Inland Revenue, the deed of settlement was signed with which the Company defined the findings contained in the tax assessments.

ICI / IMU (property taxes)

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

On May 5, 2011 the Municipality of Fiumicino notified ADR another two tax assessments for the years 2005 and 2006. The Company, in line with the action for 2001 and 2002, has appealed against these tax assessments to the Provincial Tax Commission for Rome.

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

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

Administrative, civil and labor litigation

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

Airport fees and regulated tariffs

- In July 2011, Swiss International Airlines Ltd ("Swiss") summoned ADR to return the sum of 5.2 million euros (including interest), subsequently reduced to 1.8 million euros, due to a material error made in the initial quantification equal to the amount paid in excess (non-EU amount), in the opinion of the plaintiff, from 2002 to 2009 for landing and take-off fees. ADR applied the amount of the non-EU fees to the flights from and to the territory of the Swiss Confederation instead of the EU fees. Swiss claims that the Agreement between the EU and Swiss Confederation of January 21, 1999 (which came into force on June 1, 2002) placed Swiss carriers on an equal footing with EU ones, and therefore ADR is discriminating against Swiss carriers. The Company, on the other hand, maintains that no discrimination is involved as the application of airport fees, and related amounts, is governed in Italy by the Ministerial Decree of November 14, 2000 which is based on the air space a flight passes through (within or beyond the European Union) rather than the carrier that operates it. In August 2011, ADR was notified a similar deed, again by Swiss, with a request equal to 3.5 million euros (including interest) concerning the passenger boarding fees.

On April 7, 2014 EasyJet Switzerland SA summoned ADR to return 1 million euros, plus interest, equaling the amount paid, in its words, in excess (non-EU fees rather than EU) from 2009 to 2013 for the landing and take-off fees and passenger boarding fees. The first hearing is set for October 23, 2014.

- In July 2011 ADR was notified, in its capacity as involved party, the appeal lodged before the Lazio Regional Administrative Court by IBAR and ten airlines for the cancelation of the letter of May 11, 2011 with which ENAC declared that, with reference to the fee to use the automatic handling system of transit baggage “NET6000”, the cost connection limit just for 2011 is “equal to 1.87 euros per piece of baggage”. The applicant did not made a request for suspensive relief and a date for the relevant hearing has yet to be set.

  In relation to the failed payment from January 2011 for the use of the NET6000 system by the numerous airlines, at the end of 2011 ADR filed the relevant appeals for injunctions to recover its expired credit regarding fees until September 2011. With specific reference to Alitalia, ADR started various legal actions to recover the credit deriving from the invoices issued in the period from June 2011 to March 2014. In particular ADR notified Alitalia two appeals for injunctions and two similar injunctions for a total amount equaling 10 million euros, an amount calculated net of the advance payments made by Alitalia arbitrarily reducing the remuneration due for the NET 6000 from 1.87 euros to 0.38 euros per passenger. Following the transaction deed signed between ADR and Alitalia/AirOne on March 5, 2014, ADR waived it credit deriving from the use of the infrastructure Net 6000 by Alitalia and AirOne, as a consequence the related disputes will not continue before the competent courts.

- On February 27, 2013, ADR was notified three appeals (Assohandlers, Assaereo and Codacons) to Lazio Regional Administrative Court contesting the Planning Agreement, the Prime Ministerial Decree of December 21, 2012 and all the other conditioning, connected and consequent deeds. On February 28, 2013 a similar appeal to Lazio Regional Administrative Court was notified by the Municipality of Viterbo, with a claim for damages which to date is pending with no set hearing. For the first three proceedings Assaeroporti has filed an appeal of opposition. On March 20, 2013 the hearing was held for the appeals filed by Assohandlers and Assaereo; the plaintiffs renounced any discussion about the suspension. The relevant hearing was thus scheduled for December 18, 2013. At the hearing of April 10, 2013 the Lazio Regional Administrative Court did not grant the suspension requested by Codacons and set the related hearing for December 18, 2013. The Codacons lodged an appeal before the Council of State against the ordinance that rejected the precautionary measure. On June 19, 2013 ruling no. 2303/2013 was filed, with which the Council of State rejected Codacons’ appeal. At the hearing of December 18, 2013 the discussion of the case was adjourned until March 12, 2014. In this hearing the appeals were withdrawn. With sentences filed on March 25, 2014, the appeals started by Assoaereo, Assohandlers, Consulta and Codacons were definitively closed due to the preclusion of claim as a consequence of the absent interest of the plaintiffs.

- On April 29, 2013 ADR was notified three extraordinary appeals to the Head of State promoted by AICAI, DHL, UPS and TNT; Lufthansa, Austrian Airlines and Swiss; Consorzio Airport Cargo Operators and other 14 shippers, respectively. All appeals contest the Single Deed, the Prime Ministerial Decree of approval, the Additional Deed and all the other assumed and connected deeds, with similar arguments to those of the previous appeals to Lazio Regional Administrative Court, in addition to specific disputes regarding the increased tax on goods. On May 2, 2013 ADR was notified a similar extraordinary appeal to the Head of State filed by the handling company Consulta, with the same reasons as the previous ones, including the request for precautionary measures.
- ADR objected to all the appeals with the Head of State, demanding that these are decided during the legal proceedings before the Lazio Regional Administrative Court. Subsequently to this objection, Consulta, Consorzio Airport Cargo Operators and another 14 shippers, Lufthansa, Austrian and Swiss took formal action before the Lazio Regional Administrative Court; ADR did the same. Sect. III Ter of Lazio Regional Administrative Court has scheduled the council meeting to deal with the suspension claim for August 28, 2013. For the appeal put forward by AICAI (and others), also referred to Sect. III Ter, the council meeting was set for August 29, 2013. In the hearing of August 28, 2013, the Chairman of the Regional Administrative Court acknowledged the withdrawal of the request for suspension by the appellants and deleted the appeals in question from the register of suspensions. The appellants were invited to file requests for withdrawal to set the scope of the hearing of December 18, 2013 before the first section of the Lazio Regional Administrative Court (hearing already set by the same court for judgment with reference to the appeals lodged by Assohandlers, Assoaereo and Codacons). At the hearing of December 18, 2013 the discussion of the case was adjourned until March 12, 2014. In this hearing the appeals were withdrawn by Consulta; the case for the other disputes was set for the hearing of July 9, 2014. For developments, refer to Note 12 Subsequent events.
- On November 13, 2013 ADR was served an appeal by the Regional Agency for the Environmental Protection of Lazio (ARPA) towards the Ministry for the Environment, Land and Sea, the Minister of Cultural Heritage, Activities and Tourism, the Lazio Regional Authority, ENAC, the municipality of Fiumicino, Roma Capitale and ADR. With this appeal ARPA challenged the Interministerial decree of the Ministry of the Environment-Ministry of Cultural Heritage of environmental impact assessment (VIA) of August 8, 2013 regarding the "Aeroporto Leonardo da Vinci – Progetto di completamento di Fiumicino Sud" project and any other presupposed, connected and consequential deed (including the favorable opinion with provisions no. 1156 of January 25, 2013 formulated by the Technical Commission for the Assessment of the Environmental Impact VIA/VAS), demanding the partial cancellation in the parts in which it establishes fulfillments on ARPA's account regarding the provisions associated with the environmental compatibility check of the Project of completion of Fiumicino Sud.
- On February 26, 2014 Easyjet Airline Company Ltd notified ADR of an appeal to the Lazio Regional Administrative Court for the cancellation, with prior suspension, of the restructuring, from March 1, 2014, of the passenger boarding fees in connection with the determination of the new transit fees. With the appeal, Easyjet contested the Civil Aviation Authority directive relating to "Fiumicino Tariff Arrangement" of December 27, 2013 (and all of the assumed deeds, to the extent to which they restructure the passenger boarding fees at Fiumicino airport). The plaintiffs deem the restructuring of the passenger boarding fees at Fiumicino Airport – resulting from the

application of a 65% discount on the abovementioned fees to the passengers in transit at the airport and the contextual increase of the same fee for outbound passengers – to be a violation of the Italian and community regulations. In particular, (i) the obligation of consultation with users was allegedly violated, (ii) the cost orientation principles and (iii) the principle of non-discrimination of users were allegedly not respected and (iv) ADR allegedly abused its dominant position by applying discriminating and excessive prices. The plaintiff requested the unprecedented lower-court precautionary measure, which was denied by the President of the competent Regional Administrative Court section. During the discussion of the precautionary measure of April 29, 2014 of the Council Meeting, the Regional Administrative Court acknowledged the legitimacy of the exception raised by ADR as regards the absence of interest consequently to the Prime Ministerial Decree of approval of the Additional Deed no. 2 to the Single Deed. As the terms for the proposal of additional grounds have not passed yet, EasyJet declared its interest in formulating such additional grounds. The Board scheduled the Council Meeting for May 29, 2014 to discuss the precautionary measure. At the hearing of May 29, 2014 the Lazio Regional Administrative Court (Third Ter Section) rejected Easyjet's application for interim relief since the appeal was not secured by the "*fumus boni iuris*".

Airport Fuel Supply Fees

- IBAR (Italian Board Airlines Representatives) and 6 carriers lodged an appeal with the Lazio Regional Administrative Court, against the Civil Aviation Authority's memorandum of September 15, 2006, with which the Civil Aviation Authority communicated the results of the controls carried out at airports managed by full-service operators "in order to analyze the correlation between costs and the flat rates charged by airport operators to oil companies". An announcement of the date of a hearing to discuss the matter is awaited.
- ENI has brought a claim before the Rome civil court against its own client airlines in order to ascertain their obligation to pay the oil company the amounts it owes to airport operators, and to order them to pay the amount accrued since October 2005. In the same claim, ENI has also brought a secondary claim against airport operators, including ADR, in order to ascertain that the concession fees paid by ENI to airport operators should not be calculated on the basis of the amount of fuel supplied to airlines. Moreover, as specifically regards ADR, ENI requests that the Company be ordered to return the amount paid in October 2005, totaling 0.2 million euros and that it be determined that ENI does not owe the amount of 1.1 million euros requested by ADR until May 2006 and yet unpaid. Following a referral order on the role, on May 28, 2014 a hearing was held on the outcome, for which the judge reserved the right to decide on the need to obtain a preliminary ruling before the European Court of Justice, however without any specification as regards the subject of the abovementioned issue.
- AirOne has taken out legal proceedings at the Civil Tribunal of Rome against Tamoil, its jet fuel supplier, as well as certain airport operators including ADR claiming the illegality of the fees charged to oil companies by operators in return for the use of airport infrastructure, which these companies subsequently "pass on" to carriers. Consequently, AirOne also requests that Tamoil – together with the above airport operators – be ordered to repay the sum paid by Airone since 2003, amounting to 2.9 million euros. With no definitive sentence in 2012, the Judge provided an expert to examine the case. At the hearing on February 14, 2014 to examine the case, the Parties requested some explanations and the case was adjourned until September 25, 2014.

Concession fees

- In 2003 ADR lodged an appeal before Lazio Regional Administrative Court against the Executive Decree of June 30, 2003, which established the new methods for calculating annual fees due from the full-service airport operators in total concession agreement, previously governed with Executive Decree of December 22, 1998.

  In a parallel civil court judgment initiated by ADR, with sentence of 2007 the Court of Rome declared that any greater amounts paid to the Italian Civil Aviation Authority with respect to the concession fees due for the years 2003-2005 are not due. The State Property Office and the Ministry for Infrastructure and Transport lodged an appeal, through the Attorney's Office, fully rejected with sentence no. 2454/2012. In the following appeal to the Supreme Court, with sentence filed on May 19, 2014, this confirmed the demands of the Court of First Instance and the Appeal Court, confirming the misapplication of the executive decree of the State Property Office for the purpose of determining the 2003, 2004 and 2005 fees since the calculation criteria, pursuant to the executive decree of the State Property Office of June 30, 2003, are deemed unlawful. The return of the sums paid in excess by ADR in that period is in any case to date subject to the starting of a case for this purpose to be filed before the Ordinary Judge. Since the sentence mentioned is limited to the mere misapplication of DD 2003 - with reference to the mentioned three-year period - and not the cancellation of the directive, in consideration of the effects that the same produced and produces in the following years, every implication in the following years is referred to the decision in progress at administrative level. In this sense the date of the next hearing before the Lazio Regional Administrative Court is set for November 11, 2014.

Noise abatement measures

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

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

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

Building plan

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

Bankruptcy proceedings involving clients

- A series of sentences passed by the Bankruptcy Court in Rome have declared the following companies bankrupt: Alitalia S.p.A. under special administration, Volare S.p.A. under special administration, Alitalia Express S.p.A. under special administration, Alitalia Servizi S.p.A. under special administration, Alitalia Airport S.p.A. under special administration, between the end of 2011 and 2013 initially insolvencies and subsequently some distribution plans were filed. In particular, after viewing the first plan for partial distribution of AZ under special administration for which the Judge had ordered the filing, on May 28, 2013 ADR proposed a complaint, requesting a partial amendment, subject to allocation of the amounts corresponding to the credit being challenged of 2.8 million euros, downgraded from the preference status to the unsecured status. With measure communicated on January 10, 2014, the complaint was rejected by the Delegated Judge. An appeal against this measure was lodged before the court. Regarding the abovementioned distribution plan, for which partial amendment was requested due to the reasons illustrated above, 10.3 million euros were collected on March 20, 2014 as "insolvency claim" secured by a lien. 0.1 million euros were collected on March 19, 2014, in accordance with the distribution plan regarding Alitalia Express under special administration.
- In 2009 Volare Airlines S.p.A. under special administration and Air Europe S.p.A. in special administration entered into civil proceedings in order to obtain cancellation of payments made to ADR during the year prior to the carrier's entry into bankruptcy and an order requiring ADR to pay back a sum of 6.7 million euros and 1.8 million euros. With sentence of June 2011, the Court ordered ADR to pay the requested amounts; the company lodged an appeal. Regarding the ruling for Volare Airlines in special administration, with sentence filed on July 2012, the Appeal Court of Milan rejected ADR's appeal. In order to avoid the enforceable proceeding, ADR paid 7.4 million euros (including interests and expenses). For developments of the appeal lodged against Air Europe, please refer to Note 12 Subsequent events.

- In August 2011 the companies of the Alitalia group under special administration entered into civil proceedings before the Court of Rome in order to obtain cancellation of payments made to ADR during the six months prior to the carrier's entry into bankruptcy. The cancelled payments total about 2 million euros. The hearings for final judgment were scheduled between March and September 2014 after the postponements requested jointly by the Parties due to the settlement hypothesis reached, with regard to the favorable opinion already expressed by the Supervisory Committee of July 11, 2013. On February 27, 2014 the Supervisory Bodies authorized the Procedures of the Alitalia Group under special administration in relation to the settlement hypothesis reached. Consequently to the agreement, the rulings to obtain cancellation of payments made to ADR are being extinguished with the method of the failed appearance of the parties in the hearings set from time to time. On March 20, 2014, as a result of the same agreement, 4,592 thousand euros were collected from Alitalia under special administration and 3,738 thousand euros from Alitalia Airport under special administration.

Labor disputes

- A group of 16 parties summoned ADR and the bankrupt Ligabue Gourmet, thereby challenging the validity of ADR's sale of the West catering business unit to Ligabue, with a claim for damages around 9.8 million euros. The dispute was settled in favor of ADR by a sentence in June 2010. 14 parties have appealed and ADR has taken formal legal action. A further hearing has been fixed for December 2, 2014.

Tenders

- ATI Alpine Bau, which was awarded the contract for works relating to the upgrading of Runway 3 at Fiumicino airport, appealed sentence of 2006 handed down by Rome’s Civil Court. This sentence ordered ADR to pay 1.2 million euros, plus legal interest from the time of the claim. The appeal reiterates the claims for damages made in first instance (66 million euros, including legal interest accrued from the time of the claim). With partial judgment of July 2012, the Court of Appeal arranged an expert, still in charge, referring the case until January 28, 2014. At the hearing on January 28, 2014, in connection to the appeal lodged by ATI Alpine, the case was examined and the conclusions were specified. Judgment was withheld by the Judge. For developments on this dispute, please refer to Note 12 Subsequent events.
- In 2005 Fondedile Costruzioni S.r.l. lodged an appeal against sentence of 2004 of the Civil Court of Rome. This appeal reiterates the claim submitted in first instance for 3.6 million euros, as well as legal and overdue interest and revaluation, regarding higher charges and damages incurred during the execution of construction works on a service tunnel at Fiumicino airport. With sentence of June 4, 2014 the second section of the Appeal Court of Rome fully rejected the claims of Fondedile Costruzioni S.r.l.
- ATI NECSO Entrecanales – Lamaro Appalti has appealed to the Supreme Court against the sentence of the Court of Appeal, which in 2011 fully rejected the claim for damages for 9.8 million euros, plus interest, revaluation and costs, in relation to claims posted in the contract accounts relating to the contract for work on the extension and restructuring of Satellite Ovest (Satellite West) at Fiumicino airport. A hearing to discuss the case has not been scheduled yet.
- In January 2012 the ATI Salini – Ircop appealed to the Lazio Regional Administrative Court against ADR for the cancellation, with prior suspension, of the rulings to exclude the ATI, due to an anomaly in the economic bid, from the procedure to entrust the upgrading works of Runway 2 at Fiumicino airport, as well as for the acknowledgement of the damages deriving from the failed

awarding. With sentence of December 14, 2012, the Regional Administrative Court rejected the claim of the ATI. The Parties that were unsuccessful at 1st instance proposed an appeal with the Council of State, insisting on the claim for damages. An announcement of the date of a hearing to discuss the matter is awaited.

- With reference to the evolution of the negotiations with ATI Cimolai, which was awarded with the construction works at departure area F (formerly Pier C), it is noted that, with the signature of the Planning Agreement, the main assumption is met to entirely restart all the works previously slowed down in connection with the failed finalization of the tariff agreement. The full resumption was formalized with the agreement entered into between ADR and ATI on August 7, 2013. This agreement also states the new contractual terms to finalize the work. However, since the volumes and characteristics of the work have significantly changed in the meantime, in order to more effectively meet the operating and commercial requirements, it was necessary to renegotiate with the counterparty both the scheduling and financial terms, also aiming to encourage the conclusion of the works within 2016. These negotiations are currently being finalized.

Claims for damages

In 2011 ADR received a claim for damages for 27 million dollars for direct damages (the indirect ones are still being defined) from AXA Assicurazioni, who insures Ryanair, for the damage suffered by aircraft B737-800 E-IDYG as a consequence of the emergency landing due to a bird strike taking place on November 10, 2008 at Ciampino airport. ADR declines any responsibility for the event. Should the survey being conducted by the competent authorities reveal ADR's clear responsibility, the compensation would be covered by the third-party liability insurance policy of the Airport Operator.

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

10. Transactions with related parties

The transactions performed by the ADR Group with related parties were carried out in the interest of the Group and are part of ordinary operations. Such transactions are regulated at market conditions, i.e. the conditions that would be applied between two independent parties.

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

Trade transactions and other transactions

(THOUSANDS OF EUROS)	06.30.2014		1st HALF 2014		12.31.2013		1st HALF 2013	
	ASSETS	LIABILITIES	REVENUES	COSTS	ASSETS	LIABILITIES	REVENUES	COSTS
PARENT COMPANIES								
Atlantia	12,321	2,192	20	(304)	12,242	165	555	(375)
TOTAL RELATIONS WITH PARENT COMPANIES	12,321	2,192	20	(304)	12,242	165	555	(375)
ASSOCIATED UNDERTAKINGS								
Ligabue Gate Gourmet S.p.A. (insolvent)	482	968			482	968		
TOTAL RELATIONS WITH ASSOCIATED UNDERTAKINGS	482	968			482	968		
RELATED PARTIES								
Leonardo Energia S.r.l.	214	4,873	166	(10,477)	250	3,853	144	(11,790)
Fiumicino Energia S.r.l.	54		82		32		81	
Autostrade per l'Italia S.p.A.		108		(103)				
Autostrade Tech		622		(622)				
Spea Ingegneria Europea S.p.A.		1,310		(1,273)		121		
AD Moving						20		
Telepass S.p.A.	150	188		(141)	24	66		(88)
Pavimental S.p.A.		66	2	(66)				
Autogrill S.p.A.	663	152	4,849	(286)	1,069	103	4,651	(166)
Essediesse		30		(30)				
United Colors Communications				(400)		130		
Gruppo Unicredit							626	(35)
Mediobanca S.p.A.								(143)
WDFG Italia S.r.l.							85	
KEY MANAGEMENT PERSONNEL		553		(1,829)		737		(1,578)
TOTAL RELATIONS WITH RELATED PARTIES	1,081	7,902	5,099	(15,227)	1,375	5,030	5,587	(13,800)
TOTAL	**13,884**	**11,062**	**5,119**	**(15,531)**	**14,099**	**6,163**	**6,142**	**(14,175)**

Relations of a different nature with Atlantia refer to the Group tax consolidation, the credit regarding the tax indemnity issued within the framework of the dispute with the Customs Office for customs duties and the application for refund regarding the higher IRES paid in the taxation periods 2007-2011 due to the non deduction of IRAP on staff costs.

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

- Fiumicino Energia S.r.l.: a company owned by Atlantia that manages the gas-fired co-generation plant at Fiumicino airport for the production of electricity. Via a business unit lease contract, operation of the co-generation plant was entrusted to Leonardo Energia - Società consortile a r.l., which is owned by ADR and Fiumicino Energia S.r.l., with respective shareholdings of 10% and 90%. Based on the agreements existing between ADR and Fiumicino Energia in 2023 the co-generation plant will be transferred free of charge to the Parent Company. The limited liability consortium, which also operates the thermal energy plant at Fiumicino, under a sub-concession from ADR, provides electric and thermal energy to ADR;
- Autogrill S.p.A. (indirect subsidiary undertaking of Edizione S.r.l. which, indirectly, holds a majority interest in Atlantia): revenues from retail sub-concessions, royalties, utilities, car parks and sundry services;
- Telepass (a subsidiary undertaking of Atlantia): costs related to the Telepass system used in the car parks managed by ADR Mobility.

The remuneration due to the parties in charge of planning, managing and controlling the company and thus the executive directors and not the managers with strategic responsibilities (so-called key management personnel) in office at June 30, 2014 amount to 1,829 thousand euros and include the amount pertaining to remuneration (the remuneration is indicated regarding the directors that in the period covered the position, also for a portion of the year), employment compensation, non-monetary benefits, bonuses and other incentives for assignments at ADR.

Financial relations

(THOUSANDS OF EUROS)	06.30.2014		1st HALF 2014		12.31.2013		1st HALF 2013	
	ASSETS	LIABILITIES	INCOME	EXPENSE	ASSETS	LIABILITIES	INCOME	EXPENSE
RELATED PARTIES								
Unicredit Group							425	(38)
Mediobanca S.p.A.							36	(27)
TOTAL RELATIONS WITH RELATED PARTIES	**0**	**0**	**0**	**0**	**0**	**0**	**461**	**(65)**

Mediobanca and the Unicredit Group were included in the related parties in the first half of 2013 and until April 30, 2013 as members of Gemina Shareholders' Agreement, dissolved on April 30, 2013. The ADR Group had several relations in connection with the role played by the latter in ADR's existing loan agreements.

11. Other information

Information on remuneration plans based on shares

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

As part of the integration project between Atlantia and Gemina S.p.A., the Shareholders' meeting of Atlantia on April 30, 2013 approved the extension of the incentive plans also to personnel or directors of ADR, in order to make the long-term incentive systems of the entire Group resulting from the merger more coherent.

The table below shows the chief elements of the incentive plans as of June 30, 2014, highlighting the rights attributed to directors and employees of the ADR Group. In addition, the unitary fair values of the assigned rights are shown, determined by a purposefully entrusted expert, using the Monte Carlo model and the parameters shown below.

	NO. OF RIGHTS ASSIGNED	VESTING EXPIRY	EX. EXP./ ASSIGN.	EXERCISE PRICE (EURO)	UNIT FAIR VALUE ON THE ASSIGN. DATE	EXPECTED EXPIRY ON THE ASSIGN. DATE (YEARS)	RISK-FREE INTEREST RATE	EXP. VOLATILITY (=HISTORIC AL)	DIVIDENDS EXPECTED ON THE ASSIGN. DATE
STOCK OPTION PLANS 2011 OF ATLANTIA EXTENDED TO ADR	494,903	11.8.2016	11.9.2019	16.02	2.65	6	0.86%	29.5%	5.62%
STOCK GRANT PLANS 2011 OF ATLANTIA EXTENDED TO ADR	62,880	11.8.2016	11.9.2017 and 11.9.2018	na	11.87	4 -5	0.69%	28.5%	5.62%
PHANTOM STOCK OPTION PLANS 2014 OF ATLANTIA EXTENDED TO ADR	766,032	05.9.2017	05.9.2020	na	2.25	6	1.10%	28.9%	5.47%

Events and non-recurring, atypical or unusual transactions

During the first half of 2014, no non-recurring, atypical or unusual transactions were performed with third parties.

12. Subsequent events

- In light of the hearing set for July 9, 2014, on July 2, 2014, via its attorneys, Lufthansa/Austrian Airlines/Swiss International Airlines, Freight agents operating out of Ciampino (AICAI – DHL – TNT) and Cargo operators, filed at the Administrative Court of Lazio sect. I, the deeds to waive the appeals they promoted against the Planning Agreement due to the discontinuance of the matter in issue. At the hearing of July 9, 2014, in line with the deeds filed on July 2, the legal representative of the plaintiffs declared the matter in issue as discontinued.
- Regarding the ruling for Air Europe under special administration - relating to the cancellation of the payments made by ADR in the year prior to the admission of the carrier to the special administration procedure -, with sentence filed on July 18, 2014, the Appeal Court of Milan rejected ADR's appeal which, in order to avoid the enforceable proceeding, is paying 2 million euros (including interests and expenses).
- With reference to the dispute with the ATI Alpine Bau relating to the upgrade works of the flight infrastructure of Runway 3 of Fiumicino airport, with sentence filed on July 14, 2014 the Court of Appeal of Rome, in the substance, rejected the appeal on the proposals of the ATI Alpine Bau, accepting the arguments put forward by ADR and declared the contract stipulated on December 30, 1997 terminated, due to the fault of the ATI contractor.
- In July ADR was notified by the carriers numerous appeals to the Provincial Tax Commission for Rome and two appeals to the Regional Administrative Court against the application of IRESA, for which ADR is exercising the activities of collection in compliance with the provisions of the agreement in force signed with the Lazio Regional authority.

13. Conversion of the comparative data with IFRS

As stated in Note 2, the consolidated financial statements for the year ended December 31, 2013 were the first to be prepared in compliance with IFRS.

The consolidated half-year financial statements as of June 30, 2013 were prepared in accordance with the Italian accounting standards; therefore, the financial and economic data and the change in the shareholders' equity in the first half of 2013, presented for comparative purposes, were recalculated in compliance with IFRS, as illustrated below.

For the analysis of the rules for the first-time application of IFRS and the other selected standards, including the assumptions of the directors on the standards and IFRS interpretations in force and the accounting policies adopted at the time of preparing the first comprehensive consolidated financial statements drawn up according to IFRS as of December 31, 2013, reference is made to the consolidated financial statements as of December 31, 2013.

Consolidated income statement of the first half of 2013

(THOUSANDS OF EUROS)	NOTES	PREVIOUS STANDARDS	RECLASSIFICATIONS	ADJUSTMENTS	VALUES ACCORDING TO IFRS
REVENUES					
Revenues from airport management		300,592	337	0	300,929
Revenues from construction services		4,123	(2,627)	7,420	8,916
Other operating income		5,116	(4,638)	2,212	2,690
TOTAL REVENUES	(1)	309,831	(6,928)	9,632	312,535
					0
COSTS					0
Consumption of raw materials and consumables		(17,519)	712	0	(16,807)
Service costs	(2)	(49,047)	(37,768)	(7,096)	(93,911)
Payroll costs	(3)	(57,536)	1,370	(435)	(56,601)
Concession fees		(13,190)			(13,190)
Expenses for leased assets		(1,570)	0	0	(1,570)
Allocation to (use of) the provisions for renovation of airport infrastructure	(4)	0	41,857	(39,094)	2,763
Allocation to the allowances for risks and charges		(4,103)	0	0	(4,103)
Other costs		(10,382)	945	(170)	(9,607)
Other operating costs	(2)	(29,245)	42,802	(39,264)	(25,707)
Depreciation of tangible assets		(10,417)	0	8,130	(2,287)
Amortization of intangible concession fees		(24,642)		(6,023)	(30,665)
Amortization of other intangible assets		(25,638)	0	24,305	(1,333)
Amortization and depreciation	(5)	(60,697)	0	26,412	(34,285)
(Write-downs) Value recoveries					0
TOTAL COSTS		(214,044)	7,116	(20,383)	(227,311)
					0
OPERATING INCOME (EBIT)		**95,787**	**188**	**(10,751)**	**85,224**
					0
Financial income	(6)	893	6	393	1,292
Financial expense	(7)	(23,633)	0	(23,225)	(46,858)
Foreign exchange gains (losses)	(8)	(1)	0	12,396	12,395
FINANCIAL INCOME (EXPENSE)		(22,741)	6	(10,436)	(33,172)
EXTRAORDINARY INCOME (EXPENSE)		56	(56)	0	0
					0
INCOME (LOSS) BEFORE TAXES		**73,102**	**138**	**(21,188)**	**52,052**
					0
Income taxes		(29,168)	(138)	6,701	(22,605)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS		**43,934**	**0**	**(14,487)**	**29,447**
Net income (loss) from discontinued operations		0			0
NET INCOME FOR THE PERIOD		**43,934**	**0**	**(14,487)**	**29,447**
of which:					0
Group income		44,133	0	(14,480)	29,653
Minority interests		(199)	0	(7)	(206)

Consolidated Statement of Comprehensive Income

(THOUSANDS OF EUROS)	1st HALF 2013
NET INCOME FOR THE PERIOD	**29,447**
Profits (losses) from fair value measurement of the cash flow hedges	17,948
Tax effect	(4,936)
Other components of the comprehensive income statement that can be reclassified in the income statement, net of the tax effect	13,012
Income (loss) from actuarial valuation of employee benefits	510
Tax effect	(141)
Other components of the comprehensive income statement that will not be subsequently reclassified in the income statement, net of the tax effect	369
TOTAL OTHER COMPONENTS OF THE COMPREHENSIVE INCOME STATEMENT, NET OF THE TAX EFFECT	13,381
COMPREHENSIVE INCOME FOR THE PERIOD	**42,828**
of which:	
Comprehensive income attributable to the Group	43,034
Comprehensive income attributable to minority interests	(206)

Notes

Consolidated income statement

1. Revenues from construction services and Other operating income

According to IFRS, the ADR Group records an adjustment of revenues, according to IFRIC 12, of 9,632 thousand euros in the first half of 2013. In particular, the revenues from construction and improvement services, which represent the remuneration due for the activity carried out on the assets under concession, are valued at fair value, calculated on the basis of the total costs incurred (which mainly include the costs for materials and internal services, the costs for benefits to employees involved in other activities and, depending on the case, the financial expense attributable as well as the possible margin on services provided with structures within the ADR Group, as this represents the market value of the same services).

2. Service costs and Other operating costs

The adjustments according to the international accounting standards refer to the construction and maintenance costs classified in the item “Service costs” in compliance with IFRIC 12, according to Italian accounting standards are capitalized directly in fixed assets these refer to.

3. Payroll costs

The IFRS adjustment, negative for 435 thousand euros, is due to the effect of the actuarial valuation of the employee severance indemnities for +258 thousand euros, in accordance with IAS 19, and the adjustment of the stock option reserve for -693 thousand euros, according to IFRS 2 (Share-based payments).

The reclassification, which amounts to 1,370 thousand euros, is mainly due to the reallocation in the correct income statement item of other operating costs.

4. Allocation to (use of) the provisions for renovation of airport infrastructure

According to IFRS, the item of 2,763 thousand euros is recorded in compliance with IFRIC 12 and represents the provisions for the period, net of the uses, needed to align the provisions to the estimate of the necessary costs, in compliance with the obligations set by the Planning Agreement and the relevant Investment Plan to ensure appropriate operation and security of the airport infrastructure throughout the term of the concession agreement.

5. Amortization and depreciation

IFRS adjustments for item “Amortization and depreciation” refer to:

- 23,024 thousand euros for the accumulated effect of applying IFRIC 12;
- 3,377 thousand euros for the elimination of the amortization costs, due to the application of the amortized cost method;
- the impact on the amortization of eliminating the start-up and expansion costs made in the previous years for the remainder.

6. Financial income

In compliance with IFRS the ADR Group applies the cash flow hedge to the derivative financial instruments, with an effect on the “financial income” of 581 thousand euros.

The IFRS adjustment also includes the elimination of the premium and the interest regarding the vehicle Romulus Finance for 188 thousand euros when consolidating such Special Purpose Vehicle.

7. Financial expense

The adjustments and reclassifications refer to the net effect of the following changes and refer to:

- The financial expenses from discounting the provisions for renovation of airport infrastructure: based on IFRS, the ADR Group records 7,269 thousand euros relating to the financial portion of the allocation to the Provisions for renovation of airport infrastructure, recorded in accordance with IFRIC 12;
- Financial interest expense: the adjustment of 3,095 thousand euros refers to the cases below: (i) increase regarding the recording of the transaction costs incurred to loans, in accordance with the amortized cost method; (ii) decrease relating to the cancellation of the premium regarding the bonds issued by Romulus Finance, in accordance with IFRS;
- Financial expense on derivatives: the ADR Group applies the cash flow hedge to the derivative financial instruments, with an effect on the “financial expense” of 12,631 thousand euros;
- Other financial expense: the adjustment of 230 thousand euros refers to the net effect of the following changes: (i) increase after the actuarial valuation of the employee severance indemnities according to IAS 19; (i) decrease after the elimination of the additional costs of the bond issue to the vehicle Romulus Finance.

8. Foreign exchange gains (losses)

The adjustment of 12,396 thousand euros refers to the alignment to the exchange rate of the end of the period of the A4 bonds issued in pounds sterling.

Statement of reconciliation between the consolidated shareholders' equity as of June 30, 2013 and the profit (loss) of the first half of 2013

Below is the reconciliation of the shareholders' equity of the Group as of June 30, 2013 and the profit (loss) of the first half of 2013, between the situation prepared on the basis of the Italian accounting standards and the situation drawn up according to IFRS.

(THOUSANDS OF EUROS)	SHAREHOLDERS' EQUITY AT 12.31.2012	RESULT OF THE PERIOD	STOCK OPTIONS RESERVE	STATEMENT OF COMPREHENSIVE INCOME	SHAREHOLDERS' EQUITY AT 06.30.2013
GROUP SHAREHOLDERS' EQUITY ACCORDING TO ITALIAN ACCOUNTING STANDARDS	**1,054,824**	**44,133**	**0**	**0**	**1,098,957**
Minority interests	827	(199)			628
SHAREHOLDERS' EQUITY ACCORDING TO ITALIAN ACCOUNTING STANDARDS	**1,055,651**	**43,934**	**0**	**0**	**1,099,585**
Adjustments regarding:					
APPLYING IFRIC 12:					
Elimination of Intangible assets	(239,258)	(17,927)			(257,185)
Elimination of Tangible assets	(167,767)	892			(166,875)
Concession fees	449,225	566			449,791
Provision for renovation of airport infrastructure	(264,339)	(4,507)			(268,846)
TOTAL EFFECTS OF APPLYING IFRIC 12	(222,139)	(20,976)	0	0	(243,115)
Fair value measurement on derivative financial instruments (cash flow hedge)	(70,749)	581		17,948	(52,220)
Applying the amortized cost method	(2,395)	156			(2,239)
Romulus Finance consolidation	1,564	(294)			1,270
Actuarial valuation of the provisions for employee benefits	757	(668)	693	510	1,291
Elimination of other intangible fixed assets	(86)	11			(75)
Deferred taxation on IFRS adjustments	92,089	6,701		(5,077)	93,714
Change in the consolidation area (ADR Sviluppo)	(8)	1			(7)
TOTAL IFRS ADJUSTMENTS	(200,967)	(14,488)	693	13,381	(201,381)
SHAREHOLDERS' EQUITY ACCORDING TO IFRS	**854,684**	**29,446**	**693**	**13,381**	**898,204**

The Board of Directors

ANNEXES

Annex 1 - List of equity investments

NAME	REGISTERED OFFICE	ASSETS	CURRENCY	SHARE CAPITAL (EURO)	SHAREHOLDERS	% HELD	% ADR GROUP INTEREST	CONSOLIDATION METHOD OR VALUATION CRITERION
PARENT COMPANY								
Aeroporti di Roma S.p.A.	Fiumicino (Roma)	Airport management	Euros	62,224,743				
SUBSIDIARY UNDERTAKINGS								
ADR Engineering S.p.A.	Fiumicino (Rome)	Airport engineering	Euros	774,690	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Tel S.p.A.	Fiumicino (Rome)	Telephony	Euros	600,000	Aeroporti di Roma S.p.A. ADR Sviluppo S.r.l.	99 1	100	Line-by-line
ADR Advertising S.p.A. (1)	Fiumicino (Rome)	Management of advertising spaces	Euros	1,000,000	Aeroporti di Roma S.p.A.	51	51	Line-by-line
ADR Assistance S.r.l.	Fiumicino (Rome)	Assistance to passengers with reduced mobility (PRM)	Euros	6,000,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Sviluppo S.r.l.	Fiumicino (Rome)	Real estate management	Euros	100,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Mobility S.r.l.	Fiumicino (Rome)	Management of parking and car parks	Euros	1,500,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
ADR Security S.r.l.	Fiumicino (Rome)	Security and control services	Euros	400,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
Airport Cleaning S.r.l.	Fiumicino (Rome)	Cleaning services	Euros	1,500,000	Aeroporti di Roma S.p.A.	100	100	Line-by-line
SPECIAL PURPOSE ENTITY								
Romulus Finance S.r.l.	Conegliano (Treviso)	Credit securitization	Euros	10,000	n/a	-		Line-by-line
ASSOCIATED UNDERTAKINGS								
Consorzio E.T.L. – European Transport Law (in liquidation)	Rome	Study on European transport rules	Euros	82,633	Aeroporti di Roma S.p.A.	25		Valued at cost
Consorzio Agere	Rome	Participation in tenders	Euros	10,000	ADR Engineering	33		Valued at cost
Ligabue Gate Gourmet Roma S.p.A. (insolvent)	Tessera (Venice)	Airport catering	Euros	103,200	Aeroporti di Roma S.p.A.	20		Valued at cost
OTHER INVESTMENTS								
S.A.CAL. S.p.A.	Lamezia Terme (Catanzaro)	Airport management	Euros	7,755,000	Aeroporti di Roma S.p.A.	16.57		Valued at cost
Aeroporto di Genova S.p.A.	Genova Sestri	Airport management	Euros	7,746,900	Aeroporti di Roma S.p.A.	15		Valued at cost
Leonardo Energia – Società Consortile a r.l.	Fiumicino (Rome)	Electricity production	Euros	10,000	Aeroporti di Roma S.p.A.	10		Valued at cost

1) Equity investment held in the ordinary share capital of the company (500,000 euros). The interest in the overall shares amounts to 1,000,000 euros (25.5%).

REPORT OF THE INDEPENDENT AUDITORS

Building a better
working world

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Auditors' review report on the consolidated condensed interim financial statements (Translation from the original Italian text)

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

1. We have reviewed the consolidated condensed interim financial statements, comprising the statement of financial position, the statement of income, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related explanatory notes, of Aeroporti di Roma S.p.A. and its subsidiaries (the "Aeroporti di Roma Group") as of June 30, 2014. Management of Aeroporti di Roma S.p.A. is responsible for the preparation of the consolidated condensed interim financial statements in conformity with the International Financial Reporting Standards applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to issue this review report based on our review.

2. We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of July 31, 1997. Our review consisted primarily of obtaining information on the accounts included in the consolidated condensed interim financial statements and the consistency of the accounting principles applied, through discussions with management, and applying analytical procedures to the financial data presented in these consolidated financial statements. Our review did not include the application of audit procedures such as tests of compliance and substantive procedures on assets and liabilities and was substantially less in scope than an audit conducted in accordance with generally accepted auditing standards. Accordingly, we do not express an audit opinion on the consolidated condensed interim financial statements as we expressed on the annual consolidated financial statements.

   The consolidated condensed interim financial statements include the corresponding figures of the prior year and of the corresponding period of the prior year, which are presented for comparative purposes and prepared in conformity with the same accounting principles used as of June 30, 2014 and for the period then ended. With respect to the consolidated financial statements of the prior year, reference should be made to our report issued on March 17, 2014. With respect to the figures of the corresponding prior period, explanatory Note 13 illustrates the effects of the transition to International Financial Reporting Standards as adopted by the European Union; the information presented in this note has been reviewed by us for the purpose of the issuance this review report.

3. Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of the Aeroporti di Roma Group as of June 30, 2014 are not prepared, in all material respects, in conformity with the International Financial Reporting Standards applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Rome, July 31, 2014

Reconta Ernst & Young S.p.A.
Signed by: Luigi Facci, Partner

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

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FINANCIAL STATEMENTS OF AEROPORTI DI ROMA S.P.A.

Statement of financial position

ASSETS (THOUSANDS OF EUROS)	06.30.2014	12.31.2013
NON-CURRENT ASSETS		
Tangible assets	11,128	8,527
Concession fees	1,954,949	1,973,431
Other intangible assets	6,580	5,961
Intangible assets	1,961,529	1,979,392
Equity investments	13,240	11,740
Other non-current financial assets	7,872	8,198
Deferred tax assets	116,323	125,670
Other non-current assets	463	463
TOTAL NON-CURRENT ASSETS	2,110,555	2,133,990
CURRENT ASSETS		
Inventories	2,296	2,233
Trade receivables	211,379	200,700
Commercial activities	213,675	202,933
Other current financial assets	12,204	26,175
Current tax assets	7,081	7,081
Other current assets	32,223	29,904
Cash and cash equivalents	230,440	770,205
TOTAL CURRENT ASSETS	495,623	1,036,298
ASSETS HELD FOR SALE	0	0
TOTAL ASSETS	**2,606,178**	**3,170,288**

SHAREHOLDERS' EQUITY AND LIABILITIES (THOUSANDS OF EUROS)	06.30.2014	12.31.2013
SHAREHOLDERS' EQUITY		
Share capital	62,225	62,225
Reserves and retained earnings	915,276	832,155
Net income for the period	74,288	83,163
TOTAL SHAREHOLDERS' EQUITY	**1,051,789**	**977,543**
LIABILITIES		
NON-CURRENT LIABILITIES		
Provisions for employee benefits	14,960	14,878
Provision for renovation of airport infrastructure	164,544	179,644
Other allowances for risks and charges	30,507	38,562
Allowances for non current provisions	210,011	233,084
Bonds	592,650	592,283
Medium/long-term loans	339,304	339,931
Non-current financial liabilities	931,954	932,214
Other non-current liabilities	419	0
TOTAL NON-CURRENT LIABILITIES	1,142,384	1,165,298
CURRENT LIABILITIES		
Provisions for employee benefits	568	359
Provision for renovation of airport infrastructure	134,373	106,137
Other allowances for risks and charges	11,152	11,283
Allowances for current provisions	146,093	117,779
Trade payables	145,226	174,163
Trade liabilities	145,226	174,163
Current share of medium/long-term financial liabilities	6,255	607,181
Financial instruments - derivatives	0	142
Other current financial liabilities	2,713	1,301
Current financial liabilities	8,968	608,624
Current tax liabilities	3,090	13,882
Other current liabilities	108,628	112,999
TOTAL CURRENT LIABILITIES	412,005	1,027,447
LIABILITIES ASSOCIATED TO ASSETS HELD FOR SALE	0	0
TOTAL LIABILITIES	**2,606,178**	**3,170,288**

Income statement

(THOUSANDS OF EUROS)	1ST HALF 2014	1ST HALF 2013
REVENUES		
Revenues from airport management	330,286	292,474
Revenues from construction services	16,360	8,717
Other operating income	19,738	4,075
TOTAL REVENUES	366,384	305,266
COSTS		
Consumption of raw materials and consumables	(14,565)	(16,705)
Service costs	(119,381)	(123,572)
Payroll costs	(34,523)	(33,702)
Concession fees	(14,409)	(13,191)
Expenses for leased assets	(1,593)	(1,608)
Allocation to (use of) the provisions for renovation of airport infrastructure	(9,178)	2,762
Allocations to allowances for risks and charges	0	(2,958)
Other costs	(7,455)	(9,477)
Other operating costs	(32,635)	(24,472)
Depreciation of tangible assets	(1,488)	(1,861)
Amortization of intangible concession fees	(30,966)	(30,839)
Amortization of other intangible assets	(1,367)	(1,185)
Amortization and depreciation	(33,821)	(33,885)
(Write-downs) Value recoveries	0	0
TOTAL COSTS	(234,925)	(232,336)
OPERATING INCOME (EBIT)	131,459	72,930
Financial income	11,241	6,768
Financial expense	(29,425)	(33,487)
Foreign exchange gains (losses)	132	(157)
FINANCIAL INCOME (EXPENSE)	(18,052)	(26,876)
INCOME (LOSS) BEFORE TAXES	113,407	46,054
Income taxes	(39,119)	(17,526)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	74,288	28,528
Net income (loss) from discontinued operations	0	0
NET INCOME FOR THE PERIOD	74,288	28,528

Statement of Comprehensive Income

(THOUSANDS OF EUROS)		1ST HALF 2014	1ST HALF 2013
NET INCOME FOR THE PERIOD (A)		**74,288**	**28,527**
Effective part of the profits (losses) on cash flow hedge		134	(242)
Tax effect of the other profits (losses)		(37)	67
Other components of the comprehensive income statement that can be reclassified in the income statement, net of the tax effect		97	(175)
Actuarial gains (losses) on benefits to employees posted in the Shareholders' equity		(1,092)	346
Tax effect of the actuarial other profits (losses)		300	(95)
Other components of the comprehensive income statement that will not be subsequently reclassified in the income statement, net of the tax effect		(792)	251
TOTAL OTHER COMPONENTS OF THE COMPREHENSIVE INCOME STATEMENT, NET OF THE TAX EFFECT		**(695)**	**76**
TOTAL COMPREHENSIVE PROFIT (LOSS)		**73,593**	**28,603**

Statement of changes in Shareholders' equity

(THOUSANDS OF EUROS)	SHARE CAPITAL	LEGAL RESERVE	SHARE PREMIUM RESERVE	CASH FLOW HEDGE RESERVE	OTHER RESERVES AND RETAINED EARNINGS	NET INCOME FOR THE PERIOD	TOTAL SHAREHOLDERS' EQUITY
BALANCE AS OF DECEMBER 31, 2012	**62,225**	**12,462**	**667,389**	**0**	**(74,482)**	**226,627**	**894,221**
Net income for the period						28,528	28,528
Other components of comprehensive income:							
Profits (losses) from fair value measurement of the cash flow hedge derivative instruments				(175)			(175)
Gains (losses) from actuarial estimates, net of the tax effect					251		251
Total net income for the period				(175)	251	28,528	28,604
Profit allocation					226,627	(226,627)	
Other changes	0	0	0	0	693		693
BALANCE AS OF JUNE 30, 2013	**62,225**	**12,462**	**667,389**	**(175)**	**153,089**	**28,528**	**923,518**
BALANCE AS OF DECEMBER 31, 2013	**62,225**	**12,462**	**667,389**	**(97)**	**152,401**	**83,163**	**977,543**
Net income for the period						74,288	74,288
Other components of comprehensive income:							
Profits (losses) from fair value measurement of the cash flow hedge derivative instruments, net of the tax effect				97			97
Gains (losses) from actuarial estimates, net of the tax effect					(792)		(792)
Total net income for the period				97	(792)	74,288	73,593
Profit allocation					83,163	(83,163)	
Other changes					653		653
BALANCE AS OF JUNE 30, 2014	**62,225**	**12,462**	**667,389**	**0**	**235,425**	**74,288**	**1,051,789**

Statement of cash flows

(THOUSANDS OF EUROS)		1ST HALF 2014	1ST HALF 2013
Net income for the period		**74,288**	**28,528**
Adjusted by:			
Amortization and depreciation		33,821	33,885
Allocation to the provisions for renovation of airport infrastructure		35,326	40,114
Financial expenses from discounting provisions		4,082	7,428
Change in other provisions		(8,227)	557
Write-down (revaluation) of non-current financial assets and equity investments		0	0
(Gains) losses on disposal of non-current assets, net of the transfer costs and the tax effect		0	0
Net change of the deferred (prepaid) tax (assets) liabilities		9,610	(10,198)
Other non-monetary costs (revenues)		1,962	3,137
Changes in the working capital and other changes		(56,174)	12,785
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		94,688	116,236
Investments in tangible assets		(4,090)	(822)
Investments in intangible assets		(14,470)	(8,802)
Works for renovation of airport infrastructure		(26,148)	(42,876)
Equity investments		(1,500)	0
Gains from divestment of tangible and intangible assets and equity investments and divisions		(1,322)	0
Net change of other non-current assets		0	7
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B)		(47,530)	(52,493)
Issue of bonds		0	0
Raising of medium/long-term loans		0	156,000
Repayment of medium/long-term loans		(604,579)	(504,250)
Net change of other current and non-current financial liabilities		2,434	(13,258)
Net change of current and non-current financial assets		13,809	18,929
NET CASH FLOW FROM FINANCING ACTIVITIES (B)		(588,336)	(342,579)
NET CASH FLOW FOR THE PERIOD (A+B+C)		(541,178)	(278,836)
Cash and cash equivalents at the start of the period		768,904	379,330
Cash and cash equivalents at the end of the period		227,726	100,494

Reconciliation of cash and cash equivalents

(THOUSANDS OF EUROS)		1ST HALF 2014	1ST HALF 2013
Net cash and cash equivalents at the start of the period		768,904	379,330
Cash and cash equivalents		770,205	381,229
Current accounts with subsidiary undertakings		(1,301)	(1,899)
Net cash and cash equivalents at the start of the period		227,726	100,494
Cash and cash equivalents		230,439	102,456
Current accounts with subsidiary undertakings		(2,713)	(1,962)

Additional information to the statement of cash flows

(THOUSANDS OF EUROS)		1ST HALF 2014	1ST HALF 2013
Net income taxes paid (reimbursed)		40,271	15,490
Interest income collected		1,345	1,095
Interest payable and commissions paid		20,892	35,927
Dividends received		9,885	5,920

Aeroporti di Roma S.p.A.

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