

Consolidated Interim Report at 31 March 2017

AEROPORTO G. MARCONI DI BOLOGNA S.P.A.



Consolidated Interim Report
Aeroporto Guglielmo Marconi di Bologna Group
At 31 March 2017

This document is a courtesy translation from Italian into English.

In case of any inconsistency between the two versions, the Italian original version shall prevail.

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Share Capital Euro 90,314,162.00 fully paid in

Composition of the Share Capital of the Parent Company Aeroporto Guglielmo Marconi di Bologna S.p.A.

Based on the shareholder register and communications received pursuant to article 120 of Legislative Decree 58/98, the shareholders of the parent company Aeroporto Guglielmo Marconi di Bologna Spa with equity investments above 5% as at 31 March 2017 are:

DECLARANT	% Owned
CHAMBER OF COMMERCE OF BOLOGNA	37.53%
AMBER CAPITAL	16.30%
STRATEGIC CAPITAL ADVISORS LIMITED	11.74%
F2I FONDI ITALIANI PER LE INFRASTRUTTURE SGR SPA	9.99%

For the purpose of presenting the composition of the share capital of the Parent Company, the following items are considered:

- the shares of the Declarant of the investment, i.e. the Entity at the top of the investment control chain;
- the shares arising from communications made by shareholders or those relating to significant equity investments pursuant to article 152 of the Consob Issuers' Regulation.

We also note that between the Chamber of Commerce, Industry and Agriculture of Bologna; the Municipality of Bologna; the Metropolitan City of Bologna; the Region of Emilia-Romagna; the Chamber of Commerce, Industry and Agriculture of Modena; the Chamber of Commerce, Industry and Agriculture of Ferrara; the Chamber of Commerce, Industry and Agriculture of Reggio Emilia; and the Chamber of Commerce, Industry and Agriculture of Parma (collectively the "Public Shareholders"), a shareholders' agreement (the "Shareholders' Agreement") was signed on 20 May 2015 to govern certain rights and obligations in relation to the ownership structure and corporate governance of Aeroporto Guglielmo Marconi di Bologna S.p.A. The said Shareholders' Agreement, published on 28 July 2015, requires a Voting Group and Block Voting Group to which—as at the date of publication of the Shareholders' Agreement - the shares corresponding to the following percentages of share capital were conferred:

PUBLIC SHAREHOLDERS	% Share Capital with Voting Group
CHAMBER OF COMMERCE OF BOLOGNA	37.53%
MUNICIPALITY OF BOLOGNA	3.88%
METROPOLITAN CITY OF BOLOGNA	2.31%
REGION OF EMILIA-ROMAGNA	2.04%
CHAMBER OF COMMERCE OF MODENA	0.30%
CHAMBER OF COMMERCE OF FERRARA	0.22%
CHAMBER OF COMMERCE OF REGGIO EMILIA	0.15%
CHAMBER OF COMMERCE OF PARMA	0.11%

PUBLIC SHAREHOLDERS	% Share Capital with Block Voting Group
CHAMBER OF COMMERCE OF BOLOGNA	37.53%
MUNICIPALITY OF BOLOGNA	3.85%
METROPOLITAN CITY OF BOLOGNA	2.30%
REGION OF EMILIA-ROMAGNA	2.02%
CHAMBER OF COMMERCE OF MODENA	0.08%
CHAMBER OF COMMERCE OF FERRARA	0.06%
CHAMBER OF COMMERCE OF REGGIO EMILIA	0.04%
CHAMBER OF COMMERCE OF PARMA	0.03%

Board of Directors

The composition of the Board of Directors, appointed by the Shareholders' Meeting of 27 April 2016 and in office until the date of approval of the Financial Statements at 31 December 2018, is as follows:

Name	Office
Enrico Postacchini	Chairman
Nazareno Ventola	CEO (*) (**)
Giorgio Tabellini	Member
Sonia Bonfiglioli	Member (A) (B)
Giada Grandi	Member
Luca Mantecchini	Member (A)
Arturo Albano	Member (B)
Gabriele Del Torchio	Member (A)
Laura Pascotto	Member (B)

(*) Chief Executive Officer appointed by the Board of Directors on 9 May 2016

(**) holds the position of General Manager.

Amongst his responsibilities is the position of Chief Internal Control System and Risk Management Officer.

(A) Member of the Remuneration Committee (Chairman Luca Mantecchini)

(B) Member of the Control and Risk Committee (Chairman Sonia Bonfiglioli)

Board of Statutory Auditors

The composition of the Board of Statutory Auditors, appointed by the Shareholders' Meeting of 27 April 2016 and in office until the date of approval of the Financial Statements at 31 December 2018, is as follows:

Name	Office
Pietro Floriddia	Chairman
Anna Maria Fellegara	Auditor
Matteo Tiezzi	Auditor
Carla Gatti	Alternate auditor
Giovanna Conca	Alternate auditor

Audit Firm

The Audit Firm appointed by the Shareholders' Meeting of 20 May 2015 for financial years 2015 to 2023 is E&Y S.p.A.

Directors' Report of the Aeroporto Guglielmo Marconi di Bologna S.p.A. Group at 31 March 2017

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INTRODUCTION

This report, submitted with the Consolidated Financial Statements of the Aeroporto Guglielmo Marconi di Bologna S.p.A. Group (hereinafter also the "Airport Group" or the "Airport" or "AdB") for the quarter ended 31 March 2017, in presenting the Group's performance, indirectly provides an analysis of the performance of the Parent Company, Aeroporto Guglielmo Marconi di Bologna S.p.A., agent of the total management of Bologna Airport according to Total Management Concession no. 98 of 12 July 2004 et seq., approved with the Ministry of Transport and Infrastructure and Ministry of Economy and Finance Decree dated 15 March 2006, for a forty-year period starting on 28 December 2004.

The following diagram shows the structure of the Group at 31 March 2017 and a brief description of the type of activities carried out by its subsidiaries and associates:



- Tag Bologna S.r.l. (hereinafter also "TAG") was founded in 2001 and commenced operations in 2008 following the completion and opening of the terminal and hangar for General Aviation. The company, besides managing infrastructure at Bologna Airport, is engaged in the General Aviation sector as a handler;
- Fast Freight Marconi S.p.A. (hereinafter also "FFM") was set up in 2008 by the former subsidiary Marconi Handling S.r.l. (GH Bologna S.p.A. since 1 April 2017) with share capital of Euro 10 thousand, later increased to Euro 520 thousand through the contribution, by the then sole shareholder, of the Bologna Airport cargo and mail handling business unit. The entire investment in FFM was acquired by the Parent Company in 2009;
- Ravenna Passenger Terminal S.r.l. (hereinafter also "RTP") was founded in 2009 together with several public and private partners in the cruise industry for carrying out activities related to the concession for managing the Porto Corsini (Ravenna) Maritime Station Service.

The values in the tables of this Directors' Report are expressed in thousands of Euro and in the comments are expressed in millions of Euro, unless otherwise indicated. Unless otherwise indicated, data comes from Company reports.

Description of the business

The activities performed by airport operators can be divided into aviation and non-aviation. The first category consists mainly of airport management, maintenance and development, including security controls and supervision, in addition to the provision of aeronautic services for passengers and airport operators and users, as well as marketing activities for the development of passenger and cargo traffic. The second consists mainly of potential commercial and real estate development activities for airports.

Consistent with the nature of the activities performed, the Group manages the airport through the following Strategic Business Units (SBUs):

- *Aviation Strategic Business Unit*
- *Non-Aviation Strategic Business Unit.*

Aviation SBU

The main activities performed within the Aviation SBU relate to managing and developing airport infrastructure, and in particular consist of:

- providing customers and operators with efficient access to all infrastructure, both landside (terminal, baggage handling, parking areas, access roads and cargo warehouses) and airside (runway and apron);
- providing security services and services to passengers with reduced mobility (PRM);
- providing information to the public and airport users;
- renovating or expanding airport infrastructure, including plants and equipment, partly in order to ensure compliance with applicable legislation.

The airlines, airport operators and passengers pay for these activities through airport charges, which can be divided into:

- passenger boarding fees: said fees are due for the use of the infrastructure, facilities and common-use premises necessary for boarding, landing and passenger reception and are calculated according to the number of departing passengers taking into account whether the destination is EU or non-EU and with reductions for children;
- landing and departure fees: these fees are due for all aircraft which take off and land, and are calculated based on the maximum authorised take-off weight of the aircraft and the aviation sector to which the flights belong (commercial or general aviation);
- aircraft stopover and recovery fees, calculated according to the maximum tonnage at take-off;
- fees for boarding and disembarking cargo, calculated according to the weight of the cargo transported by the aircraft;;
- refuelling fees, due as a fixed amount per cubic metre of fuel supplied to refuel the aircraft.

The main additional sources of revenue of the Aviation SBU are:

- fees for checks on departing passengers: these fees are due for the inspection service, including inspection personnel and equipment assigned by the provider;
- fees for security checks of checked luggage: such fees are due for the remuneration of the equipment and personnel that perform these controls;
- fees for PRM: these include fees paid for services to passengers with reduced mobility and are determined according to the number of departing passengers (PRM and not);
- fees due for the use of exclusive-use assets: these include fees due for the use of airport infrastructure dedicated to individual carriers or operators (check-in desks, offices, operative spaces), calculated according to the time of use or square meters and/or the location and type of assets granted;
- fees due for the use of certain centralised infrastructures: these fees relate exclusively to aircraft de-icing services, calculated based on the movements of aircraft in the winter season;
- fees related to cargo handling and general aviation handling and related activities such as customs clearance and fuelling.

Non-Aviation SBU

The main activities performed in the Non-Aviation SBUs concern the management of parking areas, retail sub-licensing, advertising, passenger services and real estate management.

Parking

The direct management of paid parking at Bologna Airport consists of approximately 5,300 available parking spaces, mainly concentrated in six large parking areas of which the first five are next to the terminal and the sixth located about 1.5 km from the airport. The growing popularity of the airport in recent years has persuaded private companies to enter the market near the airport, creating competitor car parks connected to the terminal via shuttles.

Retail

Retail activities at Bologna Airport are characterised by the presence of brands that are internationally recognised and associated with the local area. The mall comprises approximately 4,500 square metres and 42 stores. The recent upgrading of the airport has increased the surface area dedicated to retail and consequently the choice available to customers. The greatest expansion was in duty-free areas, which represent one of the main sources of profitability of the SBU.

Advertising

Advertising consists of large backlit signs, both inside and outside the airport, located in areas where they are likely to be seen by as many people as possible. Sometimes, campaigns involve specific areas or items of furniture at the airport being customised.

Passenger services

Passenger services include a business lounge, managed directly by the Parent Company. The Marconi Business Lounge (MBL) is a comfortable private room, used mostly by business passengers of the major European airlines. In addition, through the "You First" service, "top flyer" passengers can benefit from exclusive services on both departure and arrival, such as assistance for check-in and baggage collection, portage and assistance and priority boarding at the gate.

Passengers are also offered a car rental service. At Bologna Airport, there are 10 companies offering a total of 16 makes, ensuring that 475 vehicles are available in total.

Real Estate

Real estate is characterised by two macro-areas: the first relates to revenue from the sub-licensing of space for commercial activities closely linked to aeronautical operations, first and foremost those of couriers, and the second relates to revenue from sub-licensing of areas and spaces for handling, the rates of which are regulated.

Overall, there are more than 90,000 square metres available for sub-licensing, of which over 70,000 square metres are for offices, warehouses, technical services and hangars, and approximately 20,000 square metres are uncovered areas dedicated to storing operational vehicles and handling in the loading/unloading areas, and areas for the vehicles used for aircraft refuelling.

1 STRATEGIES AND RESULTS

1.1 INDUSTRY TRENDS AND AIR TRANSPORT: OVERVIEW AND POSITIONING OF THE G. MARCONI AIRPORT

Positive economic indicators suggest a gradual strengthening of the outlook for the global recovery, due in part to the impetus from expansionary policies. International trade accelerated, benefiting from stronger investment in many economies.

According to OECD projections published in March, global GDP will grow by 3.3% in 2017 (up from 3.0% in 2016) and by 3.6% in 2018. Compared with last November, estimates for 2017 have been revised slightly upward for nearly all major advanced economies, but remained largely unchanged for emerging economies. The global economic recovery continues to be subject to various uncertainties, due to the possibility that the economic policies of the main regions could follow different trends. In the US, there is still no clear outline for the expansionary fiscal measures that the new administration intends to adopt, while in Europe, uncertainty connected with Brexit is combined with further uncertainty over the outcome of elections in some of the larger countries.

There has been stronger expansion in economic activity in the Eurozone, driven by domestic demand. Inflation is up, despite high unemployment and moderate increases in salaries in many economies in the area.

In the fourth quarter of 2016, GDP in the Eurozone rose by 0.5%, up from +0.4% in the previous period. The economy benefited from increased spending due to household consumption and the sharp recovery in investments. Foreign trade made a negative contribution with a sharp increase in imports, which more than offset the increase in exports. Among major countries in the area, GDP rose by 0.4% in Germany and France and by 0.2% in Italy.

Based on prospective indicators, GDP in the first quarter of 2017 is expected to grow in the Eurozone in line with the previous period. According to ECB projections for March, GDP will grow by 1.8% in 2017.

On the basis of the latest indicators, Italian GDP growth in the first three months of 2017 is expected to match that of the previous quarter. In the first quarter of the year, inflation reached its highest level since

2013: it was 1.3% in March, according to the preliminary estimate. (Source: *Economic Bulletin, Banca d'Italia, April 2017*).

In this economic environment, **global** passenger traffic rose by 7.0% in the first quarter of 2017 (+8.1% net of the leap year effect), continuing a positive trend in air transport. Global cargo traffic also recorded an excellent performance, with a 9.7% increase in volume in the first three months of 2017.

In **Europe**, passenger traffic rose by 6.9% in the first quarter of 2017, in line with global traffic performance. Cargo traffic also performed well, with a 12.8% increase in volume in the first quarter of 2017, bolstered by the weak euro, which favoured exports (Air Passenger Market Analysis and Air Freight Market Analysis, March 2017).

During the same period, the **Italian** market recorded passenger traffic growth of 5.0% (Source: Assaeroporti, March 2017). Bologna Airport registered growth of 4.6% in the first quarter of 2017.

1.2 STRATEGIC OBJECTIVES

In 2017, the Group continues to take steps to achieve the objectives of the Strategic Plan, which is the foundation of the stock market listing. The Plan calls for various measures which, in view of the major market transformation under way and the specific characteristics of individual business areas, have the following objectives:

Incremental development of the network of destinations and traffic volumes

Maintaining the current offer of flights and type of airlines operating at the Airport, with a roughly even split between the low-cost and legacy airline segments.

In this perspective, the Company aims to maintain varied and functional flight offerings to different user segments by increasing the number of carriers operating at the Airport, while continuing to also maintain a profit margin on the incremental traffic that might be generated. As part of the development of traffic, the Group will work to increase the number of routes, partly through the introduction of new routes to the East, an increase in the frequency of flights to existing destinations, and an increase in the tonnage of aircraft operating at the Airport, following the possible introduction of long-haul destinations and load factors that may require carriers to use larger aircraft.

Infrastructure development

The development of the Group's business depends on the Master Plan and Planning Agreement (still being finalised) investments being carried out, with a strategy entailing efficient use of the existing infrastructure capacity and gradual investment in order to align the infrastructure capacity with the expected increase in traffic. Furthermore, the Company intends to create new retail spaces to enhance the marketing offer available to the passenger.

Development of the Non-Aviation business

Strengthening the Non-Aviation business by enhancing commercial offerings and developing marketing activities designed to meet the multiple needs expressed by passengers.

Focus on efficiency, quality and innovation

In 2014, as part of its development strategies, the Group began to optimise its key operating processes to create an appropriate structure for addressing the increasingly challenging competitive dynamics of the business. In this context, the Group has geared itself towards the search for greater functionality and efficiency while also evaluating the potential internalisation of services and cost savings.

The Group is also careful to ensure continuous improvement of services provided to airport users in the business areas in which the Group operates, directly and indirectly, while ensuring an even higher standard of safety, quality and environmental friendliness.

With the aim of improving service quality and customer loyalty, the Group feels it is important to implement technological systems that encourage interaction with passengers and provide the best travel experience inside the Airport.

1.3 STOCK PERFORMANCE

On 14 July 2015, the AdB stock began trading on the MTA Star segment of the Milan Stock Exchange.

The following is reported below:

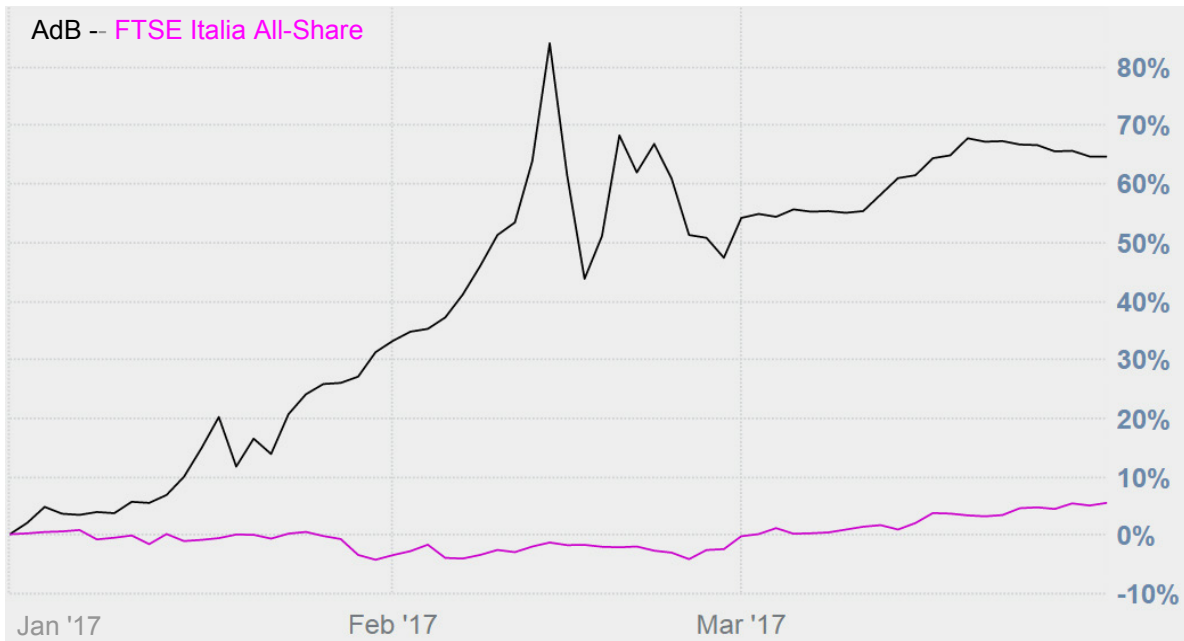
- the stock's performance from 1 January to 31 March 2017;
- the comparison between the share price and changes in the FTSE Italia All-Share index.

At 31 March 2017, the official price was Euro 16.73 per share, bringing the market capitalisation of the AdB Group on that date to approximately Euro 604 million.

Performance of AdB shares (01/01/2017 - 31/03/2017)



Performance of AdB shares and FTSE Italia All-Share (01/01/2017 - 31/03/2017)



2. ANALYSIS OF THE MAIN OPERATING RESULTS

2.1 AVIATION STRATEGIC BUSINESS UNIT

2.1.1 AVIATION STRATEGIC BUSINESS UNIT: TRAFFIC DATA

In the first three months of 2017, there was significant growth in traffic at Bologna Airport. Specifically, in the first quarter of the year there were 1,639,151 **passengers**, including transits and general aviation, an increase of 4.6% compared with the same period in 2016. At the same time, there was an increase in **movements** (15,318, +2.2%) and **tonnage** (968,666, +0.2%). Contributing to this positive performance were the introduction of new destinations and the expansion of existing routes. There was also a significant increase in the average load factor, which rose from 75.1% in the first quarter of 2016 to 77.9% in the first quarter of 2017, since the increase in the number of passengers was higher than the increase in seats offered.

In the first quarter of 2017, **cargo traffic** was 13,952,269 kg, representing an overall increase of 21.2% on 2016. This increase was due to growth in all traffic components. In fact, there was a strong recovery in the surface component, as well as continued growth in cargo traffic by air, due to a fortuitous combination of factors involving the increased volume of carriers with a strong presence at the airport, and new carriers.

	January - March 2017	January - March 2016	% Change
Passengers	1,639,151	1,567,475	4.6%
Movements	15,318	14,989	2.2%
Tonnage	968,666	966,827	0.2%
Freight	13,952,269	11,512,870	21.2%

Data including General Aviation and transits

The growth in passenger traffic was due to the increase in both major components, i.e., legacy and low-cost traffic.

Legacy traffic was up by 9.2% in passenger volume in the first quarter of 2017 due to the introduction of new flights, particularly from the summer of 2016, and the greater frequency of flights to several hubs by major international airlines. Specifically, Air Berlin started service on 2 May 2016 with three daily connections to Dusseldorf; Alitalia re-introduced its daily flight to Catania on 1 May 2016; Aeroflot increased its flights to Moscow (from 11 to 14 weekly flights); Ukraine International Airlines increased its flights to Lviv (now daily); and Air Nostrum increased its flights to Madrid (from 2 to 3 daily flights from the winter of 2016-2017, with no change in summer operations).

The ongoing investment of major low-cost carriers at the airport is continuing, due to the expansion of operations by Ryanair (confirmation of summer operations in the winter of 2016-2017 to Athens, Malaga, Dublin and Edinburgh) and Wizzair (new flight to Iasi from July 2016). In the first quarter of 2017, this component grew by 1.6%.

The charter segment remains largely unchanged: it is experiencing a structural crisis, due in part to a change in the behaviour of passengers who prefer to make their own travel arrangements, and to the well-known political climate and the terrorist attacks that have sharply reduced leisure travel to destinations usually serviced by charter flights, particularly Tunisia and Egypt.

Passenger Traffic Composition	January - March 2017	% of total	January - March 2016	% of total	% Change
Legacy	695,426	42.4%	636,570	40.6%	9.2%
Low cost	936,704	57.1%	922,055	58.8%	1.6%
Charter	3,787	0.2%	3,800	0.2%	-0.3%
Transits	1,584	0.1%	3,503	0.2%	-54.8%
Commercial Aviation Total	1,637,501	99.9%	1,565,928	99.9%	4.6%
General Aviation	1,650	0.1%	1,547	0.1%	6.7%
Overall Total	1,639,151	100.0%	1,567,475	100.0%	4.6%

The international status of Bologna Airport has risen still further, and passengers on international flights represented 74.9% of the total in the first quarter of 2017.

With regard to routes operated, Catania is the main destination in terms of passenger traffic volume, followed by Madrid, Palermo, Frankfurt and Paris CDG, which was down compared with 2016.

The main destinations served confirm the strength of the traffic mix, as they are both hubs of traditional airlines and point-to-point destinations of low-cost carriers.

Main routes for passenger traffic	January - March 2017	January - March 2016	% Change
Catania	84,300	64,139	31.4%
Madrid	71,417	71,216	0.3%
Palermo	70,059	68,870	1.7%
Frankfurt	67,878	63,881	6.3%
Paris CDG	61,478	69,592	-11.7%
Rome FCO	60,936	57,839	5.4%
London Stansted	56,779	55,640	2.0%
Barcelona	56,489	54,635	3.4%
London Heathrow	55,640	51,527	8.0%
Dubai	49,242	50,423	-2.3%

* Legacy + low-cost passenger traffic, excluding charter, transits and general aviation

2.1.2 AVIATION STRATEGIC BUSINESS UNIT: SUMMARY OF FINANCIAL RESULTS

<i>in thousands of Euro</i>	31.03.2017	31.03.2016	Abs. change	Change %
Revenues from Passengers	10,028	9,653	376	3.9%
Revenues from Carriers	4,954	4,736	217	4.6%
Revenues from Airport Operators	677	607	70	11.5%
Traffic incentives	(4,964)	(5,698)	734	-12.9%
Revenues from construction services	681	1,132	(451)	-39.8%
Other revenues	339	315	23	7.3%
Total AVIATION SBU Revenues	11,715	10,745	970	9.0%

Group revenues attributable to the Aviation Strategic Business Unit include the fees paid by users (passengers and carriers) and by airport operators for the use of infrastructure and services provided exclusively by the Group for landing, take-off, lighting and aircraft parking and the processing of passengers and cargo, as well as for the use of centralised infrastructure and assets for exclusive use.

Given the public utility nature of airport services, airport charges are subject to regulation, including on the basis of EU rules. The previous regulations required that such charges were established for each airport by planning agreements concluded between individual airport operators and the Italian Civil Aviation Authority (ENAC). The new legislation and the enforcement measures – including the models approved by the Transport Regulation Authority (ART) – require, however, that changes to the system or the level of airport charges be made with the agreement of both the airport operator and the airport users.

The increase in the first quarter of 2017 compared with the same period of 2016 was due to the combined effect of several factors, including the increase in traffic, and the decrease in incentives and revenues from construction services.

On the whole, Group revenues attributable to the Aviation Strategic Business Unit showed an increase of 9%. Individual items performed as follows:

- Passenger revenues (+3.9%): passenger revenues rose at a slower pace than passenger traffic (4.6%) due to the new tariffs that came in on 1 January 2017, and the adjustment of data for 2016, which resulted in a slight decrease in tariffs for this revenue category;
- Carrier revenues (+4.6%): this revenue category registered higher growth than total tonnage, which was its main driver (0.2%), due to the increase in tariffs and cargo traffic;
- Airport operator revenues: the 11.5% growth was due to an increase in fuelling service revenues;
- Incentives: the 12.9% decrease in this item compared with 2016, despite the increase in traffic, was due to the renegotiation of several agreements;
- Revenues from construction services: the decrease (-39.8%) was the result of lower investments compared with the same period of last year, due in part to difficulties related to amended regulations, which made the launch of new initiatives particularly complex.

2.2 NON-AVIATION STRATEGIC BUSINESS UNIT

2.2.1 NON-AVIATION STRATEGIC BUSINESS UNIT: SUMMARY OF FINANCIAL RESULTS

<i>in thousands of Euro</i>	31.03.2017	31.03.2016	Abs. change	Change %
Retail and Advertising	2,762	2,603	159	6.1%
Parking	3,180	3,044	136	4.5%
Real Estate	543	597	(54)	-9.0%
Passenger services	1,166	1,026	140	13.6%
Other revenues	525	496	29	5.8%
Revenues from construction services	261	34	227	667.6%
Total NON-AVIATION SBU Revenues	8,437	7,800	637	8.2%

Total revenues from the Non-Aviation Strategic Business Unit rose by 8.2% during the period, with major revenue items increasing.

The performance of the individual areas of this business unit is shown below.

Retail and Advertising

This revenue category rose by 6.1% compared with 2016, due to the increase in traffic, the positive impact of several new agreements with higher guaranteed minimums than in 2016, and significant improvements in product offerings. The Duty Free and Food and Beverage segments grew substantially on the previous year.

However, advertising was again affected by market weakness, which was reflected in this business's performance, including at Bologna Airport.

Parking

At 31 March, parking revenues were up by 4.5% compared with the same period of the previous year. The increase was mainly attributable to the growth in passengers and the interception of most of this growth with the resulting increase in cars parking in car parks managed by the Parent Company.

Real Estate

The Euro 54 thousand decrease in revenues in this area compared with 2016 was mainly due to the early termination of an agreement concerning surface rights to perform ancillary activities.

Passenger services

Passenger services, which rose by 13.6% in the first quarter of 2017 compared with 2016, mainly consisted of premium services (lounge and ancillary services) and car rentals, whose performance is indicated below.

Premium services

The main elements that contributed to a positive performance included all business components in the area, i.e. entries into lounges that are managed directly, and those managed through specialised channels for airport lounges.

Rent a car sub-licensing

The first-quarter results were more positive than in 2016, due to the combined effect of the favourable ISTAT index, the additional availability of several parking spaces for car renters and the delivery of new areas for preparing cars on site.

Other revenues

Other revenues rose, mainly due to additional services provided by the workshop and more training services than in the same period of 2016.

3 ANALYSIS OF THE OPERATING RESULTS, FINANCIAL POSITION AND CASH FLOWS

3.1 ANALYSIS OF THE CONSOLIDATED FINANCIAL RESULTS

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Abs. change	Change %
Revenues from aeronautical services	10,767	9,353	1,414	15.1%
Revenues from non-aeronautical services	8,310	7,863	447	5.7%
Revenues from construction services	942	1,166	(224)	-19.2%
Other operating revenues and income	133	163	(30)	-18.4%
Revenues	20,152	18,545	1,607	8.7%
Consumables and goods	(456)	(336)	(120)	35.7%
Services costs	(4,735)	(4,333)	(402)	9.3%
Costs for construction services	(897)	(1,110)	213	-19.2%
Leases, rentals and other costs	(1,628)	(1,567)	(61)	3.9%
Other operating expenses	(697)	(689)	(8)	1.2%
Personnel costs	(6,581)	(6,259)	(322)	5.1%
Costs	(14,994)	(14,294)	(700)	4.9%
Gross operating profit (EBITDA)	5,158	4,251	907	21.3%
Amortisation of concession rights	(1,371)	(1,304)	(67)	5.1%
Amortisation of other intangible assets	(147)	(117)	(30)	25.6%
Depreciation of tangible assets	(470)	(397)	(73)	18.4%
Depreciation, amortisation and write-downs	(1,988)	(1,818)	(170)	9.4%
Provisions for doubtful accounts	(36)	(37)	1	-2.7%
Provisions for renewal of airport infrastructure	(520)	(453)	(67)	14.8%
Provisions for other risks and charges	(68)	3	(71)	n.s.
Provisions for risks and charges	(624)	(487)	(137)	28.1%
Total costs	(17,606)	(16,599)	(1,007)	6.1%
Operating result	2,546	1,946	600	30.8%
Financial income	222	64	158	246.9%
Financial expenses	(212)	(412)	200	-48.5%
Result before taxes	2,556	1,598	958	59.9%
Taxes for the period	(780)	(438)	(342)	78.1%
Profit (loss) for the period	1,776	1,160	616	53.1%
Minority interests in profit (loss)	16	(23)	39	n.s.
Group profit (loss)	1,760	1,183	577	48.8%

The first quarter of 2017 ended with consolidated profit of **Euro 1.8 million** compared with Euro **1.2 million** in 2016.

This result was driven by the 4.6% increase in passenger traffic and the positive trend starting in 2016 with new legacy connections and measures to support aviation profitability.

Core revenues rose by 8.7% overall compared with 2016, and specifically:

- **revenues from aeronautical services** rose by 15.1%, mainly due to the increase in traffic and decrease in incentives following the renegotiation of previous agreements;
- **revenues from non-aeronautical services** were up by 5.7% due to the good performance of all components of this category as explained in the relevant section;
- the decrease in **revenues from construction services** was due to lower investments.

Costs for the period rose by a total of 4.9% on the same period of 2016.

These can be broken down as follows:

- ✓ **consumables and goods** rose (+35.7%) due primarily to higher purchases of aviation fuel, which had a positive impact on revenues as indicated in the appropriate section.
- ✓ **services costs** rose by 9.3%, and specifically:
 - utility costs, due to the less-than-optimal operation of alternative supply sources requiring greater use of traditional sources with higher energy costs;
 - PRM service costs, due to the higher number of departing passengers;
 - costs for the development and promotion of the airport resulting from the start-up of new destinations in 2016.

The above increases were accompanied by lower costs for maintenance work.

- ✓ **costs for construction services** dropped by 19.2% due to lower investments made as reflected in the decrease in the corresponding revenue item;
- ✓ the 3.9% increase in **leases, rentals and other costs** compared with 2016 was mostly due to the increase in traffic on which airport concession and security service fees are calculated;
- ✓ **other operating expenses** rose by 1.2% over 2016, mainly due to the absence of non-recurring income reported in the first quarter of 2016.

For comments on the personnel costs trends, please see the specific section of this report.

During the January-March 2017 period, there was an overall increase of about Euro 0.9 million (+21.3%) in **gross operating profit** (EBITDA) compared with the same period in 2016.

Moving on to **structural costs**, amortisation and depreciation rose by 9.4% in keeping with the amortisation and depreciation plan and new Group investments, while the increase in provisions (28.1%) was due to the provision for renewal of airport infrastructure and the provision for employee back pay for the estimated cost of the lump-sum payment related to the expiration of the National Collective Agreement as at 31 December 2016.

The 6.1% increase in total costs compared with the 8.7% increase in revenues resulted in an increase in **operating profit (EBIT)** of 30.8% from Euro 1.9 million for the first three months of 2016 to Euro 2.5 million as at 31 March 2017.

Net financial income (expenses) was essentially a zero balance compared with net financial expense of Euro 0.35 million in the first quarter of 2016 due to two factors:

- the decrease in bank interest expense due to the reduction in debt following the completion of the amortisation schedule for the Intesa loan obtained in 2007, and the early repayment of debt resulting from the Seaf guarantee (see Note 16);
- income from discounting provisions compared with expenses reported as at 31 March 2016.

To summarise, lower financial expenses in the first quarter of 2017 compared with the same period of 2016 made it possible to absorb the higher structural costs thereby maintaining the growth reported in **gross operating profit** in the **result before taxes** (Euro 2.6 million compared with Euro 1.6 million in the first quarter of 2016).

Income taxes rose, partly due to growth in the result before taxes (+Euro 1 million), but mainly due to amendments to the base for calculating ACE (economic growth incentive, Decree Law 201/2011). The

gradual decline in the ACE increases the effective tax rate for 2017 even though the IRES rate dropped to 24%.

Based on the above, the **net profit** for the period was Euro **1.78** million compared with Euro 1.16 million (+53.1%): the Group's portion was Euro **1.76** million compared with Euro 1.18 million for the first quarter of 2016.

In the first three months of 2017, progress made on investments related to concession rights was less than in the same period in 2016, and, as a result, there was a relative impact on economic performance for the period, as can be seen in the following table showing the revenues, costs and gross operating profit adjusted respectively for the revenues, costs and margin for construction services.

In view of the overall amount of costs and revenues for/from construction services compared with other items that make up adjusted gross operating profit, this item has not deviated greatly from gross operating profit.

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Abs. change	Change %
Revenues from aeronautical services	10,767	9,353	1,414	15.1%
Revenues from non-aeronautical services	8,310	7,863	447	5.7%
Other operating revenues and income	133	163	(30)	-18.4%
ADJUSTED REVENUES	19,210	17,379	1,831	10.5%
Consumables and goods	(456)	(336)	(120)	35.7%
Services costs	(4,735)	(4,333)	(402)	9.3%
Leases, rentals and other costs	(1,628)	(1,567)	(61)	3.9%
Other operating expenses	(697)	(689)	(8)	1.2%
Personnel costs	(6,581)	(6,259)	(322)	5.1%
ADJUSTED COSTS	(14,097)	(13,184)	(913)	6.9%
ADJUSTED GROSS OPERATING PROFIT (ADJUSTED EBITDA)	5,113	4,195	918	21.9%
Revenues from construction services	942	1,166	(224)	-19.2%
Costs for construction services	(897)	(1,110)	213	-19.2%
Margin for construction services	45	56	(11)	-19.6%
GROSS OPERATING PROFIT (EBITDA)	5,158	4,251	907	21.3%

3.2 ANALYSIS OF CASH FLOWS

Details of the Group's net financial position at 31 March 2017 are provided below compared with 31 December 2016 and 31 March 2016:

	<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	at 31.03.2016	Change 31.03.2017 - 31.12.2016	Change 31.03.2017 - 31.03.2016
A	Cash	27	25	25	2	2
B	Other cash equivalents	22,100	20,085	49,566	2,015	(27,466)
C	Securities held for trading	0	0	2,860	0	(2,860)
D	Liquidity (A+B+C)	22,127	20,110	52,451	2,017	(30,324)
E	Current financial receivables	15,931	22,085	2,261	(6,154)	13,670

	<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	at 31.03.2016	Change 31.03.2017 - 31.12.2016	Change 31.03.2017 - 31.03.2016
F	Current bank debt	(235)	(70)	(1,298)	(165)	1,063
G	Current portion of non-current debt	(5,803)	(5,800)	(7,447)	(3)	1,644
H	Other current financial debt	(1,696)	(2,970)	(2,275)	1,274	579
I	Current financial debt (F+G+H)	(7,734)	(8,840)	(11,020)	1,106	3,286
J	Net current financial position (I-E-D)	30,324	33,355	43,692	(3,031)	(13,368)
K	Non-current bank debt	(24,777)	(24,896)	(32,358)	119	7,581
L	Bonds issued	0	0	0	0	0
M	Other non-current liabilities	0	0	0	0	0
N	Non-current financial debt (K+L+M)	(24,777)	(24,896)	(32,358)	119	7,581
O	Net financial position (J+N)	5,547	8,459	11,334	(2,912)	(5,787)

At 31 March 2017, the Group's **net financial position** was Euro 5.5 million compared with Euro 8.5 million at 31 December 2016 and Euro 11.3 million at 31 March 2016.

Looking specifically at individual components, the higher **liquidity** compared with 31 December 2016 (Euro 22.1 million compared with Euro 20.1 million) was mainly due to:

- the reclassification of Euro 6 million in certificates of deposit and time deposits to cash and cash equivalents since they expire in less than three months;
- the opening of a time deposit totalling Euro 4 million with a term of over 12 months, and thus, classified under non-current financial assets.

The lower **current and non-current financial debt** (Euro 32.5 million compared with Euro 33.7 million at 31 December 2016) was mainly due to the reduction in the payable for the municipal surcharge collected and to be transferred to creditors (-Euro 1.1 million from 31 December 2016) as well as the repayment of loan instalments due during the quarter (Euro 0.1 million).

The change from the first quarter of 2016 (-Euro 10.9 million), was due to the normal repayment of debt (which, among other things, included the repayment in September 2016 of the Intesa loan obtained in 2007) as well as the early repayment of the SEAF debt in April 2016.

A summarised version of the consolidated cash flow statement below shows the cash flows generated/absorbed by operating, investment and financing activities for the periods under review:

<i>in thousands of Euro</i>	at 31.03.2017	at 31.03.2016	Change
Cash flow generated/(absorbed) by net operating activities	1,114	3,602	(2,488)
Cash flow generated/(absorbed) by investment activities	1,029	(2,702)	3,731
Cash flow generated/(absorbed) by financing activities	(126)	(1,993)	1,867
Final cash change	2,017	(1,093)	3,110

in thousands of Euro	at 31.03.2017	at 31.03.2016	Change
Cash and cash equivalents at beginning of period	20,110	50,684	(30,574)
Final cash change	2,017	(1,093)	3,110
Cash and cash equivalents at end of period	22,127	49,591	(27,464)

Cash flow generated by operating activities totalled Euro 1.1 million, which was down from the same period of 2016, due to the absorption of resources by net working capital. In fact, before changes in working capital, cash flow from operating activities generated financial resources totalling Euro 5.1 million compared with Euro 4.2 million in the first quarter of 2016. Working capital then absorbed higher resources for the payment of trade payables, operating payables and the municipal surcharge on boarding fees.

Cash flow from operating activities was sufficient to cover the needs generated by **infrastructure investments** totalling Euro 1.1 million.

Net of infrastructure investments, the **cash flow from investment activities** was a positive figure of Euro 2 million due to:

- the reclassification of Euro 6 million from current financial assets to cash and cash equivalents;
- the opening of a time deposit of Euro 4 million with a term of over 12 months.

Finally, **cash flow generated from financing activities** was a negative figure of Euro 0.1 million due to the repayment of loan instalments falling due during the quarter.

As a result, the **final overall cash change** for the period was a positive figure of Euro 2 million.

3.3 ANALYSIS OF THE CAPITAL STRUCTURE

Below is the Group's capital structure classified based on "sources" and "uses":

USES	at 31.03.2017	at 31.12.2016	at 31.03.2016	Change	Change
				31.03.2017 - 31.12.2016	31.03.2017 - 31.03.2016
- Trade receivables	13,240	13,454	13,955	-1.6%	-5.1%
- Tax receivables	156	134	337	16.4%	-53.7%
- Other receivables	4,005	3,265	8,195	22.7%	-51.1%
- Inventories	519	519	434	0.0%	19.6%
Subtotal	17,920	17,372	22,921	3.2%	-21.8%
- Trade payables	(12,478)	(15,669)	(12,272)	-20.4%	1.7%
- Tax payables	(3,173)	(2,420)	(1,787)	31.1%	77.6%
- Other payables	(21,763)	(20,382)	(20,004)	6.8%	8.8%
Subtotal	(37,414)	(38,471)	(34,063)	-2.7%	9.8%
Net operating working capital	(19,494)	(21,099)	(11,142)	-7.6%	75.0%

USES	at 31.03.2017	at 31.12.2016	at 31.03.2016	Change	Change
				31.03.2017 - 31.12.2016	31.03.2017 - 31.03.2016
Fixed assets	172,712	173,541	170,222	-0.5%	1.5%
- Deferred tax assets	7,358	7,427	7,469	-0.9%	-1.5%
- Other non-current assets	23,496	19,521	6,898	20.4%	240.6%
Total fixed assets	203,566	200,489	184,589	1.5%	10.3%
- Provisions for risks, charges and severance	(19,305)	(19,325)	(20,207)	-0.1%	-4.5%
- Deferred tax provision	(2,230)	(2,216)	(2,169)	0.6%	2.8%
- Other non-current liabilities	(194)	(194)	(219)	0.0%	-11.4%
Subtotal	(21,729)	(21,735)	(22,595)	0.0%	-3.8%
Fixed working capital	181,837	178,754	161,994	1.7%	12.2%
Total uses	162,343	157,655	150,853	3.0%	7.6%
SOURCES	at 31.03.2017	at 31.12.2016	at 31.03.2016	Change	Change
				31.03.2017 - 31.12.2016	31.03.2017 - 31.03.2016
Net financial position	5,547	8,459	11,334	-34.4%	-51.1%
- Share capital	90,314	90,314	90,250	0.0%	0.1%
- Reserves	75,193	63,882	70,263	17.7%	7.0%
- Profit (loss) for the period	1,760	11,311	1,183	-84.4%	48.8%
Group shareholders' equity	167,267	165,507	161,696	1.1%	3.4%
- Minority interests	623	607	491	2.6%	26.9%
Total shareholders' equity	167,890	166,114	162,187	1.1%	3.5%
Total sources	(162,343)	(157,655)	(150,853)	3.0%	7.6%

The Group's capital structure reflected a decrease in **net operating working capital** at 31 March 2017 as compared with the end of 2016, mainly due to greater outflows for the payment of debts as described in the section above. Compared with the first quarter of 2016, net operating working capital was up due to a significant decrease in receivables and a concurrent, but lower, increase in payables. The former effect was largely due to the collection, in October 2016, of the Euro 3.6 million receivable for the security deposit pursuant to Art. 17 of Law 135/97, while the increase in payables was mainly due to higher taxes payable, and within the item "other payables," an increase in the payable to the state for the concession fee and VVF contribution.

Fixed working capital rose due to the increase in fixed assets as a result of both progress on the investment plan and the investment of liquidity in financial instruments with maturities over 12 months.

At 31 March 2017 **consolidated shareholders' equity** totalled Euro 167.9 million, compared with Euro 166.1 million at 31 December 2016 with a positive **net financial position** of Euro 5.5 million. On 27 April 2017, the Parent Company's Shareholders' Meeting approved the 2016 financial statements and the distribution of dividends of Euro 10 million related to the profit for 2016.

3.4 INDICATORS

Considering that this is an interim period, the directors felt that the Group's main income statement and statement of financial position indicators at 31 March 2017 were not significant.

3.5 INVESTMENTS

Investments at 31 March 2017 totalled Euro 1.1 million, of which Euro 0.2 million related to the implementation of the Master Plan and thus mainly to infrastructure, and the remainder to investments intended for airport operations.

Below is a description of the progress made on key Master Plan investments:

- **Work on existing terminal:** the contract for the final working design was awarded, and work was started in April;
- **New de-icing area and building:** the contract was awarded to carry out the work;
- **New multi-level car park:** the contract was awarded for engineering services, and the preliminary design of the car park was begun at the end of March 2017;
- **P5 car park:** in the first quarter of 2017, minor work was carried out on the P5 car park, which was completed in 2016 in an area adjacent to the airport with 249 parking spaces;
- **Landside access roads:** in 2016, the construction of the cycle and pedestrian path that connects the airport entrance to the terminal and car parks was completed. In the first quarter of 2017, minor work was done to improve the quality of service provided (new airport entry sign, new information signage).

Other investments for airport operations, improvements in passenger services and improved efficiency in company processes also included the completion of a refreshment area for the airport community, the revamping of lighting for the multi-level car park to reduce energy consumption, and the construction of a shed in the cargo area to increase the surface area available for cargo traffic.

Provisions for renewal

At 31 March 2017, the total amount of work recorded in the provision for renewal was Euro 0.37 million. To be specific, in the landside area this included the conclusion of work to upgrade the fire-fighting system and emergency stairways in the multi-level car park, while the provision for systems included the start-up of the reconfiguration of the control and supervision system for technological facilities.

3.6 PERSONNEL

Workforce composition

	31.03.2017	31.03.2016	Change abs.	Change %
Average Full Time Equivalent	439	430	9	2%
Executive Managers	10	10	0	0%
Middle Managers	30	30	0	0%
White-collar workers	304	296	8	3%
Blue-collar workers	95	94	1	1%

	31.03.2017	31.03.2016	Change abs.	Change %
Average Workforce	488	465	23	5%
Executive Managers	10	10	0	0%
Middle Managers	30	30	0	0%
White-collar workers	348	328	20	6%
Blue-collar workers	100	97	3	3%

Source: Data from the Company

The increase in the workforce by 9 full-time equivalents compared with the first quarter of 2016 was mainly due to the hiring of resources to be used for work that is particularly sensitive to traffic growth, such as security and the PRM service. In addition, there was an increase in security staff due to the greater need for resources based on an increase in the security of several activities required by competent authorities in several areas along the airport's perimeter.

Costs

	31.03.2017	31.03.2016	Abs. change	Change %
Personnel Costs	6,581	6,259	322	5.1%

Source: Data from the Company

The 5.1% increase in personnel costs compared with the same period in 2016 was mainly due to the increase in the workforce described above and the last tranche of the new National Collective Agreement, which went into effect in July 2016, and had an impact on the first quarter of 2017.

LABOUR RELATIONS

Progress in this area during the period included the agreement signed in February between AdB and the RSU [unified union representative] governing the use, timing and procedures for saving images taken by AdB using cameras at the airport. The same agreement also governed GPS systems used by the company's service vehicles.

4 ANALYSIS OF THE MAIN NON-FINANCIAL RESULTS

4.1 THE ENVIRONMENT

In the first quarter of 2017, the final design was completed for the creation of the wooded area to the north of the airport. This design will be presented at the "Service Conference" to obtain Urban Planning Compliance and a Public Use Statement. In addition, two air monitoring units were purchased, which will be installed once authorised by the municipality.

These projects are specified in the Regional Agreement for the Decarbonisation of the Airport signed in 2015 with regional authorities, which will require the Parent Company to make investments totalling Euro 6.5 million. These investments will be made over a period of time consistent with the timing for the completion of the capex in the Airport Master Plan, i.e., by 2023.

4.2 QUALITY

The development strategies of Bologna Airport combine a heavy emphasis on passenger needs with an approach open to new trends in the sector. The Group's goal is to provide passengers with airport facilities and services that will make their travel experiences extremely pleasant.

User satisfaction

In the first quarter of 2017, the Customer Satisfaction Index, which measures the overall satisfaction of passengers, decreased by comparison with the same period of 2016, but maintained an excellent satisfaction level of 96%. At the same time, satisfaction indices for cleanliness and service regularity registered good satisfaction levels.

Wait times and service regularity were both very positive, and represented a further improvement on the first quarter of 2016 in terms of wait times at security check points and check-in counters.

Wait times for baggage delivery were in line with the company target and the same period of 2016, despite the increase in passenger traffic. This was a significant accomplishment resulting from the ongoing monitoring and correction of abnormalities carried out in collaboration with handlers and carriers.

Main Quality Indicators		January - March 2017	January - March 2016
Customer Satisfaction Index	% satisfied passengers	96%	98.5%
Regularity and speed of service	% satisfied passengers	95%	98.5%
Perception of general cleanliness	% satisfied passengers	98%	98.9%
Perception of toilet cleanliness and functionality	% satisfied passengers	91.5%	97.4%
Waiting time at check-in	Time in 90% of cases	11'58"	12'14"
Waiting time at baggage x-ray	Time in 90% of cases	06'08"	9'55"
Delivery time for the first/last bag from aircraft block-on	First bag (time in 90% of cases)	21'	21'
	Last bag (time in 90% of cases)	29'	29'

Source: Data from the Company

Once again, Bologna Airport improved its performance in terms of ACI World's Airport Service Quality programme, which is the most prominent global airport benchmark in the area of service quality. In fact, in the first quarter of 2017, this overall satisfaction indicator reached 3.78 on a scale of 1 to 5, higher than the 3.71 reported in the first quarter of 2016, which confirmed the positive trend seen in 2016.

5 LEGISLATIVE FRAMEWORK

5.1 TARIFF REGULATION 2016-2019

In accordance with the existing legislative framework and the tariff models developed by the ART, during 2015 AdB carried out and successfully completed the tariff regulation process for the 2016-2019 period, which took place in close coordination with and under the supervision of the ART.

In October 2016, carriers were consulted in accordance with the Authority's models, and tariff levels were adjusted from 1 January 2017.

6 DISPUTES

Since there were no major changes compared with what was indicated in the Directors' Report for the 2016 Financial Statements, the latter document should be referred to for detailed information.

7 MAIN RISKS AND UNCERTAINTIES

With regard to the information required by article 2428, para. 2, no. 6-*bis*, note that the Group holds significant quantities of financial instruments; however, in view of investment selection criteria such as:

- the minimisation of risk relative to the return on invested capital;
- the differentiation of the credit institutions;
- the term, which is usually less than two years; and
- the return offered,

the Group believes that the **financial risks**, defined as the risks of a change in the value of the financial instruments, are limited.

The Group is not subject to **exchange rate risk** because it does not engage in foreign-currency transactions.

Liquidity risk, taking into account the significant commitments for infrastructure development, may result from difficulties in obtaining financing in a timely and cost-effective manner. In order to deal with the needs resulting from the progress of the investment plan, the Group has implemented all measures in order to equip itself with the medium-term financial means necessary for development; in particular, the recent listing of the Parent Company's stock increased the Group's available cash and shored up its statement of financial position. Lastly, the Group's cash flows, financing requirements and liquidity are constantly monitored in order to guarantee effective and efficient resource management.

With regard to **interest rate risk**, taking into account existing financing, the Group tried to minimise the risk by obtaining both fixed-rate and variable-rate loans.

Lastly, with regard to **credit risk**, the persistent global economic crisis has had a strong negative impact on the airline industry with a subsequent increase in credit risk. The Group's **credit risk** presents a moderate degree of concentration, in that 48% of receivables are from the ten largest clients. This risk was dealt with by implementing specific procedures and instruments for monitoring and managing accounts receivable as well as through an adequate provision for doubtful receivables, according to the principle of prudence, in continuity with the financial statements of previous periods.

The commercial policies implemented by the Group with the aim of limiting exposure provide for:

- request for immediate payment of transactions made with end consumers or with occasional counterparties (i.e. parking);
- request for advance payment to occasional airlines or those without an adequate credit profile or without collateral;
- request for surety bonds from sub-licensees.

After Alitalia was placed in receivership pursuant to the Decree of the Minister of Economic Development of 2 May 2016, the Group reported:

- financial exposure to the carrier of Euro 0.8 million at 31 March 2017, including Euro 0.5 million past due and Euro 0.2 million in municipal surcharges on boarding fees.

Also taking into account collections received after that date, which reduced the overall receivable to Euro 0.5 million, and while waiting to obtain more detailed information and facts on the procedure and its effects, the Group felt the provision for doubtful accounts made for Alitalia's credit risk (Euro 0.2 million)

was appropriate, and at the same time, it intends to closely monitor the carrier's situation to obtain any differing assessments at the time of the half-year financial report.

However, with regard to Alitalia's continuing operations at the Airport of Bologna, there has been no change as at the date of this document, and on 5 May the Parent Company asked the airline to have the provisional administrators immediately implement an advance payment mechanism on a weekly basis for flights starting on 10 May. As is widely known, on 2 May, the government made a loan of Euro 600 million to the carrier to allow it to operate over the next six months.

Risks relating to the effect of relations with Ryanair on traffic volumes

The Group's business is related to a significant extent to its relationship with some of the major carriers operating at the Airport, to which the Group provides services, including, in particular, Ryanair. Because Ryanair accounts for a large share of the Airport's total passenger volume, the Group is exposed to the risk of the carrier reducing or terminating operations there. At 31 March 2017, Ryanair passengers represented 46% of traffic volume reported by the Airport. Moreover, on 27 October 2016, AdB and Ryanair enhanced their partnership by entering into a long-term agreement expiring in 2022, whereby they undertook to increase the number of destinations from and to Bologna Airport and to offer a level of service based on high quality standards due to investments carried out by the Airport and the airline's "Always getting better" programme. The agreement provides for a scheme connected to AdB's traffic growth policy and Ryanair's commitment to it and for a mechanism of contractual guarantees in order to ensure the accomplishment of the targets. Although the Company believes Bologna Airport is strategically important for this carrier, it is possible that Ryanair may decide to change the routes it operates, significantly reduce its presence or terminate flights to the Airport, or that the aforementioned agreement may not be renewed, in whole or in part, or may contain less favourable terms for the Group. Any decrease or cessation of flights by the aforesaid carrier or the termination or modification of flights for certain destinations marked by high passenger traffic could have a negative, and potentially significant, impact on the Group's results, assets and liabilities and cash flows. In light of the interest in Bologna Airport shown by low-cost carriers, and the general evolution of traffic at the Airport, the Company believes that the Group could reasonably cope with any interruption or limitation of flights by Ryanair by virtue of the possible redistribution of passenger traffic among the various airlines present at the Airport, and the Airport's ability to attract new carriers. It cannot, however, be excluded that, if there is a significant time lag between when the flights are interrupted and when they are partially or totally replaced by other carriers, or if the rotation proves more difficult than expected or is not in whole or in part feasible, such an interruption or reduction in flights could have a negative, and potentially significant, impact on the Group's results, assets and liabilities and cash flows.

Risk related to the influence of the incentives on the revenue margins

The Parent Company is exposed to the risk of decreased margins on the revenues of the Aviation Business Unit in the event of an increase in traffic volume by airlines that benefit from incentives. The Company, in compliance with its incentive policy aimed at traffic and route development at the Airport, grants incentives to both legacy carriers and low-cost airlines in relation to the volume of passenger traffic and new routes. This policy stipulates that the incentives may not in any case exceed an amount such that there is no longer a positive revenue margin for the Group with reference to the activity of each airline. Nevertheless, should the passenger traffic and the routes operated by the carriers that enjoy the incentives increase over time, the positive margin recorded by the Aviation Business Unit could decrease proportionally, with a significant negative impact on the Group's results, assets and liabilities and cash flows.

With regard to this risk, although the Company operates in a national market, particularly with domestic connections, characterised by a growing presence of low-cost flights, it has actively developed a traffic mix that allows it to maintain positive profit margins.

Risks related to the implementation of the Capex Plan

The Parent Company makes investments in the Airport on the basis of the Capex Plan approved by ENAC. AdB might find it hard to implement investments in accordance with the timeframe laid down in the Capex Plan due to unforeseen events or delays in the authorisation and/or realisation of the works, with possible negative effects on the amount of the applicable fees and possible risks of revocation or forfeiture of the Agreement. The Capex Plan was prepared based on the actions planned in the Master Plan according to a modularity criterion whose main driver is the trend in air traffic.

Risks relating to the legislative framework

The Aeroporto Guglielmo Marconi di Bologna S.p.A. Group carries out its main activity as a licensee operating under special or exclusive rights at Bologna Airport and operates, for this main reason, in a sector highly regulated by national, supranational and international standards. Any changes in the current legislative framework (and, in particular, any changes with regard to relations with the State, public bodies and industry authorities, the determination of airport charges and the amount of concession fees, the airport tariff system, assigning slots, environmental protection and noise pollution) could have an impact on the operations and results of the Company and its Group.

Seasonality of revenues

Due to the cyclical nature of the sector in which the Group operates, operating revenues and results are generally expected to be higher in the third quarter of the year, rather than in the first and last months. The highest sales are concentrated in the period from June-September, the peak of the summer holidays, in which the highest level of use is registered. Added to this is a large component of business passengers, due to the industrial fabric of the region and the presence of trade events with international appeal, which tempers the seasonal peaks of tourist activity. Therefore, financial and economic data relating to interim periods may not be representative of the Group's results, assets and liabilities and cash flows on an annual basis.

8 ALTERNATIVE PERFORMANCE INDICATORS

This Directors' Report uses several performance indicators to allow for a better assessment of operating performance, assets and liabilities and cash flows.

With regard to these indicators, on 3 December 2015, Consob issued Communication 92543/15, which implements the Guidelines enacted on 5 October 2015 by the European Security and Markets Authority (ESMA) with regard to their presentation in regulated distributed information or in statements published from 3 July 2016. These Guidelines, which update the previous CESR Recommendation (CESR/05-178b), are aimed at promoting the utility and transparency of the alternative performance indicators included in regulated information or in statements falling within the scope of Directive 2003/71/EC, to improve their comparability, reliability and ease of comprehension.

In keeping with the communications referenced above, the criteria used to develop these indicators are indicated below:

- **EBITDA:** Earnings before interest, taxation, depreciation and amortisation. Management defines this as profits before taxes for the period and before financial income and expenses, income and expenses from investments, amortisation and depreciation, provisions and write-downs. Thus, it specifically coincides with gross operating margin (MOL). EBITDA is not an approved IFRS

accounting measure, and thus must be considered an alternative measure for assessing the Group's operating performance. Since the determination of this measure is not governed by the reference accounting standards for preparing the Group's consolidated financial statements, the criterion applied for its determination and measurement might not be the same as that used by other groups, and thus this figure might not be comparable with that presented by such groups;

- **Adjusted EBITDA:** measure used by the Group's management to monitor and assess the Group's operating and financial performance. This indicator is calculated by subtracting from EBITDA the profit calculated as the difference between construction revenues and the costs of construction that the Group carries out as Airport operator.
- **Net financial position:** the composition of the net financial position is stated in accordance with the provisions of the Consob Notice of 28 July 2006, and in compliance with the ESMA/2011/81 Recommendations.

9 GUARANTEES PROVIDED

The following table provides a summary of the guarantees given by the Group.

in thousands of Euro	At 31/03/2017	At 31/03/2016	Change	% Change %
Sureties	9,348	5,079	4,269	84.1%
Lien on equity financial instrument	7,000	0	7,000	100.0%
Patronage letters	2,380	2,637	-257	-9.7%
Total guarantees issued	18,728	7,716	11,012	142.7%

As at 31 March 2017, the guarantees issued by the Group amounted to Euro 18.7 million and related to:

- surety bonds, the largest of which were:
 - in favour of ENAC required by the Full Management Agreement (Euro 4.4 million);
 - in favour of Marconi Express S.p.A. for the proper fulfilment of obligations assumed by the Parent Company with the signing of the contribution agreement of 30 September 2016 (Euro 3.87 million);
- lien on the equity financial instrument issued by Marconi Express S.p.A. and subscribed by the Parent Company with a nominal value of Euro 10.87 million, of which Euro 7 million had been paid up at 31 March 2017, to secure the obligations of Marconi Express to credit institutions funding the People Mover project. To implement this lien executed on 30 September 2016, the equity financial instrument was deposited with the Custodian Bank (UniCredit S.p.A.) in a restricted securities account in the name of the Parent Company;
- patronage letter relating to the loan granted to the subsidiary Tag Bologna S.r.l. by Banca Agricola Mantovana (now Monte dei Paschi di Siena) equal to 51% of the remaining principal which, as at the end of the period, stood at Euro 2.4 million.

10 SUBSEQUENT EVENTS AND BUSINESS OUTLOOK

After the end of the quarter, no events occurred that would justify changes to the economic, capital and financial situation shown in the financial statements and would therefore require adjustments and/or amendments to the financial statements.

Please note, however, the following significant events that occurred after the end of the period or that will occur in the next few months.

Traffic trends and launch of new flights

In April 2017, the Airport reported a 12.9% increase in passenger traffic compared with the same month in 2016, confirming the positive trend seen in the early months of 2017.

In the first four months of the year, total passenger traffic reached 2.3 million, representing a 6.9% increase on the same period of 2016, and movements were 19,979, up by 2.9%.

With regard to the launch of new connections and additional flights:

- Eurowings launched a new flight to Hamburg, with two weekly flights starting in the summer of 2017;
- Wizz Air launched a new flight to Suceava with two weekly flights starting in the summer of 2017, and increased flights to Timisoara, Chisinau and Craiova;
- In the summer of 2017, Ryanair launched two new direct connections to:
 - Lisbon, with three weekly flights;
 - Eindhoven, with three weekly flights.
- In the summer of 2017, Alitalia increased flights on the Bologna to Rome Fiumicino route, increasing daily flights from three to four, and also increased flights to Catania, Ibiza and Olbia during peak summer months.

Alitalia matter

Pursuant to a decree of the Minister of Economic Development, carrier Alitalia Società Aerea Italiana S.p.A. was placed in receivership with immediate effect on 2 May 2017.

With regard to the potential risks to the Group's business resulting from the crisis at the carrier, note that at the date of preparation of this document, no notices had been received regarding a change in scheduled flights at Bologna Airport.

However, with regard to credit risk and other contingent liabilities, see the comments in the section "Main Risks and Uncertainties" and Note 16 "Provisions for Risks and Charges (Non-Current)".

Relations with subsidiaries, associated companies and related parties

With regard to relations with subsidiaries, associated companies and related parties during the period, see the special section in the Notes to the consolidated financial statements at 31 March 2017.

Property purchase obligations

On 6 April, the Parent Company made a proposal to its counterparty to purchase a shed built by the latter on a land parcel adjacent to the airport owned by AdB pursuant to surface rights granted by AdB in a document dated 2006. The purchase proposal was prepared based on market prices, and the deed to transfer title will be signed in the second half of May.

Business outlook

The signs of recovery based on overall macroeconomic performance lead to an optimistic outlook for the coming months, but we are aware of potential risks due to the uncertain international geopolitical situation that could have a negative impact on air traffic performance.

The Chairman of the Board of Directors
(Enrico Postacchini)

Bologna, 15 May 2017

Consolidated Financial Statements at 31 March 2017

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Statement of Consolidated Financial Position

<i>in thousands of Euro</i>	Notes	at 31.03.2017	at 31.12.2016
Concession Rights		155,166	155,595
Other intangible assets		1,111	1,116
Intangible assets	1	156,277	156,711
Property, plant and equipment		11,703	12,098
Investment property		4,732	4,732
Tangible assets	2	16,435	16,830
Equity investments	3	147	147
Other non-current financial assets	4	21,969	17,990
Deferred tax assets	5	7,358	7,427
Other non-current assets	6	1,380	1,384
Other non-current assets		30,854	26,948
NON-CURRENT ASSETS		203,566	200,489
Inventories	7	519	519
Trade receivables	8	13,240	13,454
Other current assets	9	4,161	3,399
Current financial assets	10	15,931	22,085
Cash and cash equivalents	11	22,127	20,110
CURRENT ASSETS		55,978	59,567
TOTAL ASSETS		259,544	260,056

<i>in thousands of Euro</i>	Notes	at 31.03.2017	at 31.12.2016
Share capital		90,314	90,314
Reserves		75,193	63,882
Result for the period		1,760	11,311
GROUP SHAREHOLDERS' EQUITY	12	167,267	165,507
MINORITY INTERESTS	12	623	607
TOTAL SHAREHOLDERS' EQUITY		167,890	166,114
Severance and other personnel provisions	13	4,649	4,596
Deferred tax liabilities	14	2,230	2,216
Provisions for renewal of airport infrastructure	15	10,637	10,631
Provisions for risks and charges	16	1,074	1,006
Non-current financial liabilities	17	24,777	24,896
Other non-current liabilities		194	194
NON-CURRENT LIABILITIES		43,561	43,539
Trade payables	18	12,478	15,669
Other liabilities	19	24,936	22,802
Provisions for renewal of airport infrastructure	20	2,925	2,933
Provisions for risks and charges	21	20	159
Current financial liabilities	22	7,734	8,840
CURRENT LIABILITIES		48,093	50,403
TOTAL LIABILITIES		91,654	93,942
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		259,544	260,056

Consolidated Income Statement

<i>in thousands of Euro</i>	Notes	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016
Revenues from aeronautical services		10,767	9,353
Revenues from non-aeronautical services		8,310	7,863
Revenues from construction services		942	1,166
Other operating revenues and income		133	163
Revenues	23	20,152	18,545
Consumables and goods		(456)	(336)
Services costs		(4,735)	(4,333)
Costs for construction services		(897)	(1,110)
Leases, rentals and other costs		(1,628)	(1,567)
Other operating expenses		(697)	(689)
Personnel costs		(6,581)	(6,259)
Costs	24	(14,994)	(14,294)
Amortisation of concession rights		(1,371)	(1,304)
Amortisation of other intangible assets		(147)	(117)
Depreciation of tangible assets		(470)	(397)
Depreciation, amortisation and write-downs	25	(1,988)	(1,818)
Provisions for doubtful accounts		(36)	(37)
Provisions for renewal of airport infrastructure		(520)	(453)
Provisions for other risks and charges		(68)	3
Provisions for risks and charges	26	(624)	(487)
Total costs		(17,606)	(16,599)
Operating result		2,546	1,946
Financial income	27	222	64
Financial expenses	27	(212)	(412)
Result before taxes		2,556	1,598
Taxes for the period	28	(780)	(438)
Profit (loss) for the period		1,776	1,160
Minority interests in profit (loss)		16	(23)
Group profit (loss)		1,760	1,183
Undiluted Earnings/(Losses) per share (in Euro)		0.05	0.03
Diluted Earnings/(Losses) per share (in Euro)		0.05	0.03

Consolidated Statement of Comprehensive Income

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016
Profit (loss) for the period (A)	1,776	1,160
<i>Other profits (losses) that will be reclassified in the net result for the period</i>	0	0
<i>Total other profits (losses) that will be reclassified in the net result for the period (B1)</i>	0	0
<i>Other profits (losses) that will not be reclassified in the net result for the period</i>		
Actuarial gains (losses) on severance and other personnel provisions	0	0
Tax impact on actuarial gains (losses) on severance and other personnel provisions	0	0
<i>Total other profits (losses) that will not be reclassified in the net result for the period (B2)</i>	0	0
Total other profits (losses) net of taxes (B1 + B2) = B	0	0
Total overall profit (loss) net of taxes (A + B)	1,776	1,160
of which Minority Interests	16	(23)
of which Group	1,760	1,183

Consolidated Cash Flow Statement

<i>in thousands of Euro</i>	at 31.03.2017	at 31.03.2016
Core income-generating operations		
Result for the period before taxes	2,556	1,598
<i>Adjustments to items with no impact on cash and cash equivalents</i>		
- Margin from construction services	(45)	(56)
+ Depreciation and amortisation	1,988	1,818
+ Provisions	624	487
+/- Interest expense/income on discounting provisions and severance	(144)	145
+/- Interest income and financial charges	134	203
+/- Capital losses/gains and other non-monetary costs/revenues	1	0
+/- Severance provision and other personnel provisions	29	3
Cash flow generated/(absorbed) by operating activities before changes in working capital	5,143	4,198
Change in inventories	0	33
(Increase)/decrease in trade receivables	178	(144)
(Increase)/decrease in other receivables and current/non-current assets (non-financial)	(744)	(819)
Increase/(decrease) in trade payables	(3,191)	(1,474)
Increase/(decrease) in other liabilities, various and financial	180	2,256
Interest paid	(16)	(89)
Interest received	76	21
Taxes paid	0	0
Severance paid	(5)	(45)
Use of provisions	(507)	(335)
Cash flow generated/(absorbed) by net operating activities	1,114	3,602
Purchase of tangible assets	(90)	(171)
Payment from sale of tangible assets	0	0
Purchase of intangible assets/concession rights	(1,039)	(1,278)
Purchase/capital increase of shares	0	0
Payment from sale of equity investments	158	0
Change in investment in current and non-current financial assets	2,000	(1,253)
Cash flow generated/(absorbed) by investment activities	1,029	(2,702)
Proceeds from the issuance of shares	0	0
Dividends paid	0	0
Loans received	0	0
Loans repaid	(126)	(1,993)
Cash flow generated/(absorbed) by financing activities	(126)	(1,993)
Final cash change	2,017	(1,093)
Cash and cash equivalents at beginning of period	20,110	50,684
Final cash change	2,017	(1,093)
Cash and cash equivalents at end of period	22,127	49,591

Statement of Changes in Consolidated Shareholders' Equity

in thousands of Euro	Share capital	Share Premium Reserve	Legal Reserve	Other Reserves	FTA Reserve	Actuarial Gain (Loss) Reserve	Profits (Losses) Carried Forward	Result for the period	Group Shareholders' Equity	Minority interests	Shareholders' equity
Shareholders' Equity at 31.12.2015	90,250	25,747	4,679	34,606	(3,222)	(752)	2,248	6,957	160,513	514	161,027
Allocation of the 2015 financial year result	0	0	12	232	0	0	6,713	(6,957)	0	0	0
Share Capital Increase	0	0	0	0	0	0	0	0	0	0	0
Dividends distributed	0	0	0	0	0	0	0	0	0	0	0
Total profit (loss) for the period	0	0	0	0	0	0	0	1,183	1,183	(23)	1,160
Shareholders' Equity at 31.03.2016	90,250	25,747	4,691	34,838	(3,222)	(752)	8,961	1,183	161,696	491	162,187

in thousands of Euro	Share capital	Share Premium Reserve	Legal Reserve	Other Reserves	FTA Reserve	Actuarial Gain (Loss) Reserve	Profits (Losses) Carried Forward	Result for the period	Group Shareholders' Equity	Minority interests	Shareholders' Equity
Shareholders' Equity at 31.12.2016	90,314	25,683	5,018	34,923	(3,222)	(933)	2,413	11,311	165,507	607	166,114
Allocation of the 2016 financial year result	0	0	0	668	0	0	10,643	(11,311)	0	0	0
Share Capital Increase	0	0	0	0	0	0	0	0	0	0	0
Dividends distributed	0	0	0	0	0	0	0	0	0	0	0
Total profit (loss) for the period	0	0	0	0	0	0	0	1,760	1,760	16	1,776
Shareholders' Equity at 31.03.2017	90,314	25,683	5,018	35,591	(3,222)	(933)	13,056	1,760	167,267	623	167,890

Notes to the Consolidated Financial Statements

Information on Group Operations

The Group operates in the business area of airport management. Specifically:

- Aeroporto Guglielmo Marconi di Bologna S.p.A. (referred to hereinafter as AdB or Parent Company) is the full management operator of Bologna Airport according to Full Management Concession No. 98 of 12 July 2004 and seq., approved by Ministry of Transport and Infrastructure and Ministry of the Economy and Finance Decree dated 15 March 2006, for a forty-year duration starting on 28 December 2004. Its registered office is at Via Triumvirato 84, Bologna and it is registered with the Bologna Companies Registry.
- Fast Freight Marconi S.p.A. (referred to hereinafter as FFM) operates a freight and mail handling business at Bologna Airport. Its registered office is at Via Triumvirato 84, Bologna and it is registered with the Bologna Companies Registry. It is subject to management and coordination by the company Aeroporto Guglielmo Marconi di Bologna S.p.A.
- the company TAG Bologna S.r.l. (referred to hereinafter as TAG) operates in the general aviation business as a handler and manages the relative infrastructure at Bologna Airport. Its registered office is at Via Triumvirato 84, Bologna and it is registered with the Bologna Companies Registry. It is subject to management and coordination by the company Aeroporto Guglielmo Marconi di Bologna S.p.A.

Accounting Standards Applied in the Preparation of the Consolidated Interim Financial Statements at 31 March 2017

Preparation Criteria

These consolidated interim financial statements of the Group (hereinafter “the consolidated interim financial statements of the Group” or “consolidated interim financial statements”) were prepared for the quarter ended 31 March 2017 and include comparative data for the period ended 31 December 2016, limited to items included in the Consolidated Statement of Financial Position and comparative data for the quarter from 1 January 2016 to 31 March 2016, limited to entries included in the Consolidated Income Statement, Consolidated Statement of Comprehensive Income and Consolidated Cash Flow Statement. The consolidated financial statements were prepared on the basis of historical cost, with the exception of financial assets held for sale, which were recorded at their fair value, as well as on the basis of a “going concern” assumption. In fact, the Group determined that there are no significant uncertainties regarding the company’s status as a going concern (as defined by Paragraph 25 of IAS 1).

The consolidated financial statements are presented in thousands of Euro, which is also the Group's operating currency, and all the amounts in these Notes are rounded off in thousands of Euro unless otherwise indicated.

Declaration of compliance with IAS/IFRS and the implementing measures of article 9 of Legislative Decree 38/2005

These consolidated interim financial statements of the Group were prepared in compliance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”), adopted by the European Union and in effect as of the date of the preparation of the

financial statements, and on the basis of directives promulgated in implementation of article 9 of Legislative Decree 38/2005 (Consob Resolutions Nos. 15519 and 15520 of 27 July 2006).

In 2014, the Group voluntarily chose to prepare the consolidated financial statements in compliance with the International Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), and considered 1 January 2012 to be the date of the transition to the IFRS Standards (First Time Adoption "FTA").

The publication of the consolidated interim financial statements of Aeroporto Guglielmo Marconi di Bologna S.p.A. and its subsidiaries (the Group) for the period ended 31 March 2017 was authorised by the Board of Directors on 15 May 2017.

Content and Form of the consolidated interim financial statements

The consolidated interim financial statements at 31 March presented in summary form was prepared in accordance with the requirements of IAS 34 "Interim Financial Reporting" with the summary notes required by this international accounting standard, supplemented as needed to provide additional information when deemed necessary. These consolidated financial statements must therefore be read in conjunction with the Consolidated Financial Statements for 2016, prepared in accordance with the international accounting standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The accounting standards and criteria used are those used to prepare the financial statements at 31 December 2016, which should be referred to for further details.

This Consolidated Interim Report has not been audited.

Consolidation principles

The consolidated financial statements were prepared on the basis of the financial statements of the Parent Company and its direct and indirect subsidiaries, which have been approved by their respective shareholders' meetings and governing bodies, appropriately adjusted to bring them into compliance with IFRS. The subsidiaries are wholly consolidated as of their acquisition dates, i.e. the dates on which the Group acquired control, and cease to be consolidated on the date on which control is transferred outside the Group.

The following table summarises information on subsidiaries as at 31 March 2017 and 31 December 2016 as to their company names and the portion of the share capital held directly or indirectly by the Group.

<i>in thousands of Euro</i>	Currency	Share Capital	at 31.03.2017	at 31.12.2016
Fast Freight Marconi S.p.A. Single-shareholder company	Euro	520	100.00%	100.00%
Tag Bologna S.r.l.	Euro	316	51.00%	51.00%

The following table summarises information on associate companies as at 31 March 2017 and 31 December 2016 as to their company names and the portion of the share capital held directly or indirectly by the Group.

<i>in thousands of Euro</i>	Currency	Share Capital	at 31.03.2017	at 31.12.2016
Ravenna Terminal Passeggeri S.r.l.	Euro	165	24.00%	24.00%

The share capital of the associated company Ravenna Terminal Passeggeri S.r.l. was reduced for losses from Euro 300 thousand to Euro 165 thousand by the Shareholders' Meeting on 4 April 2017. This transaction had no impact on the quarter under review, since the value of the investment had been fully written down in previous periods.

Information Regarding Operating Segments

The Aeroporto Guglielmo Marconi di Bologna Group, in application of IFRS 8, has identified its operating segments as the business areas that generate revenues and costs, whose results are periodically reviewed at the highest decision-making level in order to assess performance and decisions regarding resource allocation.

The following are the Group's operating segments that have been identified in accordance with IFRS 8 – Operating Segments:

- Aviation;
- Non-Aviation;
- Other.

The Group assesses the performance of its operating segments based on revenues per passenger, making a distinction between revenues attributable to the aviation segment and those attributable to the non-aviation segment.

The item "Other" encompasses everything that is not directly attributable to the identified segments.

In managing the Group, financial income and expenses and taxes are not allocated to individual operating segments.

Segment activities are those employed by the segment in carrying out its ordinary operations or which may be reasonably allocated to it by virtue of its ordinary operations. The segment activities presented are measured using the same accounting criteria employed for the preparation of the Group's consolidated financial statements.

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017 Aviation	for the quarter ended 31.03.2017 Non-Aviation	for the quarter ended 31.03.2017 Other	Total for quarter ended 31.03.2017
Revenues	11,715	8,437	0	20,152
Costs	(10,552)	(4,442)	0	(14,994)
Gross operating profit	1,163	3,995	0	5,158
Depreciation, amortisation and write-downs	(1,301)	(687)	0	(1,988)
Provisions	(534)	(90)	0	(624)
Operating result	(672)	3,218	0	2,546
Financial income	0	0	222	222
Financial expenses	0	0	(212)	(212)
Result before taxes	(672)	3,218	10	2,556
Taxes for the period	0	0	(780)	(780)
Profit (loss) for the period	(672)	3,218	(770)	1,776
Minority interests in profit (loss)	0	0	0	16
Group profit (loss)	0	0	0	1,760

<i>in thousands of Euro</i>	for the quarter	for the quarter	for the quarter	Total for quarter
	ended 31.03.2016	ended 31.03.2016	ended 31.03.2016	
	Aviation	Non-Aviation	Other	ended 31.03.2016
Revenues	10,745	7,800	0	18,545
Costs	(10,490)	(3,804)	0	(14,294)
Gross operating profit	255	3,996	0	4,251
Depreciation, amortisation and write-downs	(1,226)	(592)	0	(1,818)
Provisions	(430)	(57)	0	(487)
Operating result	(1,402)	3,347	0	1,946
Financial income	0	0	64	64
Financial expenses	0	0	(412)	(412)
Result before taxes	(1,402)	3,347	(348)	1,598
Taxes for the period	0	0	(438)	(438)
Profit (loss) for the period	(1,402)	3,347	(786)	1,160
Minority interests in profit (loss)	0	0	0	(23)
Group profit (loss)	0	0	0	1,183

The following tables concern segment information on the asset side:

<i>in thousands of Euro</i>	at	at	at	Total
	31.03.2017	31.03.2017	31.03.2017	
	Aviation	Non-Aviation	Other	at 31.03.2017
Non-current assets	149,687	23,118	30,761	203,566
Intangible assets	144,550	11,727	0	156,277
Concession Rights	144,005	11,161	0	155,166
Other intangible assets	545	566	0	1,111
Tangible assets	5,067	11,368	0	16,435
Property, plant and equipment	5,067	6,636	0	11,703
Investment property	0	4,732	0	4,732
Other non-current assets	70	23	30,761	30,854
Equity investments	0	0	147	147
Other non-current financial assets	0	0	21,969	21,969
Deferred tax assets	0	0	7,358	7,358
Other non-current assets	70	23	1,287	1,380
Current assets	12,759	4,528	38,691	55,978
Inventories	305	214	0	519
Trade receivables	9,648	3,592	0	13,240
Other current assets	2,806	722	633	4,161
Current financial assets	0	0	15,931	15,931
Cash and cash equivalents	0	0	22,127	22,127
Total assets	162,446	27,646	69,452	259,544

<i>in thousands of Euro</i>	at 31.03.2016 Aviation	at 31.03.2016 Non-Aviation	at 31.03.2016 Other	Total at 31.03.2016
Non-current assets	148,585	21,676	14,327	184,589
Intangible assets	142,240	13,555	0	155,795
Concession Rights	141,757	13,106	0	154,863
Other intangible assets	483	448	0	931
Tangible assets	6,305	8,122	0	14,427
Property, plant and equipment	6,305	3,390	0	9,695
Investment property	0	4,732	0	4,732
Other non-current assets	40	0	14,327	14,367
Equity investments	0	0	147	147
Other non-current financial assets	0	0	5,363	5,363
Deferred tax assets	0	0	7,469	7,469
Other non-current assets	40	0	1,348	1,388
Current assets	17,264	4,835	55,536	77,634
Inventories	274	160	0	434
Trade receivables	9,911	4,044	0	13,955
Other current assets	7,079	630	822	8,531
Current financial assets	0	0	5,123	5,123
Cash and cash equivalents	0	0	49,591	49,591
Total assets	165,849	26,511	69,863	262,233

The segment information pertaining to identified operating segments is prepared in the manner described in more detail below.

Aviation: includes aviation activity, which represents the airport's core business. This aggregate includes the aircraft landing, take-off and parking fees, passenger boarding fees, freight loading and unloading fees, as well as fees for passenger and luggage security checks. In addition, it includes freight handling, General Aviation handling, customs clearance and fuelling. Lastly, this segment encompasses all centralised infrastructure and assets for exclusive use: the centralised infrastructure represents the revenues received in connection with infrastructure, the management of which is assigned exclusively to the airport management company, for safety and security reasons, or due to its economic impact. Assets for exclusive use are made up of check-in counters, gates and spaces rented to airport operators to carry out their business.

Non-Aviation: represents those activities not directly related to the aviation business. These are sub-licensed retail, food outlets and car rental activities, as well as the management of car parks, the Marconi Business Lounge and advertising.

The distribution of revenues and costs between the Aviation SBU and the Non-Aviation SBU follows the guidelines set out by ENAC for the preparation of airport management company analytical and regulatory reporting data in accordance with the provisions of article 11-*decies* of Law 248/05 and the Minister of Transport Guidance Document of 31 December 2006.

The remaining items not included in regulatory reporting were subsequently allocated according to management criteria.

The main differences are as follows:

- items considered not relevant for the purposes of regulatory reporting, which are allocated on the basis of a specific examination of the individual cost/revenue item;
- construction services revenues and costs allocated on the basis of an itemised distribution of financial investments;
- incentives for the expansion of air traffic allocated entirely to the Aviation SBU, in line with the financial statements.

ANALYSIS OF THE MAIN ITEMS ON THE STATEMENT OF CONSOLIDATED FINANCIAL POSITION

ASSETS

1. Intangible assets

The following table presents a breakdown of intangible assets at 31 March 2017, compared with 31 December 2016.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Concession Rights	155,166	155,595	(429)
Software, licences and similar rights	782	885	(103)
Other intangible assets	75	76	(1)
Other intangible assets under development	254	155	99
TOTAL INTANGIBLE ASSETS	156,277	156,711	(434)

At 31 March 2017, the Concession Rights item rose by Euro 0.9 million (which represents the fair value of the construction services performed during the quarter), mainly due to work to complete:

- a new transformer room to support airport beacon towers installed in the airside area to be used for general aviation traffic;
- the new inter-company restaurant in the passenger terminal;
- a shed in the area outside the cargo terminal adjacent to the customs enclosure.

Amortisation of concession rights for the period under review amounted to Euro 1.4 million and was applied on the basis of the remaining duration of the airport concession related to the first quarter of 2017.

The item “Software, licences and similar rights,” which consists of software used to manage services, rose by Euro 0.04 million due mainly to work to implement and improve the new company intranet platform.

“Other intangible assets under construction” include amounts incurred for unfinished projects at 31 March 2017.

Assessment of the Recoverable Value of Assets or Groups of Assets

The Group performed impairment tests to assess whether there had been any long-term impairment of amounts recorded under “Concession rights” in the year ended 31 December 2016 and in previous years.

2. Tangible Assets

The following table presents a breakdown of tangible assets at 31 March 2017, compared with 31 December 2016.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Land	2,758	2,758	0
Buildings and minor construction and improvements	2,327	2,348	(21)
Machinery, equipment and facilities	3,260	3,486	(226)
Furniture, office machinery, transport equipment	1,917	1,965	(48)
Property, plant and equipment under construction and advances	1,441	1,541	(100)
Investment property	4,732	4,732	0
TOTAL TANGIBLE ASSETS	16,435	16,830	(395)

In the first quarter of 2017, the total increase in this category amounted to Euro 0.09 million, mainly for furnishings and electronic machinery installed in certain areas of passenger terminals and offices.

“Tangible assets under construction” include amounts incurred for unfinished projects at 31 March 2017.

The item "Investment property" includes the total value of land owned by the Group for real estate investments; this land was initially recognised at acquisition cost and subsequently measured using the cost method.

The aforementioned land is not subject to depreciation but, as indicated in IAS 40, an expert valuation is performed to support the fair value measurement. This expert valuation, performed internally at the Company, confirms that the cost value at which it was recognised approximates the fair value of the land, due to its nature and strategic value. No indications of impairment of these assets were found on the date that the consolidated financial statements were prepared.

3. Equity investments

The following table presents a breakdown of equity investments at 31 March 2017, compared with the data at 31 December 2016. The amount and composition of the investments remain unchanged.

<i>in thousands of Euro</i>	at 31.12.2016	Increases/Acquisitions	Decreases/Disposals	Write-downs	at 31.03.2017
Other equity investments	147	0	0	0	147
TOTAL EQUITY INVESTMENTS	147	0	0	0	147

<i>in thousands of Euro</i>	Share	at 31.03.2017	at 31.12.2016	Change
Consorzio Energia Fiera District	14.3%	3	3	0
CAAF dell'Industria S.p.A.	0.07%	0	0	0
Bologna Welcome S.r.l.	10%	40	40	0
Bologna Congressi S.p.A.	10%	104	104	0
TOTAL OTHER EQUITY INVESTMENTS		147	147	0

4. Other non-current financial assets

The following table shows changes in other non-current financial assets for the quarter ended 31 March 2017, compared with the data at 31 December 2016.

<i>in thousands of Euro</i>	at 31.12.2016	Increases/ Acquisitions	Decreases/ Disposals	Write-downs	at 31.03.2017
Equity financial instruments	7,000	0	0	0	7,000
Bonds	4,668	0	(22)	0	4,646
Deposit accounts/Savings bonds	6,070	4,000	0	0	10,070
Other financial assets	252	1	0	0	253
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS	17,990	4,001	(22)	0	21,969

The item "Other non-current financial assets" includes:

- Euro 7 million for the equity financial instrument in Marconi Express S.p.A., the company licensed to build and manage the infrastructure for the express railway link (People Mover) between the airport and Bologna's main train station. This financial instrument was entered into on 21 January 2016, for a total amount of Euro 10.9 million, of which Euro 7 million is paid up. The carrying value, which was the same as at the end of 2016, corresponds to the amount actually paid, i.e., the cost incurred. Pursuant to IAS 39, this financial asset was classified under available-for-sale financial assets. According to IAS 39, subsequent measurement following initial recording should be at fair value, and related changes should be posted to shareholders' equity and reported in the statement of comprehensive income as OCI (other comprehensive income), whereas impairment should be posted to the income statement. However, in this case, in view of the difficulty in measuring the fair value of this equity financial instrument, the Group elected to take advantage of the exemption allowed for equity instruments for which fair value cannot be reliably measured. As a result, subsequent measurements of this equity financial instrument will be at cost and any impairment, which is quantified by comparing the book value with the present value of cash flows discounted at the market rate for similar instruments, will be posted to the income statement and cannot be reversed;
- Euro 4.7 million for a senior bond with a nominal value of Euro 4.5 million maturing in September 2018. Pursuant to IAS 39, the Group elected to classify this financial asset under investments held to maturity (HTM) since it has the intention and capability to hold these in its portfolio until maturity. After initial recognition at acquisition cost, these investments are measured at amortised cost, using the effective interest rate method and thus recognising any discounts or premiums on the purchase or other costs that are an integral part of the effective interest rate. The decrease reported during the quarter was due to the application of the amortised cost method. There were no impairment indicators in relation to the value of these financial assets at 31 March 2017;
- Euro 10 million in deposit accounts, including:
 - Euro 6 million in savings bonds maturing in August 2018; these were already in existence at 31 December 2016;
 - Euro 4 million in time deposits from March 2017 to September 2018;
- Euro 0.25 million for a capitalisation product with a term of five years acquired in 2016 that the Group elected to classify, pursuant to IAS 39, under investments held to maturity (HTM) with the related initial recognition and periodic measurement as described above.

5. Deferred tax assets

The following table shows the overall change in deferred tax assets for the quarter ended 31 March 2017, compared with the data at 31 December 2016.

<i>in thousands of Euro</i>	at 31.12.2016	Provisions	Amounts used	at 31.03.2017
DEFERRED TAX ASSETS	7,427	164	(233)	7,358

6. Other non-current assets

The following table shows the breakdown of other non-current assets at 31 March 2017, which, compared with 31 December 2016, were largely unchanged.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Non-current prepayments and accrued income	53	57	(4)
Security deposits	83	83	0
Non-current tax credits	1,244	1,244	0
OTHER NON-CURRENT ASSETS	1,380	1,384	(4)

7. Inventories

The following table presents the breakdown of inventories at 31 March 2017, compared with 31 December 2016.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Inventories of raw materials, supplies and consumables	498	476	22
Inventory of finished products	21	43	(22)
INVENTORIES	519	519	0

8. Trade receivables

The following table presents a breakdown of trade receivables and their provisions:

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Trade receivables	14,644	14,822	(178)
Provisions for doubtful accounts	(1,404)	(1,368)	(36)
TRADE RECEIVABLES	13,240	13,454	(214)

Trade receivables are restored to their face value through provisions for doubtful accounts determined in each period on the basis of a specific analysis of both items subject to dispute and items that, even though not in dispute, have been outstanding for a significant period.

This measurement requires estimating the probability of collecting the receivables in question, including with the support of lawyers assigned to pursue disputes, and taking into account sureties received from customers.

The Group closely monitors developments in the Alitalia situation, as discussed in detail in the Directors' Report, which should be referenced for further information.

The amount of the provisions as at 31 March 2017 (Euro 1.4 million) is deemed appropriate for the purpose of adjusting the face value of trade receivables to the estimated realisable value.

Changes in provisions for doubtful accounts were as follows:

<i>in thousands of Euro</i>	at 31.12.2016	Provisions	Amounts used	Releases	at 31.03.2017
PROVISIONS FOR DOUBTFUL TRADE RECEIVABLES	(1,368)	(36)	0	0	(1,404)

9. Other current assets

The following table presents a breakdown of other current assets at 31 March 2017, compared with 31 December 2016.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
VAT credit	130	118	12
Direct tax receivables	22	13	9
Other tax receivables	4	3	1
Receivables from personnel	89	73	16
Other receivables	3,916	3,192	724
OTHER CURRENT ASSETS	4,161	3,399	762

The most significant change in the item "Other receivables", the details for which are provided below, concerns accrued income and prepayments, which were significantly higher during the quarter than at year-end due to the timing differences between invoicing and the accrual of payments.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Accrued income and prepayments	895	361	534
Advances to suppliers	102	59	43
Receivables from retirement and social security institutions	189	28	161
Receivables for municipal surcharge	3,119	3,155	(36)
Provisions for other doubtful current receivables	(897)	(875)	(22)
Other current receivables	508	464	44
TOTAL OTHER RECEIVABLES	3,916	3,192	724

The item “Provisions for other doubtful current receivables” includes the provision for doubtful receivables for the municipal surcharge obtained by reclassifying to assets on the statement of financial position, as an offset to the related receivable, the municipal surcharge charged to carriers which in the meantime have been subject to insolvency procedures or have contested the charge. This item appears only in the statement of financial position with no provisions in the income statement and was reclassified as an offset of the related receivables for the municipal surcharge to highlight that recovery is highly unlikely, and it changed as indicated in the following table:

<i>in thousands of Euro</i>	at 31.12.2016	Provisions/Increases	Amounts used	Releases	at 31.03.2017
Provisions for doubtful receivables for municipal surcharge	(875)	(22)	0	0	(897)
TOTAL PROVISIONS FOR OTHER DOUBTFUL RECEIVABLES	(875)	(22)	0	0	(897)

10. Current Financial Assets

The following table presents a breakdown of current financial assets at 31 March 2017, compared with 31 December 2016.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Bonds	3,035	3,047	(12)
Deposit accounts	12,000	18,000	(6,000)
Receivables from the sale of equity investments	800	967	(167)
Other financial receivables	96	71	25
CURRENT FINANCIAL ASSETS	15,931	22,085	(6,154)

Other current financial assets changed as indicated in the table below:

<i>in thousands of Euro</i>	at 31.12.2016	Increases/Acquisitions	Decreases/Disposals	Write-downs	at 31.03.2017
Bonds	3,047	0	(12)	0	3,035
Deposit accounts	18,000	0	(6,000)	0	12,000
Receivables from the sale of equity investments	967	17	(184)	0	800
Other financial receivables	71	25	0	0	96
TOTAL OTHER CURRENT FINANCIAL ASSETS	22,085	42	(6,196)	0	15,931

Detailed breakdown:

- bonds: this is a senior bond with a nominal value of Euro 3 million acquired in 2016 and maturing in October 2017. See the item “Non-current financial assets” (Note 4) for additional details;
- deposit accounts: these are temporary investments of cash in:
 - certificates of deposit totalling Euro 4 million maturing in November 2017;
 - time deposits totalling Euro 1 million maturing in August 2017;
 - time deposits totalling Euro 7 million maturing in October 2017.

The decrease reported during the period was due to the reclassification of the following in item 11 “Cash and cash equivalents”:

- Euro 3 million in certificates of deposit maturing in May 2017;
- Euro 3 million in time deposits maturing in April 2017;

- Receivables from the sale of equity investments: this item includes the remaining receivable for the sale of the investment in Marconi Handling on 19 December 2012 (named GH Bologna S.p.A. since 1 April 2017). This receivable, which is broken down by related contractual maturities as redefined by a debt rescheduling agreement of 15 November 2016, is secured by a special lien on the corporate stake sold and bears interest at 4%. The new repayment plan agreed is broken down into 12 monthly instalments ending in December 2017. The increase during the period was for the portion of interest accrued, while the decrease concerned collections of instalments made during the quarter including principal and interest.

Lastly, the certificates of deposit totalling Euro 4 million and maturing in November 2017 were provided as collateral for a guarantee issued by Banco BPM in favour of Marconi Express S.p.A. for the proper fulfilment of obligations assumed by the Parent Company with the signing of the contribution agreement.

11. Cash and cash equivalents

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Bank and postal accounts	22,100	20,085	2,015
Cash	27	25	2
CASH AND CASH EQUIVALENTS	22,127	20,110	2,017

This item also includes Euro 3 million in certificates of deposit and Euro 3 million in short-term time deposits, as explained in Note 10. Current financial assets

LIABILITIES

12. Shareholders' equity

The following table presents a breakdown of Shareholders' Equity at 31 March 2017, compared with 31 December 2016.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Share capital	90,314	90,314	0
Reserves	75,193	63,882	11,311
Result for the period	1,760	11,311	(9,551)
GROUP SHAREHOLDERS' EQUITY	167,267	165,507	1,760

i. Share capital

At 31 March 2017, the Parent Company's share capital totalled Euro 90,314,162; it was fully paid up and consisted of 36,125,665 ordinary shares with no par value.

The following information was used as the basis for calculating undiluted and diluted earnings per share:

in units of Euro	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016
Group profit/(loss) for the period	1,760,029	1,182,979
Average number of outstanding shares	36,125,665	36,100,000
Average number of shares including bonus shares(*)	36,125,665	36,209,200
Undiluted earnings/(losses) per share	0.05	0.03
Diluted earnings/(losses) per share	0.05	0.03

(*) Bonus shares: after the right to bonus shares was exercised by eligible shareholders, in September 2016, 25,665 ordinary shares were issued to comply with the resolution of the Shareholders' Meeting of 20 May 2015. Following the exercise of the bonus shares noted above, there were no other potential shares to be included in the calculation of diluted earnings per share.

ii. Reserves

The following table details reserves at 31 March 2017, compared with 31 December 2016.

in thousands of Euro	at 31.03.2017	at 31.12.2016	Change
Share premium reserve	25,683	25,683	0
Legal reserve	5,018	5,018	0
Extraordinary reserve	35,591	34,923	668
FTA reserves	(3,222)	(3,222)	0
Profits (losses) carried forward	13,056	2,413	10,643
OCI reserve	(933)	(933)	0
TOTAL RESERVES	75,193	63,882	11,311

The share premium reserve consisted of the following:

- Euro 14.35 million as a result of the paid capital increase approved by the Shareholders' Meeting on 20 February 2006;
- Euro 11.33 million following the Public Subscription and Sale Offer as a part of the Parent Company's market listing process that took place on 14 July 2015.

In compliance with article 2431 of the Italian Civil Code, this reserve is available but cannot be distributed until the legal reserve has reached the limit established by article 2430 of the Civil Code.

The extraordinary reserve increased due to the profit allocation of the previous financial year for the subsidiary FFM.

The reserve for profit/losses carried forward increased due to:

- the allocation of profits/losses resulting from the IAS accounting records of subsidiaries;
- the Group's portion of the result for the previous year for the subsidiary Tag;
- the Parent Company's profit for the previous year awaiting the allocation resolved upon by the Shareholders' Meeting on 27 April 2017.

The OCI reserve did not change compared with 31 December 2016, since the Group decided to discount severance and other personnel provisions in accordance with the revised IAS 19 only in half-year and annual financial statements.

The minority interests represent the portion of shareholders' equity and the profit/loss for the period of subsidiaries that are not wholly owned, which breaks down as follows:

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Share capital – minority interests	155	155	0
Reserves – minority interests	452	358	94
Profit (loss) for the period – minority interests	16	94	(78)
MINORITY INTERESTS	623	607	16

Changes in minority shareholders' equity are mainly due to the allocation of profit generated during the previous year and the portion related to the profit for the quarter.

13. Severance and other personnel provisions

The following table presents a breakdown of severance and other personnel provisions at 31 March 2017, compared with the data at 31 December 2016.

<i>in thousands of Euro</i>	at 31.12.2016	Service Cost	Net Interest	Benefits Paid	Actuarial Gains (Losses)	at 31.03.2017
Severance	4,489	4	29	(5)	0	4,517
Other personnel provisions	107	25	0	0	0	132
SEVERANCE AND OTHER PERSONNEL PROVISIONS	4,596	29	29	(5)	0	4,649

Actuarial gains/losses did not change during the quarter due to what is reported in Note 12.

14. Deferred Tax Liabilities

The following table shows overall changes in deferred tax liabilities for the first quarter of 2017. Deferred taxes were recorded at the time of the transition to IFRS following the application of IFRIC 12.

<i>in thousands of Euro</i>	at 31.12.2016	Provisions	Amounts used	at 31.03.2017
DEFERRED TAX LIABILITIES	2,216	14	0	2,230

15. Provisions for renewal of airport infrastructure (non-current)

Provisions for renewal of airport infrastructure refer to the coverage of future costs of conservative maintenance and renewal of concession assets that the Group is required to return at the scheduled end of the concession in 2044, in perfect working condition.

The following table shows overall changes in these provisions in the first quarter of 2017:

<i>in thousands of Euro</i>	at 31.12.2016	Provisions	Amounts used	Reclassifications	at 31.03.2017
PROVISIONS FOR RENEWAL OF AIRPORT INFRASTRUCTURE (NON-CURRENT)	10,631	367	0	(361)	10,637

The increases for the quarter totalled Euro 0.4 million, of which Euro 0.5 million was classified under provisions of the income statement net of Euro 0.1 million classified under financial income from discounting. Amounts used during the period in question are shown under current liabilities in Note 20.

16. Provisions for risks and charges (non-current)

The following table shows the breakdown of changes in provisions for risks and charges for the first quarter of 2017:

<i>in thousands of Euro</i>	at 31.12.2016	Provisions	Uses/Releases	at 31.03.2017
Provisions for ongoing disputes	853	3	0	856
Provisions for employee back pay	0	65	0	65
Provisions for other risks and charges	153	0	0	153
PROVISIONS FOR RISKS AND CHARGES (NON-CURRENT)	1,006	68	0	1,074

The main change concerned the provision for employee back pay, which, while awaiting the renewal of the National Collective Agreement of Airport Operators (which expired on 31 December 2016), arises from the estimate of the liability for the lump-sum/employee back pay for the quarter.

Contingent liabilities

On 26 July 2016, following a comprehensive audit started on 18 May 2016 for the Parent Company's 2013 financial year, the Revenue Agency of Bologna prepared a Tax Audit Report with a single observation. The observation consists of a presumed disallowance of IRES deductibility for the loss resulting from the May 2013 declaration of bankruptcy of SEAF, the management company of Forlì Airport. This insolvency procedure resulted in the execution of the surety related to the strong patronage letter issued in 2007 by AdB to the credit institutions that financed SEAF in the form of an unsecured loan, which the Parent Company carried out with a schedule of repayments to lending institutions. This debt was fully repaid in April 2016 with the full payment of remaining instalments.

Bearing in mind the Parent Company's arguments in fact and law that were formalised in appropriate briefs submitted to the Revenue Agency regarding the economic, and thus tax-related, reasons for the decisions made, the Directors have chosen to classify these merely as contingent liabilities and include only appropriate information in the Notes.

Lastly, with respect to Alitalia's receivership procedure, the Group has assessed the contingent liability related to the risk of the revocation of receivables collected in the six months prior to the procedure. As at the date of this document, taking into account known information and defence elements to which an

objection can be made if such a request is made, the directors have decided to provide appropriate disclosure of this in the notes without making any provision, and in the meantime will continue to closely monitor the carrier's situation in order to obtain any differing assessments at the time of the half-year report.

17. Non-current financial liabilities

The following table presents a breakdown of non-current financial liabilities at 31 March 2017, compared with 31 December 2016.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Loans - non-current portion	24,777	24,896	(119)
NON-CURRENT FINANCIAL LIABILITIES	24,777	24,896	(119)

The non-current portion of loans consists of medium- and long-term loans taken out by the Group. Loan instalments totalling Euro 0.1 million were repaid in the first quarter of 2017. At 31 March 2017, total liabilities for loans were Euro 30.6 million, including the current portion of loans totalling Euro 5.8 million.

The following are the contractual terms and conditions of loans outstanding at 31 March 2017:

Financial liabilities	Debt	Rate	Instalments	Maturity	Covenants
Intesa San Paolo S.p.A. (formerly Banca OPI S.p.A.)	Loan	Rate applied to the Bank by the EIB + 0.45%	Six-monthly	2019	No
Intesa Sanpaolo S.p.A.	Loan	3.693% fixed rate(*)	Six-monthly	2024	Yes
Monte dei Paschi di Siena (formerly Banca Agricola Mantovana)	Loan	Variable rate 3-month Euribor + 0.9% spread	Quarterly	2026	No

(*) As the result of a revision of the pricing for the Intesa San Paolo loan maturing in 2024 (which was signed by the parties on 6 April 2017), the rate of 3.693% is in effect until 10 April 2017. Effective 11 April, and until 10 June 2017, the rate drops to 3.3%, and to 3% from 11 June until 10 June 2024.

The cross default clauses in the Group's loan agreements specify that if the Group companies financed fail to comply with credit or financial obligations, or if they default on guarantees assumed in relation to any entity, the acceleration clause can be invoked. Please note that in the Group's loan agreements there are no cross default clauses with companies outside the Group. It should be noted that, at 31 March 2017, the Group had not received any communication regarding the application of the cross default clauses by its lenders.

18. Trade payables

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Trade payables	12,478	15,669	(3,191)
TRADE PAYABLES	12,478	15,669	(3,191)

19. Other Liabilities

The following table presents a breakdown of other liabilities at 31 March 2017, compared with 31 December 2016.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Current tax payables	3,173	2,420	753
Current payables to personnel and social security institutions	5,186	4,169	1,017
ENAC concession fees and other State payables	12,221	13,050	(829)
Other current payables, accrued expenses and deferred income	4,356	3,163	1,193
TOTAL OTHER CURRENT LIABILITIES	24,936	22,802	2,134

i. Current Tax Payables

The following table shows a breakdown of current tax payables at 31 March 2017, compared with 31 December 2016.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
VAT payables	205	249	(44)
Direct tax payables	2,025	1,330	695
Other tax payables	943	841	102
CURRENT TAX PAYABLES	3,173	2,420	753

The increase in this item was due to IRES and IRAP estimates for the first quarter of 2017, which are added to the payable recorded at 31 December 2016. Other tax payables are mainly due to employee withholding IRPEF (personal income tax).

ii. Current payables to personnel and social security institutions

The following table presents a breakdown of current payables to personnel and social security institutions at 31 March 2017, compared with 31 December 2016.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Payables to personnel for salaries	1,023	971	52
Payables to personnel for deferred compensation	2,755	2,034	721
Payables to social security institutions	1,408	1,164	244
CURRENT PAYABLES TO PERSONNEL AND SOCIAL SECURITY INSTITUTIONS	5,186	4,169	1,017

iii. ENAC concession fees and other State payables

This item mainly includes:

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- Euro 10.3 million (Euro 9.96 million in December) in relation to the payable for fire-fighting services as regulated by article 1, paragraph 1328 of the 2007 Finance Act, as amended by article 4, paragraph 3-bis of Law 2/2009. This amount relates to the years 2009-2016, in addition to the amount accrued at 31 March 2017, which is in dispute. For additional details on this matter, see the Directors' Report for the 2016 Financial Statements;
- Euro 1.7 million (Euro 2.83 million in December) as a payable for the Airport concession fee.

iv. Other current payables, accrued expenses and deferred income

The following table shows other current payables, accrued expenses and deferred income at 31 March 2017, compared with 31 December 2016.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Payables for municipal surcharge	2,222	2,280	(58)
Other current payables	800	749	51
Current accrued expenses and deferred income	1,334	134	1,200
TOTAL OTHER CURRENT PAYABLES, ACCRUED EXPENSES AND DEFERRED INCOME	4,356	3,163	1,193

The first item concerns the municipal surcharge on passenger boarding fees charged to carriers but not yet collected at 31 March 2017. The portion of the municipal surcharge payable pertaining to receivables for the surcharge collected from carriers, but not yet paid to credit institutions, is classified among current financial liabilities (Note 22).

The increase in current accrued expenses and deferred income was due to the invoice issuing process involving advance invoicing of sub-licensing fees and other types of services.

20. Provisions for renewal of Airport infrastructure (current)

The following table details changes in provisions for renewal of airport infrastructure for the first quarter of 2017.

<i>in thousands of Euro</i>	at 31.12.2016	Provisions	Amounts used	Reclassifications	at 31.03.2017
PROVISIONS FOR RENEWAL OF AIRPORT INFRASTRUCTURE (CURRENT)	2,933	0	(369)	361	2,925

This item includes the current portion of provisions for renewal of Airport infrastructure. At 31 March 2017, uses mainly related to the work to upgrade the fire-fighting system and emergency stairways in the multi-level car park, and work on facilities.

21. Other provisions for risks and charges (current)

The other provisions for risks and charges at 31 March 2017 consisted solely of the contractual liability provisions recognised on the basis of the agreement signed in 2009 with ENAV and ENAC, which provides

for another area to be included in the inventory of assets received under the concession in relation to the obligation consisting of:

- 1) demolition of pre-existing capital assets;
- 2) construction of a new building on behalf of the original grantor of the concession.

In view of this obligation, the Company quantified the increase in Concession Rights at 31 December 2009 on the basis of the present value of the estimated cost to fulfil its obligations with respect to a liability recognised in accordance with IAS 37.

The new building was built in 2016, with the exception of some remaining work, which was completed in the first quarter of 2017 (Euro 0.14 million). The remaining provision at 31 March 2017 includes an estimate of certain incidental completion expenses.

<i>in thousands of Euro</i>	at 31.12.2016	Provisions	Amounts used	Reclassifications	at 31.03.2017
Provisions for ENAC-ENAV agreement	159	0	(139)	0	20
TOTAL OTHER PROVISIONS FOR RISKS AND CHARGES (CURRENT)	159	0	(139)	0	20

22. Current financial liabilities

The following table provides a breakdown of current financial liabilities for the first quarter of 2017.

<i>in thousands of Euro</i>	at 31.03.2017	at 31.12.2016	Change
Loans - current portion	5,803	5,801	2
Payables for municipal surcharge	1,696	2,969	(1,273)
Other current financial debt	235	70	165
CURRENT FINANCIAL LIABILITIES	7,734	8,840	(1,106)

For details of the items “Loans – current portion” and “Other current financial debt”, see the explanation in Note 17 “Non-Current Financial Liabilities”, which indicates the loans obtained by the Group and outstanding as at 31 March 2017.

Payables for the municipal surcharge on passenger boarding fees relate to the portion received from the airlines in March and paid on to lenders in April 2017.

NOTES TO THE MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

Below are the main items on the income statement at 31 March 2017, compared with those posted at 31 March 2016.

REVENUES

23. Revenues

The following tables show a breakdown of revenues by business segment for the first quarter of 2017 and of 2016. See explanations in the Directors' Report for a detailed analysis.

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Revenues from aeronautical services	10,767	9,353	1,414
Revenues from non-aeronautical services	8,310	7,863	447
Revenues from construction services	942	1,166	(224)
Other operating revenues and income	133	163	(30)
TOTAL REVENUES	20,152	18,545	1,607

i. Revenues from aeronautical services

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Revenues from centralised infrastructure/other airport services	158	173	(15)
Revenues from fees/exclusive-use assets	279	300	(21)
Revenues from airport fees	13,293	12,871	422
Revenues from PRM fees	840	803	37
Incentives for the development of air traffic	(4,964)	(5,698)	734
Handling services	692	542	150
Other aeronautical revenues	469	362	107
TOTAL REVENUES FROM AERONAUTICAL SERVICES	10,767	9,353	1,414

The following is a breakdown of revenues from airport fees:

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Passenger boarding fees	6,561	6,318	243
Landing, take-off and parking fees	3,899	3,827	72
Passenger security fees	2,051	1,951	100
Hold luggage security fees	576	581	(5)
Freight loading and unloading charges	206	194	12
TOTAL REVENUES FROM AIRPORT FEES	13,293	12,871	422

ii. Revenues from non-aeronautical services

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Sub-licensing of retail areas and premises	3,677	3,388	289
Parking	3,180	3,044	136
Other commercial revenues	1,453	1,431	22
TOTAL REVENUES FROM NON-AERONAUTICAL SERVICES	8,310	7,863	447

Other commercial revenues are itemised below:

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Ticketing	13	17	(4)
Marconi Business Lounge	542	446	96
Advertising	302	442	(140)
Miscellaneous commercial revenues	596	526	70
TOTAL OTHER COMMERCIAL REVENUES	1,453	1,431	22

iii. Revenues from construction services

Revenues from construction services pertain to the construction services provided by Aeroporto Guglielmo Marconi di Bologna S.p.A. to the granting authority ENAC, for the purpose of realising the investments previously commented upon in connection with Concession Rights in Note 1.

At 31 March 2017, these revenues totalled Euro 0.94 million, which was a slight decrease compared with the first quarter of 2016 (Euro 1.17 million)

iv. Other revenues and income

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Compensation, reimbursements and other income	133	158	(25)
Contributions to operating expenses	0	5	(5)
TOTAL OTHER OPERATING REVENUES AND INCOME	133	163	(30)

COSTS

24. Costs

i. Consumables and goods

The following table shows a breakdown of consumables and goods for the first quarter of 2017 and 2016.

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Consumables and goods	116	83	33
Maintenance materials	46	37	9
Fuels	294	216	78
TOTAL CONSUMABLES AND GOODS	456	336	120

This category grew, mainly due to more purchases of aviation fuel and consumables due to the increase in traffic served.

ii. Services costs

The following table shows a breakdown of services costs for the first quarter of 2017 and 2016.

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Maintenance costs	846	1,020	(174)
Utilities	578	501	77
Cleaning and similar services	474	473	1
Third-party services	1,562	1,406	156
Marconi Business Lounge services	71	57	14
Advertising, promotion and development	323	153	170
Insurance	180	198	(18)
Professional and consultancy services	403	274	129
Fees and reimbursements for statutory bodies	208	182	26
Other services costs	90	69	21
TOTAL SERVICES COSTS	4,735	4,333	402

Services costs rose over the first quarter of 2016, mainly due to higher expenses for:

- utilities, owing to the less-than-optimal operation of alternative energy sources;
- outsourced services, such as the PRM service, in relation to the increase in traffic and shuttle service to transport passengers from car parks to the terminal;
- advertising, promotion and development, due to higher traffic development expenses;
- professional services, due to higher personnel selection expenses and legal expenses to defend disputes.

Below are further details of maintenance costs:

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Maintenance costs of owned assets	208	216	(8)
Maintenance costs of airport infrastructure	553	728	(175)
Maintenance costs of third party assets	85	76	9
TOTAL MAINTENANCE COSTS	846	1,020	(174)

The following shows a breakdown of third-party services:

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Snow clearance	233	206	27
Porterage, transport and third-party services	97	10	87
PRM services	298	261	37
De-icing services and other public service costs	192	254	(62)
Security services	291	263	28
Other third-party services	451	412	39
TOTAL THIRD-PARTY SERVICES	1,562	1,406	156

iii. **Costs for construction services**

These were costs incurred by Aeroporto Guglielmo Marconi di Bologna S.p.A. due to the implementation of the investments previously commented upon in Note 1 in connection with Concession Rights.

iv. **Leases, rentals and other costs**

The following table shows a breakdown of leases, rentals and other costs for the first quarter of 2017 and 2016.

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Concession fees	1,166	1,091	75
Rental fees	90	91	(1)
Payable rents	123	123	0
Data processing fees	247	258	(11)
Other costs for using third-party assets	2	4	(2)
TOTAL LEASES, RENTALS AND OTHER COSTS	1,628	1,567	61

Overall, the item “Leases, rentals and other costs” reflected an increase in airport concession fees and security service fees caused by increased traffic.

v. **Other operating expenses**

The following table shows a breakdown of other operating expenses for the first quarter of 2017 and of 2016.

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Tax charges	326	321	5
Fire-fighting service contribution	291	323	(32)
Capital losses	1	0	1
Other operating costs and expenses	79	45	34
TOTAL OTHER OPERATING EXPENSES	697	689	8

vi. **Personnel costs**

The following table shows a breakdown of personnel costs for the first quarter of 2017 and 2016.

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Salaries and wages	4,577	4,352	225
Social security contributions	1,275	1,233	42
Severance	311	282	29
Pension and similar	44	43	1
Other personnel costs	374	349	25
TOTAL PERSONNEL COSTS	6,581	6,259	322

Personnel costs rose due to the increase in the workforce and the application of the last tranche of the National Collective Agreement.

Other personnel costs break down as follows:

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Staff canteen	154	153	1
Personnel training and refresher courses	83	44	39
Personnel travel expenses	30	42	(12)
Other provisions to personnel-related funds	26	0	26
Miscellaneous personnel costs	81	110	(29)
TOTAL OTHER PERSONNEL COSTS	374	349	25

The following is the average staffing level broken down by category for the two quarters in question:

<i>Average workforce (no. of staff)</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Executive Managers	10	10	0
White-collar workers	378	358	20
Blue-collar workers	100	97	3
TOTAL PERSONNEL	488	465	23

Below is a breakdown of the workforce by category at the end of the two quarters being compared:

<i>Workforce (no. of staff)</i>	at 31.03.2017	at 31.03.2016	Change
Executive Managers	10	10	0
White-collar workers	390	360	30
Blue-collar workers	101	99	2
TOTAL PERSONNEL	501	469	32

25. Depreciation, amortisation and write-downs

The following table shows a breakdown of this category for the first quarter of 2017 and of 2016.

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Amortisation of concession rights	1,371	1,304	67
Amortisation of other intangible assets	147	117	30
Depreciation of tangible assets	470	397	73
TOTAL DEPRECIATION, AMORTISATION AND WRITE-DOWNS	1,988	1,818	170

The increase in the item "Amortisation and depreciation" is consistent with the ongoing implementation of the amortisation and depreciation plan and is also the result of the gradual entry into service of investments made over the last 12 months.

26. Provisions for risks and charges

The following table shows a breakdown of provisions for risks and charges for the first quarter of 2017 and 2016.

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Provisions for doubtful accounts	36	37	(1)
Provisions for renewal of airport infrastructure	520	453	67
Other provisions for risks and charges	68	(3)	71
TOTAL PROVISIONS FOR RISKS AND CHARGES	624	487	137

Higher provisions were due to the provisions for renewal of airport infrastructure and provisions for employee back pay; for comments, see Notes 15, 16 and 20.

27. Financial income and expenses

The following table shows a breakdown of financial income and expenses for the first quarter of 2017 and 2016.

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Income from securities and similar assets	11	20	(9)
Financial income other than the previous items	56	44	12
Financial income from discounting provisions	155	0	155
TOTAL FINANCIAL INCOME	222	64	158
Interest expenses and bank charges	(191)	(266)	75
Financial expense from discounting provisions	(11)	(145)	134
Other financial expenses	(10)	(1)	(9)
TOTAL FINANCIAL EXPENSES	(212)	(412)	200
TOTAL FINANCIAL INCOME AND EXPENSES	10	(348)	358

The increase in financial income in the first quarter of 2017 was due to income from discounting provisions, especially the provision for the renewal of airport infrastructure, which did not exist in the first quarter of 2016, during which financial expenses from discounting were recognised instead. Other than this effect, due largely to the increase in discount rates, there was a decrease in bank financial expenses due to lower debt during the period.

28. Taxes for the period

<i>in thousands of Euro</i>	for the quarter ended 31.03.2017	for the quarter ended 31.03.2016	Change
Current, deferred and prepaid taxes	(780)	(438)	(342)
TOTAL TAXES FOR THE PERIOD	(780)	(438)	(342)
Taxes for the period as a % of result before taxes	30.52%	27.41%	

Income taxes rose, partly due to growth in profit before taxes (+Euro 1 million), but mainly due to amendments to the base for calculating ACE (economic growth incentive, Decree Law 201/2011).

Specifically:

- 1) the coefficient for calculating the notional return was cut in half, from 4.75% in 2016 to 2.3% in 2017;
- 2) an amendment was introduced by the 2017 Finance Act, whereby increases in the balance of securities, other than equity investments, in excess of the balance that existed in the fifth previous financial year, neutralise the ACE base, thereby reducing its benefit;
- 3) an amendment was introduced by Decree Law 50/2017 to the established time period for the asset increase, which is limited to five financial years: thus, the initial parameter, which used to be fixed (31 December 2010), is now variable.

The combination of the above measures resulted in an increase in the effective rate as compared with 2016, which exceeded the reduction of the IRES rate from 27.5% to 24%.

Related party transactions

A definition of "Related Parties" can be found in IAS 24, approved by EC Regulation 1725/2003.

The shareholder Bologna Chamber of Commerce has been identified as Government, making it exempt from related party disclosure under IAS 24. Classifying the Bologna Chamber of Commerce as a Government therefore limited the scope of checks to identify related parties to the Bologna Chamber of Commerce only. Furthermore, the financial statements contain no further information regarding the Group's relationship with the Bologna Chamber of Commerce, because there are no significant transactions with that shareholder.

In the first quarter of 2017, related-party relationships referred only to inter-company transactions. These took place as part of ordinary operations and under normal market conditions; they are of a commercial and financial nature and also relate to participation in the tax consolidation scheme. The main transactions are described below.

In the quarter under review, trade relationships on the asset side between the Parent Company and the subsidiary Tag Bologna S.r.l. mainly concerned the twenty-year sub-licensing of infrastructure dedicated to general aviation traffic support and the supply of certain services, mainly related to safety.

AdB's service agreements with the subsidiary mainly involve contributions to operating expenses to cover costs related to the management and maintenance of the infrastructure of the general aviation terminal used for the boarding and disembarkation of passengers based on the resulting balance sheet advantage for AdB from including these costs in the calculation base of passenger boarding fees.

Non-commercial relationships with Tag included:

- the tax consolidation agreement, renewed in September 2015 for 2015-2017;
- the binding patronage letter issued by AdB and minority shareholders of Tag in proportion to stakes held, in favour of Monte dei Paschi di Siena in relation to the long-term loan provided by the latter bank to Tag.

During the quarter under review, commercial relations between the Parent Company and the subsidiary Fast Freight Marconi S.p.A. consisted of providing the following services:

- sub-licensing of offices and operating areas and premises;
- management and staffing, which includes the following staff services: accounting, administration, finance, management control, management reporting, personnel, legal, ICT, staff secondment and single director;

- security for baggage and cargo x-rays

Non-commercial relationships with FFM included:

- the tax consolidation agreement, renewed in September 2015 for 2015-2017;
- AdB's joint obligation on a guarantee of Euro 0.9 million issued by Assicurazioni Generali in favour of the Bologna Customs Agency for various customs deposits of FFM.

* * *

See comments in the Directors' Report for information on the types of the Group's financial risks and their management.

* * *

The Chairman of the Board of Directors
(Enrico Postacchini)

Bologna, 15 May 2017

Annex 1

Statement pursuant to article 154-*bis*, paragraph 2 of the TUF

Consolidated Interim Report at 31 March 2017

The officer in charge of preparing the corporate accounting documents, Patrizia Muffato, hereby declares, pursuant to paragraph 2 of article 154-*bis* of the Consolidated Law on Finance (TUF), that the accounting information contained in this Report corresponds to information contained in documents, accounting registers and entries.

*Officer in charge of preparing the corporate
accounting documents*

(Patrizia Muffato)



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