Half-Year Consolidated Financial Report at 30 June 2016

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

Half-Year Consolidated Financial Report
Aeroporto Guglielmo Marconi di Bologna Group
at 30 June 2016

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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Aeroporto Guglielmo Marconi di Bologna S.p.A.
Share Capital Euro 90,250,000.00 fully paid in
Via Triumvirato, 84 - 40132 Bologna
REA Bologna 268716
Bologna Registry of Companies, Tax Code and VAT No. 03145140376

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 S.p.A. with holdings above 5% as at the most recent date after the end of the half-year are:

DECLARANT	**% Owned**
CHAMBER OF COMMERCE OF BOLOGNA	37.56%
AMBER CAPITAL	17.97%
STRATEGIC CAPITAL ADVISORS LIMITED	11.38%
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 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	37.56%
MUNICIPALITY OF BOLOGNA	3.88%
METROPOLITAN CITY OF BOLOGNA	2.32%
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	37.56%
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 at 30 June 2016 and 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 meeting of the Board of Directors of 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 at 30 June 2016 and 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

Independent Auditing Firm

The Independent Auditing 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 Group for the half-year ended 30 June 2016

INTRODUCTION

This report, submitted with the Consolidated Financial Report of the Aeroporto Guglielmo Marconi di Bologna S.p.A. Group (hereinafter also the "Airport Group" or the "Airport" or "AdB") for the half-year ended 30 June 2016, 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., full management operator of Bologna Airport according to Full 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 40-year period starting on 28 December 2004.

The following diagram shows the structure of the Group at 30 June 2016 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 FFM) was set up in 2008 by Marconi Handling S.r.l. (former subsidiary, hereinafter also MH), with share capital of Euro 10 thousand, later increased to Euro 520 thousand through the contribution, by the then sole shareholder MH, 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 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 the 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 airline companies, 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 communal areas 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, due 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 the personnel and equipment assigned by the operator;
- fees for security checks of checked luggage: such fees are due for the remuneration of the equipment and personnel that perform these checks;
- fees for PRM: these include fees paid for services to passengers with reduced mobility and are determined according to the number of PRM and non-PRM departing passengers;

- fees due for the use of exclusive-use assets: including fees due for the use of airport infrastructure dedicated to individual carriers or operators (check-in desks, offices, operative spaces), calculated by time of use or square metres 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 and are calculated based on the movements of aircraft during winter.
- 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 SBU concern the management of parking areas, retail sub-concessions, advertising, passenger services and real estate management.

Parking

The direct management of paid parking at Bologna Airport consists of approximately 5,100 available parking spaces, mainly concentrated in five large parking areas of which the first four are next to the terminal and the fifth located about 1.5 km from the terminal. 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 5,800 square metres and 43 stores. The recent upgrading of the airport has increased the surface area dedicated to retail and therefore 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 reserved and comfortable 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, porterage 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 488 vehicles are available at the airport.

Real estate

Real estate comprises two macro-areas: the first relates to revenues from sub-licensing space for commercial activities closely linked to aeronautical operations, first and foremost those of couriers, and the second relates to revenues from sub-licensing areas and premises 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: SUMMARY HIGHLIGHTS AND POSITIONING OF THE G. MARCONI AIRPORT

At the beginning of 2016 there was continued weakness in the global economy, with world trade forecasts being revised downwards. According to the latest OECD projections published at the beginning of June, prior to the UK referendum, global GDP growth in 2016 will remain at last year's levels (+3%).
Economic growth is also projected in the Eurozone in the second quarter, but at a moderate pace, with inflation returning to levels just above zero in June. In the first quarter of 2016, GDP in the Eurozone rose by 0.6% to levels above those reported prior to the start of the financial crisis. Domestic demand was again the main driver of the recovery: strong household spending was accompanied by a further rise in investments, while foreign trade had a negative impact on growth for the third consecutive quarter. At the beginning of 2016 GDP rose in all major Eurozone countries, with growth of 0.7% in Germany and 0.6% in France.
In Italy, there was a slight increase in economic activity at the beginning of 2016. Specifically, in the first quarter, GDP rose by 0.3%, up for the fifth consecutive quarter, even though it is still 8.5% below the high achieved at the beginning of 2008. The recovery in Italy is being driven by household spending and, to a lesser extent, by investments. As in other major Eurozone countries, growth was slowed by foreign trade. Further GDP growth is projected in the second quarter, but at a more moderate pace. (*Source: Economic Bulletin, Banca d'Italia, July 2016*).

Against this economic backdrop, global passenger traffic rose by 6.0% in the first half of 2016, confirming a positive trend for air transportation, albeit with growth slowed by modest economic growth and terrorist attacks. There are signs of recovery in cargo traffic as reflected in a 0.5% increase in volume in the first half of 2016.

European passenger traffic grew by 3.8% (*Source: IATA, Air Passenger Market Analysis, June 2016*) during the January-June 2016 period, reflecting a slow-down due to strikes and terrorist attacks. On the other hand, cargo traffic posted good results in the second quarter of 2016 resulting in overall growth of 3.7% for the first half of the year (*Air Freight Market Analysis, June 2016*).

During the same period, the Italian market recorded passenger traffic growth of 4.3% (*Source: Assaeroporti, June 2016).* From January to June 2016, Bologna Airport saw growth of 13.2%.

1.2 STRATEGIC OBJECTIVES

In 2016, the Group is taking 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 companies 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 suitable flight offerings for the different user segments by increasing the number of carriers operating at the Airport, while continuing to maintain a profit margin on the incremental traffic that might be generated. As part of the development of traffic, the Company 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 space to expand the range of products available to passengers.

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.

Increasing operational efficiency and service quality

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 Group's direct and indirect business areas, 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.

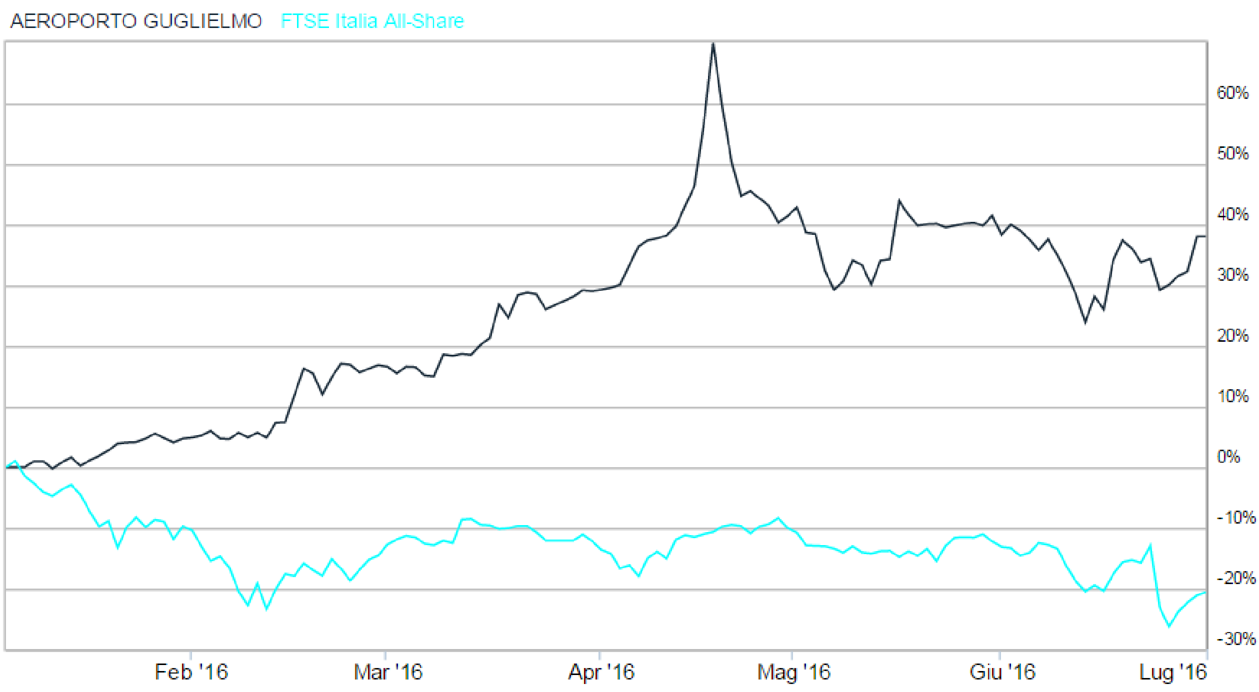
The following is reported below:

- the stock’s performance from 1 January 2016 to 30 June 2016;
- the comparison between the share price and changes in the FTSE Italia All-Share index.

At 30 June 2016, the official price was Euro 8.49 per share, bringing the market capitalisation of the AdB Group on that date to approximately Euro 306.5 million.

Performance of AdB shares (01/01/2016 - 30/06/2016)

Performance of AdB shares and FTSE Italia All-Share index (01/01/2016 - 30/06/2016)



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 half of 2016, there was significant growth in all components of traffic. Specifically, there were 3,590,527 **passengers**, including transits and general aviation, an increase of 13.2% compared with the same period in 2015. At the same time, there was an increase in **movements** (33,298, +8.9%) and **tonnage** (2,124,485, +16.7%). Contributing to this highly positive performance were the introduction of new destinations, the expansion of existing routes and the use of larger aircraft, especially for legacy traffic. The average load factor (+77.2%) was largely in line with the first half of 2015 (77.4%).
In the first half of 2016, **cargo traffic** was 23,757,774 kg, representing an overall increase of 18.2% on 2015.

	January - June 2016	January - June 2015	% Change
Passengers	3,590,527	3,171,039	13.2%
Movements	33,298	30,583	8.9%
Tonnage	2,124,485	1,820,743	16.7%
Cargo via air	18,979,182	14,898,222	27.4%
Cargo via surface	4,778,592	5,203,891	-8.2%

Data including General Aviation and transits

From an analysis of individual passenger traffic components, growth was attributable to both legacy traffic and low-cost traffic.

Legacy traffic was up by 11.8% in passenger volumes in the first half of 2016 compared with 2015, due to the entry of new strategically significant carriers for the airport and the greater frequency of flights to several hubs by major international airlines. Specifically, Air Berlin began three daily connections to Düsseldorf on May 2, Alitalia reintroduced its daily flight to Catania, and there were more flights to Munich by Air Dolomiti starting in May, to Moscow by Aeroflot (from 11 to 14 weekly flights) and to Prague by CSA (from four flights a week to one a day). There was also the introduction of the Emirates flight to Dubai, which did not exist in the same period of 2015.

In addition, regular, significant investments continue to be made by **low-cost** carriers at the airport as a result of the ongoing expansion of operations by Ryanair (new flights to Vigo, Thessaloniki and Athens, and more flights to London and Ibiza) and Wizzair (more flights to Bucharest).

However, the negative trend is continuing in the **charter** segment, which 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 - June 2016	% of total	January - June 2015	% of total	% Change
Legacy	1,437,604	40.0%	1,286,267	40.6%	11.8%
Low cost	2,125,432	59.2%	1,810,755	57.1%	17.4%
Charter	17,932	0.5%	58,314	1.8%	-69.2%
Transits	5,808	0.2%	11,792	0.4%	-50.7%
Commercial Aviation Total	**3,586,776**	**99.9%**	**3,167,128**	**99.9%**	**13.3%**
General Aviation	3,751	0.1%	3,911	0.1%	-4.1%
Overall Total	**3,590,527**	**100.0%**	**3,171,039**	**100.0%**	**13.2%**

The international positioning of the Bologna Airport is increasingly confirmed. In the first half of 2016, international passengers represented 74.7% of the total (74.5% in the first half of 2015). In addition, there was a recovery in domestic traffic resulting in growth of 12.3% compared with 2015. This trend reversal was helped by Alitalia's re-introduction of the connection to Catania and Ryanair's introduction of the daily connection to Cagliari.

Passenger Traffic Composition	January - June 2016	January - June 2015	% Change
EU	3,132,571	2,782,386	12.6%
Non-EU	454,205	384,742	18.1%
Commercial Aviation Total	**3,586,776**	**3,167,128**	**13.3%**
General Aviation	3,751	3,911	-4.1%
Overall Total	**3,590,527**	**3,171,039**	**13.2%**

Around a quarter of passenger traffic from Bologna is domestic, while Spain, with 14.8% and 14 non-stop destinations, remains the second largest country by number of passengers carried. Germany follows with 10.3% of the passengers, the UK with 8.6% and France with 7.1%.

Passenger traffic by country	January - June 2016	% of total	January - June 2015	% of total	% Change
Italy	909,024	25.3%	809,259	25.5%	12.3%
Spain	532,123	14.8%	469,612	14.8%	13.3%
Germany	370,696	10.3%	313,674	9.9%	18.2%
United Kingdom	307,576	8.6%	287,387	9.1%	7.0%
France	256,020	7.1%	285,270	9.0%	-10.3%
Romania	182,968	5.1%	131,259	4.1%	39.4%
Turkey	121,144	3.4%	129,728	4.1%	-6.6%
Netherlands	110,227	3.1%	105,085	3.3%	4.9%
Poland	89,880	2.5%	75,763	2.4%	18.6%
Belgium	81,367	2.3%	85,607	2.7%	-5.0%
Other countries	629,502	17.5%	478,395	15.1%	31.6%
Overall Total	**3,590,527**	**100.0%**	**3,171,039**	**100.0%**	**13.2%**

With regard to routes operated, Paris CDG, Catania and Madrid are the destinations with the highest traffic volume reported in the first half of 2016. These are followed by Frankfurt, Palermo, Barcelona, Rome, London Heathrow and London Stansted.
The main destinations served confirm the strength of the traffic mix, as they are both traditional airline hubs and point-to-point destinations of low-cost carriers.

Main routes for passenger traffic	January - June 2016	January - June 2015	% change 2016/2015
Paris CDG	143,856	170,428	-15.6%
Catania	143,372	127,762	12.2%
Madrid	143,341	125,551	14.2%
Frankfurt	136,485	137,855	-1.0%
Palermo	134,222	127,611	5.2%
Barcelona	131,729	123,444	6.7%
Rome FCO	127,859	105,826	20.8%
London Heathrow	114,188	115,893	-1.5%
London Stansted	114,038	93,665	21.8%
Bucharest OTP	96,626	48,659	98.6%
Amsterdam	95,819	87,036	10.1%
Bari	94,730	90,466	4.7%
Dubai	89,270	0	100%
Brindisi	87,458	82,944	5.4%
Munich	83,963	88,257	-4.9%
Istanbul	83,346	91,164	-8.6%
Lamezia	81,849	79,358	3.1%
Cagliari	77,231	35,329	118.6%
Trapani	75,953	72,268	5.1%

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

In the first half of 2016, Ryanair represented 47.4% of overall passenger traffic, an increase of 21.4% compared with 2015. The Lufthansa Group came in second with 8.6% of passenger traffic, and the IAG Group came in third with 7.3%. There were also good performances from Wizz Air (+49.8%), Alitalia (+27.1%) and Aeroflot (+45.5%).

Passenger traffic by carrier	January - June 2016	% of total	January - June 2015	% of total	% Change
Ryanair	1,702,419	47.4%	1,402,388	44.2%	*21.4%*
The Lufthansa Group (Lufthansa + Air Dolomiti + Germanwings + Austrian)	308,943	8.6%	321,863	10.2%	*-4.0%*
IAG Group (British Airways + Air Nostrum + Vueling + Aer Lingus)	260,683	7.3%	248,128	7.8%	*5.1%*
Air France/KLM Group	252,490	7.0%	238,817	7.5%	*5.7%*
Wizz Air	168,530	4.7%	112,503	3.5%	*49.8%*
Alitalia	165,408	4.6%	130,118	4.1%	*27.1%*
Emirates	89,270	2.5%	0	0%	*0%*
Turkish	83,346	2.3%	91,164	2.9%	*-8.6%*
Aeroflot	56,398	1.6%	38,753	1.2%	*45.5%*
easyJet	55,756	1.6%	97,546	3.1%	*-42.8%*
Other	447,284	12.4%	489,759	15.4%	*-8.7%*
Overall Total	**3,590,527**	**100.0%**	**3,171,039**	**100.0%**	**13.2%**

Cargo Traffic

(in KG)	January - June 2016	January - June 2015	% Change
Cargo via air of which	18,979,182	14,898,222	27.4%
Freight	18,978,090	14,897,231	27.4%
Mail	1,092	991	10.2%
Cargo via surface	4,778,592	5,203,891	-8.2%
Total	**23,757,774**	**20,102,113**	**18.2%**

In the first half of 2016, cargo traffic totalled 23,757,774 kg, representing growth of 18.2% compared with the same period in 2015.
This increase was primarily attributable to the air traffic component, which was up by 27.4%, whereas there was a decrease of 8.2% in the surface traffic component as a result of a significant shift in volume to the air component due to greater available cargo capacity at the airport.

2.1.2 AVIATION STRATEGIC BUSINESS UNIT: SUMMARY OF ECONOMIC RESULTS

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	% Change
Revenues from Passengers	22,328	19,171	16.5%
Revenues from Carriers	10,210	8,284	23.2%
Revenues from Airport Operators	1,376	1,457	-5.6%
Traffic incentives	(13,203)	(10,397)	27.0%
Revenues from construction services	3,455	716	382.5%
Other revenues	622	682	-8.8%
Total AVIATION SBU Revenues	**24,788**	**19,913**	**24.5%**

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 those based on EU rules. The previous regulations required that such charges were established for each airport by planning agreements concluded between individual airport operators and the 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 are made in agreement between the airport operator and the airport users.
The increased revenues in the first half of 2016 compared with 2015 were due to the combined impact of increased traffic and new tariffs effective as of 1 January 2016.

On the whole, Group revenues attributable to the Aviation Strategic Business Unit showed an increase of 24.5%. Individual items performed as follows:

- Passenger revenues (+16.5%): passenger revenues grew at a higher rate than passenger traffic (13.2%) as a result of the new tariffs;
- Carrier revenues (+23.2%): the revenue increase was greater than the tonnage increase of 16.7% (the main driver for these types of revenues) due to new tariffs;
- Revenues from airport operators: the decrease (-5.6%) was mainly due to lower revenues from General Aviation fuelling services, resulting from a drop both in price and in number of litres provided;
- Incentives: the 27% increase in this item compared with 2015 was due to the growth in traffic;
- Revenues from construction services: the increase was the result of higher investments compared with the same period of the previous year.

2.2 NON-AVIATION STRATEGIC BUSINESS UNIT

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

in thousands of Euro	**for the half-year ended 30.06.2016**	**for the half-year ended 30.06.2015**	**% Change**
Retail and Advertising	5,681	5,097	11.5%
Parking	6,697	6,055	10.6%
Real Estate	1,200	1,103	8.8%
Passenger services	2,185	1,952	11.9%
Other revenues	1,039	820	26.7%
Revenues from construction services	381	522	-27.0%
Total NON-AVIATION SBU Revenues	**17,183**	**15,549**	**10.5%**

Total revenues from the Non-Aviation Strategic Business Unit rose by 10.5% during the period, with all major revenue items increasing.
The performance of individual areas of this business unit is shown below.

Retail and Advertising
Both components contributed to the 11.5% growth on 2015.
Good retail performance was primarily due to strong performance in the food and beverage and duty free areas. For the former, the strategic positioning of businesses within the terminal based on main types of passenger flows was a key factor, while growth in passengers was the main element of revenue growth for the duty free area.
Advertising revenues rose in comparison with the same period of 2015 because the current sub-licensee, Clear Channel, started the sale of the airport's advertising space at the end of April 2015. The sub-licensing agreement with the previous operator was terminated in February 2015, resulting in a lack of sales of the related advertising space for about two months.

Parking
In the first half of 2016, parking revenues were up by 10.6% compared with the same period of the previous year.

This positive result was mainly due to traffic growth, web marketing and re-targeting campaigns, and the introduction of services such as:

- ✓ Telepass – with a growing number of passengers who appreciate using this service;
- ✓ Weekend rate – cheaper parking charges at the weekend;
- ✓ The sale and reservation of parking through the website.

The slower growth than in the first quarter of 2016 was largely due to two factors: on the one hand, in the second quarter, there was a like-for-like comparison with the new roads that were opened in March 2015, and on the other hand, there was a reduction in parking spaces available due to construction work on the People Mover station.

Real Estate
The 8.8% increase compared with 2015 was mainly due to the entry of a new airline during the last two months of 2015, with a resulting demand for space.

Passenger services
Passenger services mainly consisted of premium services (lounge and ancillary services) and car rentals, the performance of which is indicated below.

Premium services
In the first half of 2016, there was an increase in the number of passengers using the business lounge and in revenues over the same period of 2015.
The factors leading to this result were strong performances from lounges co-managed with carriers, growth in the e-commerce channel and a sharp increase in lounge use not related to carriers such as access packages and passes acquired directly in the lounge.

Rent a car sub-licensing
This segment continued the growth seen in the first quarter due in part to the increase in arriving passengers, many of whom require this type of service.

Other revenues
The increase in other revenues was specifically due to the launch of the paid trolley collection service in May 2015 and growth in ramp equipment-related services.

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

3.1 ANALYSIS OF THE CONSOLIDATED FINANCIAL RESULTS

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change	% Change
Revenues from aeronautical services	20,857	18,639	2,218	11.9%
Revenues from non-aeronautical services	16,957	15,136	1,821	12.0%
Revenues from construction services	3,836	1,237	2,599	210.1%
Other operating revenues and income	321	450	(129)	-28.7%
Revenues	**41,971**	**35,462**	**6,509**	**18.4%**
Consumables and goods	(698)	(884)	186	-21.0%
Services costs	(8,993)	(8,913)	(80)	0.9%
Costs for construction services	(3,653)	(1,178)	(2,475)	210.1%
Leases, rentals and other costs	(3,438)	(2,976)	(462)	15.5%
Other operating expenses	(1,432)	(1,570)	138	-8.8%
Personnel costs	(12,849)	(11,842)	(1,007)	8.5%
Costs	**(31,063)**	**(27,363)**	**(3,700)**	**13.5%**
Gross operating profit (EBITDA)	**10,908**	**8,099**	**2,809**	**34.7%**
Amortisation of concession rights	(2,616)	(2,578)	(38)	1.5%
Amortisation of other intangible assets	(249)	(227)	(22)	9.7%
Depreciation of tangible assets	(809)	(710)	(99)	13.9%
Depreciation and amortisation	**(3,674)**	**(3,515)**	**(159)**	**4.5%**
Provisions for doubtful accounts	(38)	(8)	(30)	375%
Provisions for renewal of airport infrastructure	(1,405)	(1,550)	145	-9.4%
Provisions for other risks and charges	107	(15)	122	n.s.
Provisions for risks and charges	**(1,336)**	**(1,573)**	**237**	**-15.1%**
Total costs	**(36,073)**	**(32,451)**	**(3,622)**	**11.2%**
Operating result (EBIT)	**5,898**	**3,011**	**2,887**	**95.9%**
Financial income	156	87	69	79.3%
Financial expenses	(747)	(332)	(415)	125.0%
Result before taxes	**5,307**	**2,766**	**2,541**	**91.9%**
Taxes for the period	(1,560)	(735)	(825)	**112.2%**
Profit (loss) for the period	**3,747**	**2,031**	**1,716**	**84.5%**
Minority interests in profit (loss)	**35**	**49**	**(14)**	**-28.6%**
Group profit (loss)	**3,712**	**1,982**	**1,730**	**87.3%**

The first six months of 2016 ended with consolidated profit of Euro **3.7 million** vs. profit of Euro 2.03 million in the first half of 2015. This result was due to an overall increase in traffic of 13.2% and the positive impact this had with a multiplier effect on all key result-related items. In particular, together with the tariff increase implemented in January, traffic growth had a positive impact on aviation revenues, generated incremental revenues in the non-aviation component and, as a result of careful cost containment measures, did not lead to a proportional increase in costs. As a result of this trend, gross operating profit was up by 34.7%, the operating result was up by 95.9% and profit was up by 84.5%.

Below is a more detailed breakdown of normal operations. **Revenues** rose, on the whole, by 18.4% on 2015, and specifically:

- **revenues from aeronautical services** rose by 11.9% due to higher volumes managed and the new tariffs;
- **revenues from non-aeronautical services** were up by 12% due to the good performance of all components of this category as explained in the relevant section;
- **revenues from construction services** increased due to higher investments made during the period compared with the previous period;
- **other operating revenues and income** dropped by Euro 129 thousand due to lower sundry reimbursements.

Costs for the period rose by a total of 13.5%.
These can be broken down as follows:

- ✓ **consumables and goods costs** were down compared with 2015 (-21%) due mainly to lower aviation fuel purchasing costs as well as good weather conditions that led to low consumption of de-icing fluid. Other decreases related to heating oil, the purchases of which were made under a new agreement with lower tariffs than the previous year;
- ✓ **services** costs were in line with those for 2015 (+0.9%), although the items making up this category posted differing performances. On the one hand, costs rose for:
    - maintenance work related to improving airport access and additional work on buildings and the runway;
    - the PRM service in relation to the higher number of departing passengers;
    - increased security services in accordance with ENAC guidelines.

  On the other hand, there was a significant decrease in:
    - utilities costs as a result of improved efficiency, in-house production of a portion of electricity and a mild winter;
    - snow clearance expenses, due again to the mild winter in 2016;
- ✓ for **costs for construction services**, see the corresponding revenue item;
- ✓ the 15.5% increase in **leases, rentals and other costs** compared with 2015 was mainly due to the increase in traffic on which airport concession and security service fees are calculated. The increase in this item was also caused by higher data processing fees for new technology investments made in recent years;
- ✓ **other operating expenses** decreased by 8.8% compared with 2015 mainly due to lower tax charges and miscellaneous costs.

For comments on the personnel costs trends, please see the specific section of this report.
As a result of the above, from January to June 2016 there was an overall increase of about Euro 2.8 million (+34.7%) in **gross operating profit (EBITDA)** compared with the same period in 2015.

Overall, **structural costs** were down by Euro 0.08 million as a result of lower **provisions** (-15.1%) for the renewal of airport infrastructure and releases of provisions for litigation, the impact of which was mitigated by increased **amortisation and depreciation** (+4.5%).

As a result, there was a significant increase in **the operating result (EBIT)** (+95.9%), which stood at Euro 5.9 million compared with Euro 3.01 million in the first half of 2015.

Net financial expense rose from Euro 0.24 million to Euro 0.59 million as a result of higher financial expenses due to debt growth in the first half of 2016, itself caused by the June 2015 drawdown of the loan obtained in 2014, in addition to higher charges for discounting provisions. These higher expenses were partially offset by the increase in financial income arising from greater available liquidity.

There was a sharp rise (+Euro 2.5 million) in the **result before taxes**, which totalled Euro 5.3 million compared with Euro 2.8 million in the first half of 2015.

Income taxes benefited from the impact of the ACE incentive due to the cash contribution made as part of the stock market listing process making it possible to mitigate the higher **tax burden** compared with the same period in 2015.

As a result of the above, the **Group's portion of net profit** totalled Euro 3.7 million compared with Euro 1.98 million in the first half of 2015.

In the first half of 2016, there were larger investments related to concession rights than in the same period in 2015, with an effect on economic performance during 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.
However, 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.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change	% Change
Revenues from aeronautical services	20,857	18,639	2,218	11.9%
Revenues from non-aeronautical services	16,957	15,136	1,821	12.0%
Other operating revenues and income	321	450	(129)	-28.7%
Adjusted revenues	**38,136**	**34,225**	**3,910**	**11.4%**
Consumables and goods	(698)	(884)	186	-21.0%
Services costs	(8,993)	(8,913)	(80)	0.9%
Leases, rentals and other costs	(3,438)	(2,976)	(462)	15.5%
Other operating expenses	(1,432)	(1,570)	138	-8.8%
Personnel costs	(12,849)	(11,842)	(1,007)	8.5%
Adjusted costs	**(27,411)**	**(26,185)**	**(1,225)**	**4.7%**
Adjusted gross operating profit (EBITDA)	**10,725**	**8,040**	**2,685**	**33.4%**
Revenues from construction services	3,836	1,237	2,599	210.1%
Costs for construction services	(3,653)	(1,178)	(2,475)	210.1%
Margin of construction services	**183**	**59**	**124**	**209.6%**
Gross operating profit (EBITDA)	**10,908**	**8,099**	**2,809**	**34.7%**

3.2 ANALYSIS OF CASH FLOWS

Details of the Group's net financial position at 30 June 2016 are provided below compared with 31 December 2015 and 30 June 2015:

	in thousands of Euro	for the half-year ended 30.06.2016	for the year ended 31.12.2015	for the half-year ended 30.06.2015	Change 30.06.2016 - 31.12.2015	Change 30.06.2016 - 30.06.2015
A	Cash	24	27	23	(3)	1
B	Cash equivalents	17,407	50,657	9,684	(33,250)	7,723
C	Securities held for trading	2,879	2,838	2,806	41	73
D	**Liquidity (A+B+C)**	**20,310**	**53,522**	**12,513**	**(33,212)**	**7,797**
E	**Current financial receivables**	**12,048**	**5,994**	**18,687**	**6,054**	**(6,639)**
F	Current bank debt	(103)	(1,110)	(1,114)	1,007	1,011
G	Current portion of non-current debt	(7,450)	(9,064)	(8,989)	1,614	1,539
H	Other current financial debt	(4,503)	(1,980)	(1,944)	(2,523)	(2,559)
I	**Current financial debt (F+G+H)**	**(12,056)**	**(12,154)**	**(12,047)**	**98**	**(9)**
J	**Net current financial position (I-E-D)**	**20,302**	**47,362**	**19,153**	**(27,060)**	**1,149**
	in thousands of Euro	**for the half-year ended 30.06.2016**	**for the year ended 31.12.2015**	**for the half-year ended 30.06.2015**	**Change 30.06.2016 - 31.12.2015**	**Change 30.06.2016 - 30.06.2015**
K	Non-current bank debt	(27,792)	(32,728)	(37,773)	4,936	9,981
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)**	**(27,792)**	**(32,728)**	**(37,773)**	**4,936**	**9,981**
O	**Net financial position (J+N)**	**(7,490)**	**14,634**	**(18,620)**	**(22,124)**	**11,130**

At 30 June 2016, the Group's **net financial debt** was Euro 7.5 million compared with the positive net financial position of Euro 14.6 million at 31 December 2015 and net financial debt of Euro 18.6 million at 30 June 2015.

The higher **liquidity** than at 30 June 2015 was due to proceeds of Euro 28 million from the share capital increase, which occurred at the same time as the Parent Company's stock market listing on 14 July 2015. However, liquidity was down compared with 31 December 2015 mainly due to the following uses during the half-year:

- Euro 4 million for the payment of the equity financial instrument in Marconi Express;
- approximately Euro 22 million for the purchase of bonds and other financial instruments;
- Euro 7.6 million for the repayment of bank debt;
- Euro 6.1 million for the payment of dividends on the result for 2015, approved by the Parent Company's shareholders' meeting on 27 April 2016 and paid in May (Euro 0.17 per share).

The lower **debt** compared with 31 December 2015 (Euro 39.8 million compared with Euro 44.9 million) was due to the repayment of instalments on maturing loans including the early repayment of the "SEAF debt" (see notes 16 and 17 for additional details), which was partially offset by the increase in the payable for the municipal surcharge collected and to be transferred to creditors (Euro 2.5 million).

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:

in thousands of Euro	at 30.06.2016	at 30.06.2015
Cash flow generated (absorbed) by net operating activities	**10,824**	**(239)**
Cash flow generated (absorbed) by investment activities	**(30,369)**	**(16,408)**
Cash flow generated (absorbed) by financing activities	**(13,708)**	**19,333**
Final cash change	**(33,253)**	**2,686**

in thousands of Euro	at 30.06.2016	at 30.06.2015
Cash and cash equivalents at beginning of period	**50,684**	**7,021**
Final cash change	**(33,253)**	**2,686**
Cash and cash equivalents at end of period	**17,431**	**9,707**

Cash flow generated by operating activities totalled Euro 10.8 million, which was a sharp increase compared with the first half of 2015 due to growth in cash flow from core income-generating operations not reduced, as in the first half of 2015, by changes in net working capital.

Cash flow absorbed by investment activities was Euro 30.4 million as a result of:

- Euro 4.6 million for investments, mainly in infrastructure;
- Euro 4 million for the payment of the equity financial instrument in Marconi Express;
- Euro 8 million for investments in bonds and capitalisation products;
- Euro 14.1 million for temporary investments of cash in time deposits net of collections of about Euro 5 million from the maturity of short-term cash investments;
- Euro 0.3 million for collections on the receivable for the sale of the investment in Marconi Handling S.r.l.

Lastly, **cash flow absorbed by financing activities** was Euro 13.7 million due to the Parent Company's distribution of dividends on 2015 results (Euro 6.1 million) and for the repayment of the portion of loans and other bank debt due during the period (Euro 7.6 million).
As a result, the **final overall cash change** for the half-year was Euro -33.3 million.

3.3 ANALYSIS OF THE CAPITAL STRUCTURE

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

U S E S	at 30.06.2016	at 31.12.2015	at 30.06.2015	Change % 30.06.2016 - 31.12.2015	% change 30.06.2016 - 30.06.2015
- Trade receivables	14,107	13,777	14,224	2.4%	-0.8%
- Tax receivables	263	476	705	-44.8%	-62.8%
- Other receivables	8,879	7,354	10,909	20.7%	-18.6%
- Inventories	458	467	463	-1.9%	-1.1%
Subtotal	**23,707**	**22,074**	**26,301**	**7.4%**	**-9.9%**
- Trade payables	(13,529)	(13,746)	(14,673)	-1.6%	-7.8%
- Tax payables	(1,448)	(1,250)	(1,294)	15.9%	11.9%
- Other payables	(20,500)	(18,312)	(18,471)	11.9%	11%
Subtotal	**(35,477)**	**(33,308)**	**(34,438)**	**6.5%**	**3%**
Net working capital	**(11,771)**	**(11,234)**	**(8,137)**	**4.8%**	**44.6%**
Fixed assets	171,607	170,536	170,507	0.6%	0.6%
- Deferred tax assets	7,512	7,474	7,362	0.5%	2%
- Other non-current assets	21,618	1,896	2,117	n.s.	n.s.
Total fixed assets	**200,737**	**179,906**	**179,986**	**11.6%**	**11.5%**
- Provisions for risks, charges and severance	(20,803)	(19,915)	(22,378)	4.5%	-7%
- Deferred tax provision	(2,185)	(2,145)	(2,384)	1.8%	-8.4%
- Other non-current liabilities	(194)	(219)	(168)	-11.5%	15.4%
Subtotal	**(23,182)**	**(22,279)**	**(24,930)**	**4.1%**	**-7%**
Fixed working capital	**177,555**	**157,627**	**155,056**	**12.6%**	**14.5%**
Total uses	**165,785**	**146,393**	**146,919**	**13.2%**	**12.8%**

SOURCES	at 30.06.2016	at 31.12.2015	at 30.06.2015	Change % 30.06.2016 - 31.12.2015	% change 30.06.2016 - 30.06.2015
Net financial position	**(7,490)**	**14,634**	**(18,620)**	**-151.2%**	**-59.8%**
- Share capital	90,250	90,250	74,000	0%	22%
- Reserves	63,787	63,306	51,913	0.8%	22.9%
- Profit (loss) for the period	3,712	6,957	1,982	-46.6%	87.3%
Group shareholders' equity	**157,749**	**160,513**	**127,895**	**-1.7%**	**23.3%**
- Minority interests	546	514	404	6.2%	35.1%
Total shareholders' equity	**158,295**	**161,027**	**128,299**	**-1.7%**	**23.4%**
Total sources	**(165,785)**	**(146,393)**	**(146,919)**	**13.2%**	**12.8%**

At 30 June 2016, there were no major changes in the Group's capital structure in terms of **net working capital** compared to year-end 2015 (Euro -11.8 million compared with Euro -11.2 million at 31 December 2015), while compared with the first half of 2015, there was a decline in receivables of about Euro 2.6 million due, on the one hand, to lower tax receivables, and on the other hand, to the absence of stock market listing costs, which in the first half of 2015 were suspended pending the conclusion of the listing. At the same time, there was a decrease in payables (Euro 1 million), primarily trade payables, with a resulting increase in net working capital.

Similarly, **fixed working capital** was up primarily due to investments of cash in miscellaneous financial instruments with a maturity of over 12 months, and investments in infrastructure during the period.

At 30 June 2016, the Group's solid financial position reflected **consolidated shareholders' equity** of Euro 158.3 million compared with Euro 161 million at 31 December 2015 and Euro 128.3 million at 30 June 2015. The amount at 30 June 2016 takes into account the May payment of dividends totalling Euro 6.1 million on 2015 profits as well as the result for the period, before minority interests, of Euro 3.7 million.

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 30 June 2016 were not significant.

3.5 INVESTMENTS

The total amount of investments at 30 June 2016 amounted to Euro 4.6 million, of which Euro 2.9 million was for investments related to the implementation of the Master Plan and thus mainly to licensed infrastructure, and the remainder for investments intended for airport operations.

Below are the main Master Plan investments:

- Upgrading of Aeroclub apron: at 30 June work was ongoing to upgrade a portion of the apron called Apron 2, and a section of the taxiway; this work was completed in July;
- New departures pier and work on existing terminal: the expansion of the passport control area in the non-Schengen arrivals hall and the preliminary terminal expansion design phase have been finished;
- Passenger finger bridges: two bridges have been completed and made safe for use;
- Road works: the construction of pedestrian and cycle lanes, which link the airport entrance to the terminal and the P3, Express and staff parking areas, has been completed.
- Parking work: work has been completed to recover parking spaces occupied by the People Mover construction sites;
- People Mover: the work to complete the "Airport" station, which began at the end of 2015, is on schedule;
- Environmental equilibrium projects: the final working design has been started for the wooded area that will be installed to the north of the airport and for the cycle path that will connect the airport with Via Emilia.

With regard to other investments intended for airport operations, a number of measures are being carried out to improve passenger services: completion of a new baggage collection system, launch of the Customer Relationship Management system, completion of new bathrooms at the airport and measures to modernise the security area.

Provisions for renewal

The total amount of work recorded in the provisions for renewal in the first half of 2016 was Euro 1 million.

In particular, work was done to restore a section of the runway pavement, upgrade operating and commercial offices, renew conveyor belts for the baggage carousels and restore the roofs and waterproofing systems of airport buildings.

3.6 PERSONNEL

Workforce composition

	30.06.2016	30.06.2015	Change 2016-2015	% Change 2016-2015
Average Full Time Equivalent	**433**	**412**	**21**	**5%**
Executive Managers	10	10	0	0%
Middle Managers	31	28	3	10%
White-collar workers	298	288	10	3%
Blue-collar workers	94	86	8	10%

	30.06.2016	30.06.2015	Change 2016-2015	% Change 2016-2015
Average Workforce	**469**	**442**	**27**	**6%**
Executive Managers	10	10	0	0%
Middle Managers	31	28	3	11%
White-collar workers	331	315	16	5%
Blue-collar workers	97	89	8	9%

Source: Data from the Company

The increase of 21 full-time equivalents in the workforce compared with 2015 was primarily due to:

- ✓ the insourcing of certain services (passenger information service, PRM assistance, trolley collection, rush baggage handling, manual luggage coding in BHS area, vehicle washing) that began in the last quarter of 2014 and was completed in the first half of 2015, and therefore had a partial impact on the half-year of the previous year;
- ✓ the hiring of employees for activities that are particularly sensitive to increases in traffic, such as security and PRM services;
- ✓ the expansion of certain company areas.

Personnel Costs

	30.06.2016	30.06.2015	Change 2016 - 2015	% Change 2016 - 2015
Personnel Costs	12,849	11,842	1,007	8.5%

Source: Data from the Company

The 8.5% increase in personnel costs compared with the same period in 2015 was mainly due to the increase in the workforce described above, but was also affected by the application of the penultimate tranche of the new National Collective Agreement (starting in July 2015) and salary increases.

Personnel training

Training in the first half of 2016 consisted of specific regulatory training courses in different areas, compulsory training that involved the Prevention and Protection Service and training for the Security area as well as refresher courses concerning government contract regulations.

In addition to these topics, more specific courses were added to support the development of technical skills in individual or trans-business areas that are useful for the operation of the entire organisation.

Labour relations

During the first six months of the year, no new union agreements were signed, but the Parent Company participated in the crisis talks of the Metropolitan City encouraging discussions among the parties concerned after the bankruptcy of the supplier of services contracted out by handlers at the airport. The matter ended with staff being transferred to the new service provider.

Other topics included: participation in crisis talks of the Prefecture held by the Regional Labour Administration concerning the assignment of security area facilitator services to a new company.

4 ANALYSIS OF THE MAIN NON-ECONOMIC RESULTS

4.1 THE ENVIRONMENT

During the first half of 2016, the Parent Company launched the final working design of two significant environmental equilibrium projects involving the wooded area to the north of the Airport and the bicycle path along Via del Triumvirato. These projects are some of the main measures called for in the Regional Agreement for the Decarbonisation of the Airport signed in 2015 with regional authorities, which will require AdB 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 contained in the Airport Master Plan, i.e., by 2023. The Agreement, which was signed pursuant to Regional Law 20/2000, establishes specific measures for improving the energy efficiency of airport infrastructures and improving public and private access to the airport.

4.2 QUALITY

The development strategies of Bologna Airport combine a strong 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

The quality of our service led to positive results in the first half of 2016, demonstrating an ability to cope with the high growth in traffic at the airport. The Customer Satisfaction Index continued its upward trend to reach 98.7%, up by nearly a percentage point compared with the same period of 2015 when it reached 97.8%. Other satisfaction indicators for information, comfort and staff services also showed improved results. Wait times at check-in counters lengthened, but these were offset by a reduction in the time taken to deliver the first and last bags as a result of corrective measures implemented by the airport manager and operators.

ASQ (Airport Service Quality) programme indicators also posted positive results. Specifically, the summary indicator for overall satisfaction (measured on a scale from 1 to 5) reached a level of 3.69 (3.66 in 2015) in the first half of 2016.

Main Quality Indicators		January - June 2016	January - June 2015
Customer Satisfaction Index	% satisfied passengers	**98.7%**	**97.8%**
Regularity and speed of service	% satisfied passengers	**98.7%**	**97.5%**
Perception of general cleanliness	% satisfied passengers	**98.8%**	**97.6%**
Perception of toilet cleanliness and functionality	% satisfied passengers	**95.5%**	**96.5%**
Waiting times for disembarkation of first passenger	Waiting times in 90% of cases	**4'21''**	**4'13''**
Waiting time at check-in	Time in 90% of cases	**15'45''**	**13'56''**
Waiting time at baggage x-ray	Time in 90% of cases	**7'39''**	**7'02''**
Delivery time for the first/last bag from the aircraft	First bag (time in 90% of cases)	**23'**	**23'**
	Last bag (time in 90% of cases)	**30'**	**31'**

Source: Data from the Company

5 LEGISLATIVE FRAMEWORK

5.1 THE PLANNING AGREEMENT

On 19 February 2016, Aeroporto G. Marconi di Bologna and ENAC (the National Agency for Civil Aviation) signed the Planning Agreement, which represents a further step towards completing the process that will be finalised with a decree issued by the Ministry of Transportation and Ministry of the Economy.

The Planning Agreement defines the realisation of the investment plan and compliance with the quality and environmental protection objectives at Bologna Airport for the 2016-2019 period.

The Planning Agreement provides that AdB will make total investments over the four-year period of approximately Euro 112.4 million, of which Euro 84 million relates to the Master Plan (investments in airport infrastructure) and Euro 28.4 million is for investments in support of commercial areas, operational processes and improving the passenger experience.

5.2 TARIFF REGULATION 2016-2019

In accordance with the existing legislative framework and the tariff models developed by the Transport Regulation Authority (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 said Authority.

New charges took effect on 1 January 2016.

5.3 REGULATIONS ON CONTRIBUTIONS AND SUBSIDIES PAID BY AIRPORTS TO CARRIERS

The Company, on its corporate website, updated its traffic development policy related to the incentive plan scheduled for the first half of 2016. The traffic development policy, which again remains unchanged for the second half of 2016, is accessible to all interested carriers and the eventual finalisation of agreements between AdB and carriers meeting the requirements and with an interest in developing traffic according to the different models and targets governed in the policy is communicated according to the methods set forth in the aforementioned ministerial provisions.

5.4 MUNICIPAL SURCHARGE ON PASSENGER BOARDING FEES

The municipal surcharge on passenger boarding fees, which was established by article 2, paragraph 11 of Law 350/2003, as subsequently supplemented and revised, is currently set at Euro 1.50 and Euro 7.50 per passenger boarded. The portion to be allocated to the Italian Social Security Institution (INPS) was increased by Euro 2.50 as of 1 January 2016 by article 1 of Decree Law 357 of 29 October 2015. The increase was subsequently suspended from 1 September 2016 to 31 December 2016 by Decree Law 113/2016 "Urgent Financial Measures for Local Authorities and Local Areas" (the so-called Decree Law of Local Authorities published in the Official Gazette on 20 August 2016) that made several revisions to the Decree of 29 October 2015 concerning the "Determination of the amount of the increase in the municipal surcharge on boarding fees to be allocated to INPS" and introducing a regulation with a negative impact on national airport operators and on carriers operating at Italian airports. In particular, article 13-ter (paragraph 1) of the referenced Decree Law 113/2016 approved a reduction in the municipal surcharge on boarding fees for 2016 stating that "In order to support future growth in the airline sector and reduce charges to be paid by passengers, the application of the increase in the municipal surcharge on boarding fees, which was established pursuant to article 13, paragraph 23 of Decree Law 145 of 23 December 2013, converted with revisions by Law 9 of 21 February 2014, shall be suspended from 1 September to 31 December 2016."

With regard to the Decree of 29 October 2015 and the issues already reported concerning the communication of 15 February 2016 of the General Manager of ENAC, which ordered the increase in the municipal surcharge (in the same Decree) established for 2016, solely for tickets for departures from 1 January 2016 sold after the IATA ticketing systems were updated on 17 December 2015, and in any event, not after 22 December 2015, the objections of certain carriers were acknowledged with respect to invoices issued by the airport operator - on behalf of INPS - and it was indicated that any request for reimbursement or revision that the Company received or will receive, was and/or will be rejected asking the carriers to contact the beneficiary (INPS itself) directly for the reimbursement of the municipal surcharge that the Company collects and pays to INPS.

6 DISPUTES

Appeal against the draft framework agreement between the airport management company and VVF pursuant to Regulation 139/2014

On 1 April 2016, ENAC, without any formal publication, announced the final draft of the Framework Agreement between the Airport Operator and the National Corps of Firefighters, and clarified its compulsory and binding provisions since the draft indicates that signing the agreement is "in preparation...for the process to convert the Airport Certificate" pursuant to EU Regulation 139/2014 and "it contains minimum legal requirements" that are binding, and that the "parties may, as necessary, by mutual agreement (only) supplement." Since, for various reasons, this draft Framework Agreement was deemed to be unlawful and seriously detrimental to the positions and rights of airport operators in that it essentially transforms the airport's firefighting service from a matter covered by law under the authority and exclusive responsibility of the National Corps of Firefighters (as most recently confirmed by judgements of the TAR [Regional Administrative Court] of Lazio, the Court of Ancona and the Court of Florence), to a supply contract for the Airport Operator (which is not even in line with the provisions of EU Regulation 139/2014 since it contains no procedures and/or mechanisms for interacting with the respective competent organisations and especially for the fundamental key issue of emergency plans), it was challenged by the TAR of Lazio. More specifically, on 31 May 2016, on behalf of Aeroporto Guglielmo Marconi di Bologna S.p.A. and another 14 airport management companies, an appropriate appeal was filed against the draft framework agreement established by ENAC. The appeal was later entered for a hearing by the TAR of Lazio on 28 June 2016 under number RG 7483/16.

Other than the above, since there were no major changes compared with what was indicated in the Directors' Report of the 2015 Financial Report, 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, sub-para. 6-bis, the Group does not hold significant financial instruments nor is it exposed to substantial **financial risk** (since it invested a portion of its surplus cash in "plain vanilla products"), meaning the risk of the change in value of financial instruments.
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, cash flows, the need for financing and the Group's liquidity are constantly monitored in order to guarantee effective and efficient resource management.
As far as **interest rate risk** is concerned, taking into account existing financing, the Group tried to minimise the risk by obtaining fixed-rate and variable-rate loans.
Lastly, as far as **credit risk** is concerned, 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 its 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 aim to limit exposure in the following manner:

- 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.

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, and 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. In the half-year ended 30 June 2016, Ryanair was responsible for 47% of the total passenger traffic volumes recorded by the Airport. Although Ryanair has entered into a five-year agreement with the Group expiring in October 2018 by which, in exchange for certain incentives, it committed to maintaining specific traffic volumes at the airport, pursuing certain growth targets in traffic and not establishing new locations within a certain predetermined distance of the Airport and, although Bologna Airport is, in the opinion of the Company, strategically important to this carrier, one cannot rule out that Ryanair may decide to vary the routes it currently operates, significantly reduce its presence or cease operations from the Airport or that, upon expiry, the aforementioned agreement will not be renewed in whole or in part, or will be made subject to conditions that are less favourable 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 or revenue shortfalls resulting from new agreements 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 evolution of the traffic at the Airport in general, 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 relative to the influence of the incentives on the revenue margins

The Parent Company is exposed to the risk of the reduction of margins on 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 related 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 be reduced proportionally, with a significant negative impact on the Group's results, assets and liabilities and cash flows.

In regards 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 is active in developing a mix of traffic so as to maintain positive profit margins: in this context the recent opening of the route on Emirates to Dubai is considered particularly significant.

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 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 exhibitions 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 GUARANTEES PROVIDED

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

in thousands of Euro	30/06/2016	30/06/2015	Change	Change %
Sureties	5,149	4,827	321	6.7%
Patronage letters	2,573	2,825	(252)	-8.9%
Total guarantees issued	**7,722**	**7,652**	**69**	**0.9%**

As at 30 June 2016, the guarantees issued by the Group amount to Euro 7.7 million and refer mainly to:
- surety bond in favour of ENAC required by the Full Management Agreement (Euro 4.2 million);
- 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 half-year, was equal to Euro 2.6 million.

9 INFORMATION ON TREASURY SHARES

Pursuant to article 2428, paragraphs 2, 3 and 4 of the Civil Code, it is recognised that AdB and the Group do not have any treasury shares as at 30 June 2016.

10 SHARES HELD BY DIRECTORS AND AUDITORS

On the basis of the communications made pursuant to the law, the Directors and Statutory Auditors of Aeroporto Guglielmo Marconi di Bologna S.p.A. who as at 30 June 2016 directly and/or indirectly hold shares in the company are:

- the spouse of the non-executive director Giorgio Tabellini holds 20,000 shares
- the executive director Nazareno Ventola holds 2,500 shares.

11 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 Securities 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 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 report, 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 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 Communication of 28 July 2006, and in compliance with the ESMA/2011/81 Recommendations.

12 SUBSEQUENT EVENTS AND BUSINESS OUTLOOK

After the end of the period from January to June 2016, no events occurred that would justify changes to the results, assets and liabilities and cash flows shown in the financial report, and therefore require adjustments and/or amendments to the financial report.
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
In July 2016, the Airport reported a 12.6% increase in passenger traffic and 9.1% increase in movements compared with the same month in 2015 (+10.2% net of General Aviation traffic), confirming the positive trend seen in the final months of 2015 due to the launch of new routes and the expansion of existing routes.

Bonus shares
Group employees, residents of the Emilia-Romagna region and investors of the general public that subscribed shares at the time of the IPO and held them for 365 days from 14 July 2015, and who requested the assignment of Bonus Shares during the period from 14 July 2016 to 12 August 2016 inclusive to the custodian intermediary of the securities account, will be assigned additional shares by 12 September 2016 in the following amounts:

- 1 share for every 10 subscribed shares, for Group employees;
- 1 share for every 20 subscribed shares, for the general public and residents of the Emilia-Romagna region.

Upon completion of the subscription, there were 109,200 shares with underlying Bonus Shares.

Relations with subsidiaries, associated companies and related parties
With regard to relations with subsidiaries, associated companies and related parties during the half-year, see the special section in the Notes to the Consolidated Financial Statements at 30 June 2016.

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, 29 August 2016

Half-Year Consolidated Financial Report at 30 June 2016

Statement of Consolidated Financial Position
Consolidated Income Statement
Consolidated Statement of Comprehensive Income
Consolidated Cash Flow Statement
Statement of Changes in Consolidated Shareholders' Equity

Statement of Consolidated Financial Position

in thousands of Euro	Notes	at 30.06.2016	at 31.12.2015
Concession Rights		156,222	155,001
Other intangible assets		950	881
Intangible assets	**1**	**157,172**	**155,882**
Property, plant and equipment		9,703	9,922
Investment property		4,732	4,732
Tangible assets	**2**	**14,435**	**14,654**
Investments	**3**	147	147
Other non-current financial assets	**4**	20,099	363
Deferred tax assets	**5**	7,512	7,474
Other non-current assets	**6**	1,372	1,386
Other non-current assets		**29,130**	**9,370**
NON-CURRENT ASSETS		**200,737**	**179,906**
Inventories	**7**	458	467
Trade receivables	**8**	14,107	13,777
Other current assets	**9**	9,142	7,830
Current financial assets	**10**	14,927	8,831
Cash and cash equivalents	**11**	17,431	50,684
CURRENT ASSETS		**56,065**	**81,589**
TOTAL ASSETS		**256,802**	**261,495**

in thousands of Euro	Notes	at 30.06.2016	at 31.12.2015
Share capital		90,250	90,250
Reserves		63,787	63,306
Result for the period		3,712	6,957
GROUP SHAREHOLDERS' EQUITY	**12**	**157,749**	**160,513**
MINORITY INTERESTS	**12**	**546**	**514**
TOTAL SHAREHOLDERS' EQUITY		**158,295**	**161,027**
Severance and other personnel provisions	**13**	4,927	4,471
Deferred tax liabilities	**14**	2,185	2,145
Provisions for renewal of airport infrastructure	**15**	10,282	9,548
Provisions for risks and charges	**16**	1,393	1,521
Non-current financial liabilities	**17**	27,792	32,728
Other non-current liabilities		194	219
NON-CURRENT LIABILITIES		**46,773**	**50,632**
Trade payables	**18**	13,529	13,746
Other liabilities	**19**	21,948	19,562
Provisions for renewal of airport infrastructure	**20**	3,279	3,439
Provisions for risks and charges	**21**	922	936
Current financial liabilities	**22**	12,056	12,153
CURRENT LIABILITIES		**51,734**	**49,836**
TOTAL LIABILITIES		**98,507**	**100,468**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**256,802**	**261,495**

Consolidated Income Statement

in thousands of Euro	Notes	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015
Revenues from aeronautical services		20,857	18,639
Revenues from non-aeronautical services		16,957	15,136
Revenues from construction services		3,836	1,237
Other operating revenues and income		321	450
Revenues	**23**	**41,971**	**35,462**
Consumables and goods		(698)	(884)
Services costs		(8,993)	(8,913)
Costs for construction services		(3,653)	(1,178)
Leases, rentals and other costs		(3,438)	(2,976)
Other operating expenses		(1,432)	(1,570)
Personnel costs		(12,849)	(11,842)
Costs	**24**	**(31,063)**	**(27,363)**
Amortisation of concession rights		(2,616)	(2,578)
Amortisation of other intangible assets		(249)	(227)
Depreciation of tangible assets		(809)	(710)
Depreciation and amortisation	**25**	**(3,674)**	**(3,515)**
Provisions for doubtful accounts		(38)	(8)
Provisions for renewal of airport infrastructure		(1,405)	(1,550)
Provisions for other risks and charges		107	(15)
Provisions for risks and charges	**26**	**(1,336)**	**(1,573)**
Total costs		**(36,073)**	**(32,451)**
Operating result		**5,898**	**3,011**
Financial income	**27**	156	87
Financial expenses	**27**	(747)	(332)
Result before taxes		**5,307**	**2,766**
Taxes for the period	**28**	(1,560)	(735)
Profit (loss) for the period		**3,747**	**2,031**
Minority interests in profit (loss)		**35**	**49**
Group profit (loss)		**3,712**	**1,982**
Undiluted earnings/(loss) per share (in Euro)		**0.09**	**0.07**
Diluted earnings/(loss) per share (in Euro)		**0.09**	**0.07**

Consolidated Statement of Comprehensive Income

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015
Profit (loss) for the period (A)	**3,747**	**2,031**
Other profits (losses) that will be reclassified in the net result for the period	**0**	**0**
Total other profits (losses) that will be reclassified in the net result for the period (B1)	0	0
Other profits (losses) that will not be reclassified in the net result for the period		
Actuarial gains (losses) on severance	(472)	319
Tax impact of actuarial gains (losses) on severance	130	(88)
Total other profits (losses) that will not be reclassified in the net result for the period (B2)	(342)	231
Total other profits (losses) net of taxes (B1 + B2) = B	**(342)**	**231**
Total overall profit (loss) net of taxes (A + B)	**3,405**	**2,262**
of which Minority Interests	**32**	**49**
of which Group	**3,373**	**2,213**

Consolidated Cash Flow Statement

in thousands of Euro	at 30.06.2016	at 30.06.2015
Core income-generating operations		
Result for the period before taxes	5,307	2,766
Adjustments to items with no impact on cash and cash equivalents		
- Margin from construction services	(183)	(59)
+ Depreciation and amortisation	3,674	3,515
+ Provisions	1,336	1,573
+ Interest expense on discounting provisions and severance	238	52
+/- Interest income and financial charges	353	192
+/- Losses/gains and other non-monetary costs/revenues	1	(3)
+/- Severance provisions and other personnel costs	52	8
Cash flow generated/(absorbed) by operating activities before changes in working capital	**10,778**	**8,044**
Change in inventories	9	24
(Increase)/decrease in trade receivables	(296)	(2,934)
(Increase)/decrease in other receivables and current/non-current assets (non-financial)	(1,422)	(4,202)
Increase/(decrease) in trade payables	(126)	2,362
Increase/(decrease) in other liabilities, various and financial	5,220	1,855
Interest paid	(533)	(215)
Interest received	131	24
Taxes paid	(1,644)	(3,869)
Severance paid	(112)	(155)
Use of provisions	(1,181)	(1,173)
Cash flow generated/(absorbed) by net operating activities	**10,824**	**(239)**
Purchase of tangible assets	(591)	(584)
Payment from sale of tangible assets	0	4
Purchase of intangible assets/concession rights	(3,972)	(1,433)
Purchase/capital increase of shares	0	0
Payment from sale of equity investments	293	605
Change in investment in current and non-current financial assets	(26,099)	(15,000)
Cash flow generated/(absorbed) by investment activities	**(30,369)**	**(16,408)**
Proceeds from the issuance of shares and other equity instruments	0	0
Dividends distributed	(6,137)	0
Loans received	0	23,000
Loans repaid	(7,571)	(3,667)
Cash flow generated/(absorbed) by financing activities	**(13,708)**	**19,333**
Final cash change	**(33,253)**	**2,686**
Cash and cash equivalents at beginning of period	**50,684**	**7,021**
Final cash change	**(33,253)**	**2,686**
Cash and cash equivalents at end of period	**17,431**	**9,707**

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 01.01.2015	**74,000**	**14,350**	**4,335**	**28,172**	**(3,222)**	**(979)**	**2,153**	**6,873**	**125,682**	**355**	**126,037**
Allocation of the 2014 financial year result	0	0	344	6,434	0	0	95	(6,873)	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	231	0	1,982	2,213	49	2,262
Shareholders' Equity at 30.06.2015	**74,000**	**14,350**	**4,679**	**34,606**	**(3,222)**	**(748)**	**2,248**	**1,982**	**127,895**	**404**	**128,299**

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 01.01.2016	**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	339	316	0	0	6,302	(6,957)	0	0	0
Dividends distributed	0	0	0	0	0	0	(6,137)	0	(6,137)	0	(6,137)
Total profit (loss) for the period	0	0	0	0	0	(339)	0	3,712	3,373	32	3,405
Shareholders' Equity at 30.06.2016	**90,250**	**25,747**	**5,018**	**34,922**	**(3,222)**	**(1,091)**	**2,413**	**3,712**	**157,749**	**546**	**158,295**

Notes to the Consolidated Financial Statements

Information on Group Operations

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

- Aeroporto Guglielmo Marconi di Bologna S.p.A. (referred to hereinafter as AdB or the Parent Company) is the full management operator of Bologna Airport according to Full Management Concession No. 98 of 12 July 2004 et seq., approved by Ministry of Transport and Infrastructure and Ministry of the Economy and Finance Decree dated 15 March 2006, for a 40-year duration starting on 28 December 2004. Its registered office is located at Via del Triumvirato 84, Bologna and it is registered with the Bologna Companies Registry.
- The company 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 located at Via del 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 related infrastructure at Bologna Airport. Its registered office is located at Via del 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 Half-Year Consolidated Financial Report at 30 June 2016

Preparation Criteria

This Half-Year Consolidated Financial Report of the Group (hereinafter “the Group’s Half-Year Consolidated Financial Report” or “Consolidated Financial Report”) was prepared for the six months ended 30 June 2016 and includes comparative data for the period ended 31 December 2015, limited to items included in the Statement of Consolidated Financial Position and comparative data for the half-year from 1 January 2015 to 30 June 2015, limited to entries included in the Consolidated Income Statement, Consolidated Statement of Comprehensive Income and Consolidated Cash Flow Statement. The Consolidated Financial Report was 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. The Group determined that, despite the difficult economic and financial situation, 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 Report is presented in euros, which is also the Group's functional currency, and all the amounts in this Note 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

The Group's Half-Year Consolidated Financial Report was 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 at the date of preparation of the financial statements, and on the basis of the implementing measures of article 9 of Legislative Decree 38/2005 (Consob Resolution Nos. 15519 and 15520 of 27 July 2006).

The publication of the Half-Year Consolidated Financial Report of Aeroporto Guglielmo Marconi di Bologna S.p.A. and its subsidiaries (the Group) for the period ended 30 June 2016 was authorised by the Board of Directors on 29 August 2016.

Content and Form of the Half-Year Consolidated Financial Report

The Consolidated Financial Report at 30 June presented in summary form was prepared in accordance with the requirements of IAS 34 "Interim Financial Reporting" with the summary notes required therein, supplemented to provide additional information as and when required. This Consolidated Financial Report must therefore be read in conjunction with the 2015 consolidated financial report prepared in accordance with the IFRS issued by the IASB and prepared on the basis of an IFRS transition date (First Time Adoption or "FTA") of 1 January 2012.

The Group has chosen the Separate and Comprehensive Income Statement presentation indicated as preferable in IAS 1, deeming it to be more effective in representing the Group's business. In addition, the Statement of Consolidated Financial Position divides assets and liabilities into current and non-current assets and liabilities.

An asset is current when:

- it is assumed that it will be realised, or that it is held for the purpose of sale or consumption, during the normal operating cycle;
- it is held principally for the purpose of trading it;
- it is assumed that it will be realised within twelve months following the end of the financial year; or
- it consists of cash or cash equivalents unless it is prohibited to exchange or use it to settle a liability for at least twelve months following the end of the financial year.

All other assets are classified as non-current.

A liability is current when:

- it is planned that it will be extinguished within its normal operating cycle;
- it is held principally for the purpose of trading it;
- it must be paid no later than twelve months following the end of the financial year; or
- the entity has no unconditional right to postpone payment of the liability for at least twelve months following the end of the financial year.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Consolidated Income Statement allocates revenues and costs by type and the Consolidated Cash Flow Statement employs the indirect method, which divides cash flows between operating, investment and financing activities.

Consolidation principles

The Half-Year Consolidated Financial Report includes the statement of consolidated financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement, and the statement of changes in consolidated shareholders' equity.

The Group has chosen a presentation of the comprehensive income statement which includes, besides the results for the period, the changes in shareholders' equity pertaining to financial items which, by express provision of international accounting standards, are recorded among components of shareholders' equity.

The Consolidated Financial Report was 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.

A company is capable of exercising control if it is exposed to or has the right to the variable income generated by its relationship with the entity in which it has invested and, at the same time, it is capable of having an impact on that income by exercising its power over that entity.

Specifically, a company is able to exercise control if, and only if, it has:

- power over the entity in which it has invested (or in which it has valid rights that give it the actual ability to direct the significant activities of the entity in which it has invested);
- exposure or rights to variable income generated by the relationship with the entity in which it has invested;
- the ability to exercise its power over the entity in which it has invested in order to have an impact on the amount of its income.

When a Group company holds less than a majority of the voting rights (or similar rights) in an investee company, it considers all relevant facts and circumstances in establishing whether the investee entity is controlled, including:

- contractual agreements with other parties holding voting rights;
- rights arising from contractual agreements;
- the group's voting rights and potential voting rights.

The Group reconsiders whether or not there is control of an investee company if the facts and circumstances indicate that there have been changes in one or more of the three components that are relevant for the purposes of defining control. The consolidation of a subsidiary begins when the Group acquires its control and ceases when the Group loses said control. The assets, liabilities, revenues and costs of a subsidiary acquired or sold during the financial year are included in the comprehensive income statement as of the date on which the Group acquired control and until the date on which the Group no longer exercises control over the company.

The profit/loss for the period and each of the other components of the comprehensive income statement are allocated to controlling shareholders and minority interests, even if that means minority interests having a negative balance. Where necessary, the appropriate adjustments are made to subsidiaries' financial statements to ensure compliance with Group accounting policies. All intercompany assets and liabilities, shareholders' equity, revenues and costs and cash flows pertaining to transactions between Group entities, are completely eliminated during consolidation.

When the share of shareholders' equity held by the controlling company changes, but that fact does not result in a loss of control, this change must be recorded under shareholders' equity. If the Group loses control, it must:

- eliminate the assets (including any goodwill) and the liabilities of the subsidiary;
- eliminate the book value of all minority interests;
- eliminate accrued foreign exchange differences recognised under shareholders' equity;
- record the fair value of the consideration received;
- record the fair value of any investment retained;
- record the profit or loss in the income statement for the period;
- reclassify the controlling company's share of the components previously recorded in the consolidated statement of other components of comprehensive income to the income statement or among profits carried forward, as required by specific accounting standards, as if the Group had directly sold or transferred the corresponding assets or liabilities.

The following table summarises information on subsidiaries as at 30 June 2016 and 31 December 2015 as to their company names and the portion of the share capital held directly or indirectly by the Group.

in thousands of Euro	Currency	Share Capital	at 30.06.2016	at 31.12.2015
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 associated companies as at 30 June 2016 and 31 December 2015 as to their company names and the portion of the share capital held directly or indirectly by the Group.

in thousands of Euro	Currency	Share Capital	at 30.06.2016	at 31.12.2015
Ravenna Terminal Passeggeri S.r.l.	Euro	300	24.00%	24.00%

Measurement Criteria

Business Combinations and Goodwill

Business combinations are recorded using the acquisition method. Acquisition cost is determined as the total consideration transferred, measured at fair value as at the acquisition date, and the amount of the minority interest in the acquired company. For each business combination, the Group decides whether to measure the minority interest in the acquired company at fair value or in proportion to the minority interest's share of the identifiable net assets of the acquired company. Acquisition costs are paid during the financial year and classified as administrative expenses.

When the Group acquires a business, it classifies or designates the financial assets acquired or the liabilities assumed in accordance with the contractual terms, economic conditions and other conditions relevant as at the acquisition date. That process includes an examination to establish whether an embedded derivative must be separated from the primary contract.

If the business combination is carried out in several phases, the previously held investment is returned to its fair value as at the acquisition date, and any resulting gain or loss is recorded in the income statement. It is therefore considered in the determination of goodwill.

Any potential consideration to be paid is recorded by the buyer at fair value as at the acquisition date. Changes in the fair value of the potential consideration classified as an asset or liability must be recognised in the income statement or in the statement of other components of comprehensive income. In instances where the potential consideration does not fall within the scope of IAS 39, it is measured in accordance with the appropriate IFRS. If the potential consideration is classified under shareholders' equity, its value is not to be re-determined and its subsequent adjustment is recorded under shareholders' equity.

Goodwill is initially recognised as the cost consisting of the amount in excess of the entire amount of the consideration paid and the amount recognised as minority interest with respect to the identifiable net assets acquired and the liabilities assumed by the Group. If the fair value of the net assets acquired exceeds the entire consideration paid, the Group again determines whether it has correctly identified all the assets acquired and all the liabilities assumed, and it reviews the procedures employed to determine the amounts to be recognised as at the acquisition date. If the new valuation also shows a fair value for the net assets acquired that exceeds the consideration paid, the difference (profit) is recorded in the income statement.

After initial recognition, goodwill is measured at cost after accrued impairment. For the purposes of the impairment test, the goodwill acquired in a business combination is allocated, as of the acquisition date, to each Group cash-generating unit for which benefits from combination synergies are foreseen, regardless of the fact that other assets or liabilities of the acquired entity are assigned to those units.

If the goodwill was allocated to a cash-generating unit and the entity divests part of the assets of that unit, the goodwill associated with the divested assets is included in the book value of the assets when the profit or loss from the divestment is determined. The goodwill associated with the divested asset is determined on the basis of the values pertaining to the divested asset and the portion retained of the cash-generating unit.

Investments in Associated Companies and Joint Ventures

An associated company is a company over which the Group exerts significant influence and which cannot be classified as a subsidiary or joint venture. The Group's investments in associated companies are measured using the equity method.

Under the equity method, the investment in an associated company is initially recognised at cost, and the book value is increased or decreased to recognise the equity stakeholder's share of the investee company's profits and losses realised after the acquisition date.
The goodwill pertaining to the associated company is included in the book value of the investment and is not subject to amortisation nor to an individual impairment test.
The income statement reflects the Group's share of the associated company's result for the period. In the event that an associated company recognises adjustments that are charged directly to shareholders' equity, the Group recognises its share and presents it, where applicable, in the statement of changes in shareholders' equity. Profits and losses generated by transactions between the Group and the associated company are eliminated in proportion to the investment in the associated company.
The Group's share of an associated company's result for the period is reflected in the income statement. The Group's share represents the associated company's profit/loss that is attributable to shareholders; this is consequently the post-tax profit/loss net of the shares belonging to other shareholders of the associated company.
The associated company's financial year-end must be the same as the parent company's financial year-end. The associated company's financial statements must be prepared employing accounting standards that are uniform for similar transactions and events in similar circumstances.
After the application of the equity method, the Group assesses whether it is necessary to recognise an impairment of its equity stake in the associated company. At every reporting date, the Group assesses whether there is objective evidence that the investment in the associated company has suffered an impairment. If it has, the Group calculates the amount of the loss as the difference between the recoverable value of the associated company and its book value, recording the difference in the income statement.
Once it has lost significant influence over an associated company, the Group assesses and recognises any remaining investment at fair value. Any difference between the book value of the investment at the date of loss of significant influence and the fair value of the remaining investment and the consideration received must be recorded in the income statement.

Conversion of Foreign Currencies

Transactions and Balances

Transactions in foreign currency are initially recognised in the functional currency, applying the spot exchange rate on the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are converted into the functional currency at the exchange rate on the reporting date. The gain or loss generated by conversion is recorded in the income statement.

Non-monetary items measured at historic cost in foreign currency are converted using the exchange rates on the date when the transaction was initially recognised. Non-monetary items measured at fair value in foreign currency are converted using the exchange rate on the date when said value was determined. The gain or loss arising from the conversion of non-monetary items is treated in a manner consistent with the recognition of gains and losses pertaining to the aforementioned items' changes in fair value (conversion differences with respect to items whose changes in fair value were recognised in the statement of comprehensive income or in the income statement are recognised in the statement of comprehensive income or the income statement, respectively).

Intangible assets

Intangible assets are assets that have no identifiable physical substance, are controlled by the company and are capable of producing future economic benefits, as well as those assets created by business combination transactions.

The useful life of intangible assets is determined to be definite or indefinite.

Intangible assets with a definite useful life are recorded at the acquisition or production cost or, if they are generated by business combinations, they are capitalised at fair value as at the acquisition date; they are inclusive of accessory costs, systematically amortised over the period of their remaining useful life in accordance with the provisions of IAS 36, and subject to an impairment test any time that there are indications of a possible loss of value.

The remaining value at the end of useful life is presumed to be zero unless there is a commitment by third parties to purchase the asset at the end of its useful life or is there is an active market for the asset. The directors review the estimate of the useful life of intangible fixed assets at the end of every financial year.

The amortisation of intangible assets with a definite useful life is recognised in an appropriate item in the income statement.

The Group has not identified intangible fixed assets with an indefinite useful life among its intangible assets.

The item "Concession Rights" contains the recognised value of intangible assets pertaining to airport infrastructure in the Company's possession in connection with the concession rights acquired for the purpose of managing said infrastructure in exchange for the right to charge users for said infrastructure's use in performing a public service, in compliance with the provisions of IFRIC 12 – Service Concession Arrangements.

The Concession under which the Group operates meets the requirements whereby the concession holder constructs and manages the infrastructure on behalf of the awarding entity; consequently, there is no basis for recognising said infrastructure in its financial statements as a tangible asset.

The Group subcontracts infrastructure construction and improvement activities to third parties. As such, the fair value of the consideration for construction/improvement services performed by the Group is equal to the fair value of the consideration for construction/improvement services performed by third parties, plus a mark-up representing the internal costs incurred for the planning and coordination activities performed by the appropriate internal unit.

The external costs incurred to provide construction services are therefore recognised under the item "Costs for construction services", in the income statement.

At the same time that those costs are recognised, the Group recognises an increase in the item Concession Rights in an amount representing the fair value of the service performed, with revenues from construction services as an offsetting entry.

The Concession Rights determined in the above manner are subject to straight-line amortisation over the entire term of the Concession, beginning at the time the pertinent asset created on behalf of the awarding entity entered into service.

The useful life of an intangible asset arising from contractual rights or other legal rights is determined on the basis of the term of the contractual or legal rights (term of the concession) or the period of the utilisation of the assets, whichever is less. The ability to recover the carrying value, reduced by amortisation, is verified annually by employing impairment test criteria.

The item "Software, Licenses and Similar Rights" mainly pertains to costs for the implementation and customisation of operating software as well as the purchase of software licenses, which are amortised at a rate of 33%.

Gains or losses generated by the derecognition of an intangible asset are measured as the difference between the net proceeds from divestment and the book value of the intangible asset, and are recognised in the income statement for the period in which the derecognition occurs.

Tangible assets
Tangible assets are initially recognised at the acquisition cost or realisation value; the value includes the price paid to purchase or construct the asset (after discounts and rebates) and any directly attributable costs required to put the asset into service.
Land, whether undeveloped or adjoining civil and industrial buildings, is recognised separately and not depreciated because it is an item with an unlimited useful life.
Tangible assets are stated net of accrued depreciation and any possible impairments determined in accordance with the terms and procedures described hereinafter. Depreciation is calculated using the straight-line method, on the basis of the estimated useful life of the asset. When the tangible asset is made up of several significant components that have different useful lives, depreciation is applied to each component. Land and tangible assets held for sale, which are measured at the lower of their carrying value or fair value less costs to sell, are not depreciated.

The following are the annual depreciation rates applied:
- Buildings and light structures: from 4% to 10%;
- Machinery, plant and equipment: from 10% to 31.5%;
- Furniture, office equipment and transport vehicles: from 12% to 25%;

The remaining value of the asset, its useful life and the methods employed are reviewed annually and adjusted if necessary at the end of every financial year.

Impairment is recorded in the income statement as depreciation costs. Such impairment is reversed in the event that the reasons for it are eliminated.
At the time of sale or when there are no expected future economic benefits from the use of an asset, it is derecognised in the financial statements, and any gain or loss (calculated as the difference between the sale price and the book value) is recognised in the income statement for the year of said derecognition.
Maintenance and repair costs that do not potentially increase the value and/or extend the remaining life of assets, are recorded in the financial year in which they are incurred; otherwise they are capitalised.

Investment property
The Group classifies as investment properties land purchased for the purpose of making real estate investments which have not yet been determined.
The aforementioned land is initially recognised at the purchase cost, and subsequent measurement are in accordance with the cost criterion.
Such tangible assets are not subject to depreciation because they pertain to land. The Group monitors changes in fair value through expert valuations to identify any permanent impairment.
Investment properties are derecognised in the financial statements when they have been sold or when the investment is unusable over the long term and no future economic benefits are expected from the sale. Any gains or losses generated by the derecognition or divestment of an investment property are recorded in the income statement for the period in which the derecognition or divestment occurs.

Impairment of Non-Financial Assets
The book values of non-financial assets are measured any time there are evident indications inside or outside the company that the assets or a group of assets (defined as a Cash Generating Unit or CGU) may have lost value.
The recoverable value is the greater of the fair value of the asset or CGU, less costs to sell, and its value in use. The realisable value is determined for each asset, except when said asset generates cash flows that are not fully independent of those generated by other assets or groups of assets.
If the book value of an asset exceeds its realisable value, that asset has been impaired and is therefore written down to its realisable value. In determining value in use, the Group discounts estimated future cash flows to their present value, using a discount rate that reflects market valuations of the present value of money and the specific risks of the asset. In determining the fair value less costs to sell, an appropriate measurement model is employed. This calculation is performed utilising appropriate measurement multipliers, the prices of listed shares in the instance of investee companies whose shares are publicly traded, and other available indicators of fair value.
Impairments of operating assets are recognised in the income statement under cost categories consistent with the use of the asset which has been impaired.
For assets other than goodwill, at the end of every reporting period the Group also assesses whether there are any signs that previously recognised impairment has been reversed or reduced and, if such signs exist, estimates the recoverable value. The value of a previously impaired asset may be restored only if there have been changes in the estimates which were the basis for the calculation of the recoverable value that was determined subsequent to the recognition of the most recent impairment. The recovery of the value may not exceed the book value that would have been determined, net of depreciation, in the event that no impairment had been recognised in prior periods. Said recovery is recognised in the income statement unless the asset has been recognised at the remeasured value, in which case the reversal is treated as a positive value adjustment.

The following criteria are used to recognise impairments for specific categories of assets:

Concession Rights

The Group subjects the book value of Concession Rights to impairment tests at the end of every financial year, or more frequently if events or changes in circumstances indicate that the book value may have been impaired (any time that impairment indicators appear).

An impairment of the aforementioned intangible asset is determined by assessing the recoverable value of the CGU (or group of CGUs) to which it is attributable. In instances where the recoverable value of the CGU (or group of CGUs) is less than the book value of the CGU (or group of CGUs) to which the intangible assets have been allocated, an impairment is recognised.
For the purposes of performing impairment tests, the Group has identified a single CGU which is one and the same as the Aeroporto Guglielmo Marconi di Bologna S.p.A. Group.
Impairment tests are performed by comparing the book value of the asset or CGU with its recoverable value, which is determined as the greater of the fair value (less costs to sell) and the amount of discounted net cash flows that are projected to be generated by the asset or CGU.
Each CGU or group of CGUs to which the specific intangible asset is allocated represents the lowest level within the Group at which it is monitored for internal management purposes.
The terms, conditions and procedures for any reversal of a previously impaired asset, in any case excluding any possibility of reversing goodwill impairment, are those established by IAS 36.

Financial assets
IAS 39 establishes the following categories of financial instruments: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.
Initially all financial assets are recognised at fair value plus, in the instance of assets not measured at fair value through profit or loss, transaction costs. At the time it is signed, the Group considers whether a contract contains embedded derivatives.
Embedded derivatives are separated from their host contract if the latter is not measured at fair value when the analysis shows that the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract.
The Group determines the classification of its financial assets after initial recognition and, if appropriate and allowable, it reviews that classification at the end of each financial year.

Financial Assets at Fair Value Through Profit or Loss
This category includes assets held for trading and assets initially recognised at fair value; after initial recognition, changes in fair value are recognised in the income statement.
Assets held for trading are all those assets purchased for the purpose of short-term sale. Derivatives, including those separated out, are classified as financial instruments held for trading unless they have been designated as effective hedging instruments. Gains or losses on assets held for trading are recognised in the income statement.
In instances where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, with the exception of those instances in which the embedded derivative does not significantly alter cash flows or it is evident that separation of the derivative is not allowed.
At the time of initial recognition, it is possible to classify financial assets as financial assets at fair value through profit or loss if the following conditions are met: (i) the designation eliminates or significantly reduces the inconsistency in treatment that would otherwise result from measuring the asset or

recognising gains or losses that the asset generates, using a different criterion; or (ii) the assets are part of a group of managed financial assets and their yield is measured on the basis of their fair value, based upon a documented risk management strategy; or (iii) the financial asset contains an embedded derivative that must be separated out and recognised separately.

Held-To-Maturity Investments
Financial assets that are not derivative and which are characterised by payments at a fixed or determinable maturity, are classified as "held-to-maturity investments" in instances where the Group has the intention and the ability to hold them until maturity. After initial recognition, held-to-maturity investments are measured at amortised cost, using the effective interest rate method, after deducting impairments. The amortised cost is calculated by recognising any possible discounts, purchase premiums, fees or costs that are an integral part of the effective interest rate. The effective interest rate is included in financial income in the income statement. Impairments are recognised as financial expense in the income statement.

Loans and Receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not listed in an active market. After initial recognition, such assets are measured at amortised cost using the effective discount rate method, net of any impairment provisions.

The amortised cost is calculated taking into account any discount or purchase premium, and includes the fees that are an integral part of the effective interest rate and transaction costs. Short-term trade receivables are not discounted because the effect of discounting cash flows is immaterial. Gains and losses are recognised in the income statement when loans and receivables are derecognised for accounting purposes or upon the occurrence of impairment other than through the amortisation process.

Available-for-Sale Financial Assets
Available-for-sale financial assets are those financial assets, excluding derivative financial instruments, which have been designated as such and are not classified in any other of the foregoing categories. After initial recognition, available-for-sale financial assets are measured at fair value and gains and losses are recognised in a separate item under shareholders' equity. When the assets are derecognised for accounting purposes, accrued gains or losses under shareholders' equity are recorded in the income statement. Interest accrued or paid on such investments is recognised as interest income or interest expense utilising the effective interest rate. Dividends accrued on such investments are recorded in the income statement as "dividends received" when the right to receive the dividends is invoked.

Fair Value
The Group provides in an accompanying note the fair value of financial instruments measured at amortised cost and non-financial assets, such as investment properties.

The fair value is the price that would be received for the sale of an asset, or that would be paid for the transfer of a liability, in a regular transaction between market operators on the measurement date.

A measurement at fair value assumes that the asset sale or liability transfer occurs:

(a) in the principal market for the asset or liability; or

(b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal market or the most advantageous market must be accessible to the Group.

The fair value of an asset or liability is measured by making the assumptions that market operators would employ in determining the price of the asset or liability, assuming that the latter act in such a way as to best serve their own economic interest.

A measurement of the fair value of a non-financial asset considers the capacity of a market operator to generate economic benefits through the optimal investment or optimal utilisation of the asset, or by selling it to another market operator that would optimally invest and optimally utilise it.

The Group employs measurement techniques that are appropriate to the circumstances and for which there is sufficient data available in order to measure fair value, by maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or stated in financial statements are categorised on the basis of a fair value hierarchy, as described below:

- Level I - the (unadjusted) quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 – inputs other than quoted prices included in Level 1 that are directly or indirectly observable for the asset or liability;
- Level 3 – measurement techniques for which input data is unobservable for the asset or liability.

Measurement of fair value is classified entirely at the same level of the fair value hierarchy as the lowest hierarchy input employed for the measurement.

In the instance of assets and liabilities recognised in the financial statements on a recurring basis, the Group determines whether the hierarchy level has changed by reviewing the categorisation (based on the lowest level input that is significant for the purposes of measuring the fair value in its entirety) at the end of every reporting period.

Impairment of Financial Assets

At each reporting date, the Group determines whether a financial asset or group of financial assets has been impaired.

Assets Measured at Amortised Cost

If there is an objective indication that a loan or receivable recorded at amortised cost has been impaired, the amount of the impairment is measured as the difference between the book value of the asset and the present value of the estimated future cash flows (excluding future losses on receivables that have not yet been incurred) discounted at the original effective interest rate of the financial assets (i.e. the effective interest rate calculated at the initial recognition date). The book value of the asset is reduced through a drawdown of provisions and the impairment is recognised in the income statement.

First, the Group determines the existence of objective indications of impairment at an individual level for financial assets that are individually significant, and then at an individual or collective level for financial assets that are not. In the absence of objective indications of impairment of an individually measured financial asset, whether or not it is significant, said asset is included in a group of financial assets with similar credit risk characteristics and that group is collectively subjected to an impairment test. Individually measured assets for which an impairment is recognised or continues to be recognised are not included in a collective measurement.

If, during a subsequent period, the amount of the impairment is reduced and that reduction can be objectively attributed to an event that occurred after the recognition of the impairment, the previously reduced value may be recovered. Any subsequent recoveries of value are recognised in the income

statement, to the extent that the book value of the asset does not exceed the amortised cost at the date of recovery.
In the instance of trade receivables, an impairment provision is made when there is an objective indication (such as, for example, if the debtor is likely to become insolvent or experience significant financial difficulties) that the Group will not be able to collect all the amounts owed on the basis of the original terms and conditions of the receivable. The receivable's book value is reduced through an appropriate provision. Impaired receivables are derecognised when it is determined that they are irrecoverable.

Available-for-Sale Financial Assets
In the instance of equity instruments classified as available-for-sale, objective evidence of impairment would include a significant or prolonged reduction in the fair value of the instrument below its cost. The term 'significant' is assessed in relation to the original cost of the instrument and the term 'prolonged' is assessed in relation to the period during which the fair value remained below the original cost.
In the event of impairment of an available-for-sale financial asset, an amount is transferred from shareholders' equity to the income statement which represents the difference between its cost (net of repayment of the principal and amortisation) and its current fair value, net of any impairments recognised previously in the income statement.
Recoveries of value of equity instruments classified as available-for-sale are not recognised in the income statement. Recoveries of value of debt instruments are recognised in the income statement if the increase in the fair value of the instrument can be objectively attributed to an event that occurred after the impairment was recognised in the income statement.

Non-Current Held-for-Sale Assets and Discontinued Operations
Non-current assets classified as held for sale must be measured at either the book value or the fair value less costs to sell, whichever is less. They are classified as such if their book value will be recovered through a sale rather than ongoing use. This condition is considered to be met only when a sale is highly probable and the assets or group of assets to be divested is available for immediate sale in their current condition. Management must be committed to the sale, completion of which must be scheduled no later than one year after the date of classification.
In the consolidated income statement and the income statement for the previous period used as a comparison, the gains and losses from divested operating assets are presented separately from gains and losses from operating assets, under the result after taxes line, including when the Group retains a minority stake in the subsidiary after the sale. The resulting post-tax profit or loss is stated separately in the income statement.
Property, plant and equipment and intangible assets, once they are classified as held for sale, must no longer be depreciated or amortised.

Derecognition of Financial Assets
A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is initially derecognised (e.g. removed from the statement of financial position) when:

- the rights to receive cash flows from the asset are extinguished, or
- the Group has transferred to a third party the right to receive cash flows from the asset, or has assumed a contractual obligation to pay them in full and without delay and (a) has essentially transferred all the risks and benefits of ownership of the financial asset, or (b) has neither transferred nor substantially retained all the risks and benefits of the asset, but has transferred control of same.

Construction Services Contracts in Progress

Construction contracts in progress are measured on the basis of the contractual consideration accrued with reasonable certainty in relation to the progress of the work and according to a percentage completion criterion, determined by physically measuring the work performed, so as to attribute the revenues and the profit/loss from the work contract to the individual financial years in which they are accrued, in proportion to the status of the work. The positive or negative difference between the completed amount of the contracts and the amount of prepayments received is recognised, respectively, as an asset or liability on the statement of financial position, also taking into account any impairment owing to the risk that the client may fail to pay for the work performed.

Contract revenues, in addition to contractual considerations, include variants, price revisions and any claims, to the extent that it is probable that they represent actual revenues that can be reliably determined.

In the event that a loss is anticipated from completion of the contract activities, said loss is immediately recognised in full in the financial statements, regardless of the contract's state of progress.

Specifically, construction services for the awarding party pertaining to AdB's concession agreement are also recognised in the income statement on the basis of the state of progress of the work. Specifically, revenues from construction and/or improvement services, which represent the consideration owing for the work performed, are measured at fair value, determined on the basis of the total costs incurred, which mainly consist of the cost of outside services and the cost of benefits for the employees assigned to that work.

The offsetting entry for such construction service revenues consists of a financial asset or the airport concession recognised in Concession Rights under intangible assets, as was explained in the relevant paragraph.

Inventories

Inventories are recorded at the lesser of acquisition or production cost and the net realisable value, which is the amount that the Company expects to receive from sale of the inventory as part of normal operations. The cost of inventories is determined by applying the weighted average cost method.

Cash and Cash Equivalents

Cash and cash equivalents include readily liquid cash instruments, i.e. cash instruments that meet the requirements for payment at sight or within an extremely short period of time, can be successfully executed and have no collection expenses.

Employee Benefits

The benefits guaranteed for employees that are provided at the same time as or subsequent to termination of employment through defined-benefit plans (severance) or other long-term benefits (such as, for example, Non-Compete Agreements and long-term Incentivisation Plans) are recognised during the vesting period of the right.

The pertinent liability, net of any assets servicing the plan, is determined on the basis of actuarial assumptions and is recognised on an accrual basis, consistent with the provision of work required to receive the benefits; the liability is measured by independent actuaries using the projected unit credit method.

The amount reflects not only the payable accrued as at the reporting date, but also future salary increases and related statistical dynamics.

Re-measurements, which include actuarial gains and losses, changes in the impact of the maximum amount of the assets, excluding net interest (not applicable to the Group) and the income from assets servicing the plan (excluding net interest), are immediately recognised in the statement of financial position by reducing

or increasing the profits carried forward through other components of comprehensive income in the financial period in which they occur. Re-measurements are not reclassified in the income statement in subsequent financial periods.
The cost of past work in employment is recognised in the income statement at the later of the following dates:

(a) the date on which a change or reduction in the plan occurs; and

(b) the date on which the Group recognises the related restructuring costs.

Net interest on net liabilities/assets for defined benefits must be determined by multiplying net liabilities/assets by the discount rate. The Group recognises the following changes in net obligations for defined benefits in the cost of sales, the administrative overheads and the costs of sale and distribution in the consolidated income statement (according to type):

- Labour costs, including current and past labour costs, gains and losses on non-routine reductions and terminations;
- Net interest income or expense.

As a result of the changes made to severance by Law No. 296 of 27 December 2006 (2007 Finance Law) and subsequent Decrees and Regulations, the severance of Italian companies with more than 50 employees that has been accrued since 1 January 2007 or the date of employees' choice of the option to be exercised, falls within the category of defined-contribution plans, in the instance of both the supplementary retirement option and allocation to the Treasury Fund at INPS. The severance fund accrued up to 31 December 2006 is recognised as a defined benefit.

The contributions to be paid to a defined-contribution plan instead of a work in employment plan are recognised as liabilities (payables), after having deducted any contributions already paid, and as a cost.

Provisions for risks and charges

Risk and charge provisions concern costs and charges of a determinate nature that certainly or probably exist and which, as at the date of this Half-Year Consolidated Financial Report, are indeterminate in terms of total amount or the date of their occurrence. Provisions are recognised when:

(i) it is probable that there is an actual legal or implicit obligation arising from a past event;

(ii) it is probable that fulfilment of the obligation will require payment;

(iii) the total amount of the obligation can be reliably estimated.

Provisions are recorded in an amount that represents the best estimate, sometimes with the support of experts, of the amount that the company would pay to extinguish the obligation or to transfer it to third parties, as at the reporting date. When the financial impact over time is significant and the payment dates for obligations can be reliably estimated, the provision is discounted; an increase in the provision connected to the passage of time is recognised in the income statement under the item "Financial income (expenses)".
When the liability pertains to tangible assets (demolition of capital assets), the provision is recognised in an offsetting entry to the asset to which it pertains; it is charged to the income statement through the depreciation process.
Provisions are periodically updated to reflect changes in cost estimates, realisation time frames and the discount rate; revised estimates of provisions are recognised in the same income statement item that previously contained the provision or, when the liability pertains to tangible assets, as an offsetting entry to the asset to which they pertain.

Provisions for renewal of airport infrastructure

Airport infrastructure renewal provisions, in line with existing contractual obligations, as at the financial year-end, contain provisions for extraordinary maintenance, restorations, renovations and replacements to be performed in the future for the purpose of ensuring the proper functionality and safety of the airport infrastructure. Accruals to these provisions are calculated based on how much the infrastructure is used, which is indirectly reflected in the planned date for its replacement/renewal in the most recently approved business plan. Calculation of the amounts that affect this item of the financial statements also duly takes into account a financial component, to be applied based on the amount of time between the various renewal cycles, for the purpose of ensuring that allocated funds are sufficient.

Trade Payables and Other Non-Financial Liabilities

Short-term trade payables, the maturities of which fall within normal commercial time frames, are recorded at cost (their face value) and are not discounted because the impact of discounting cash flows is immaterial.

Other non-financial liabilities are recognised at cost (identified by the face value).

Loans

Other financial liabilities, with the exception of derivatives, are initially recognised at cost, i.e. the fair value of the liability net of directly attributable transaction costs.

After initial recognition, financial liabilities are measured at amortised cost using original effective interest rate method, i.e. the rate at which, at the time of initial recognition, the present value of cash flows and the initial recognition value are matched (referred to as the amortised cost method).

Any gain or loss is recognised in the income statement when the liability is extinguished as well as via the amortisation process.

Financial Guarantees Issued

Financial guarantees issued by the Group are contracts that require a payment to reimburse the holder of a debt instrument in the event the holder suffers a loss as a result of the debtor defaulting on payment at the contractually agreed maturity. Financial guarantee contracts are initially recognised as a liability at fair value, plus directly attributable transaction costs. Subsequently, the liability is measured as the greater of the best estimate of the expenditure required to meet the guaranteed obligation as at the reporting date, and the initially recognised amount, net of accrued amortisation.

Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation underlying the liability is extinguished, cancelled or honoured. In instances where an existing financial liability is replaced by another from the same lender, under substantially different terms and conditions, or the terms and conditions of an existing liability are substantially amended, that exchange or amendment is treated as an accounting derecognition of the original liability, accompanied by the recognition of a new liability, by recording any differences between the book values in the income statement.

Recognition of Revenues
Revenues are recognised to the extent that it is possible to reliably determine their value (fair value) and it is probable that the pertinent economic benefits will materialise.

Depending upon the type of transaction, revenues are recognised on the basis of the following specific criteria:

- revenues from the sale of goods are recognised when the significant risks and benefits of ownership of the goods are transferred to the buyer;
- revenues from providing services are recognised when the service is rendered;
- revenues from providing services connected to work under contract are recognised on the basis of the state of progress of the work, based upon the same criteria established for contract work in progress.

Revenues are recognised net of returns, discounts, rebates, bonuses and promotional costs directly related to sales revenues, as well as the directly connected taxes.

Commercial discounts deducted directly from revenues are determined on the basis of contracts entered into with airlines and tour operators.
Royalties are recognised on an accrual basis according to the substance of contractual agreements.

Interest income is recognised on an accrual basis, taking into account the effective rate of return of the asset in question.

Dividends are recognised when the shareholders' right to receive payment is established.

Recognition of Costs and Expenses
Costs are recognised when they pertain to goods and services sold or consumed during the period or through a systematic distribution, i.e. when it is not possible to identify the future usefulness of same.

Interest expense is recognised on an accrual basis, taking into account the effective rate of return of the liability in question. Interest expense directly attributable to the purchase, construction or production of an asset that requires a rather long period before being available for use, is capitalised on the basis of the cost of the asset.

Income Tax

Current taxes

Current taxes for the financial year in progress are measured as the amount representing anticipated rebates from or payments to tax authorities. The tax rates and legislation used to calculate the amount are those promulgated or substantially promulgated as at the reporting date. Current taxes pertaining to items directly recognised in shareholders' equity are themselves recognised directly in shareholders' equity and not in the income statement. The Directors periodically evaluate the position taken in the tax return, and where appropriate allocate provisions, in instances where tax law is subject to interpretation.

Deferred Taxes

Deferred taxes are calculated by applying the liability method to the temporary differences in existence on the reporting date between the tax amounts used as a reference for assets and liabilities, and the amounts stated in the consolidated financial report. Deferred tax liabilities are recognised with respect to all taxable temporary differences, with the exception of:

- the initial recognition of goodwill or an asset or liability in a transaction other than a business combination and which, at the time of said transaction, has no impact on either the profit for the period calculated for financial reporting purposes, or the profit or loss calculated for tax purposes;
- the reversal of taxable temporary differences associated with investments in subsidiaries, associated companies and joint ventures may be controlled and inspected, and this is not likely to occur in the foreseeable future.

Deferred tax assets are recognised with respect to all deductible temporary differences and for all tax losses carried forward, to the extent it is probable that there will be sufficient future profits for tax purposes such as to enable the utilisation of deductible temporary differences and tax assets and liabilities carried forward, except in instances in which

- the deferred tax asset connected to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction other than a business combination and, at the time of said transaction, has no impact on either the profit for the period calculated for financial reporting purposes or the profit or loss calculated for tax purposes;
- in the instance of deductible temporary differences associated with investments in subsidiaries, associated companies and joint ventures, deferred tax assets are recognised only to the extent it is probable that they will be reversed in the future and that there will be sufficient taxable amounts that enable such temporary differences to be recovered.

The book value of deferred tax assets is re-examined at each reporting date and is reduced to the extent that it is no longer probable that sufficient taxable amounts will be available in the future to enable all or part of the credit to be used. Deferred tax assets not recognised are re-examined at every reporting date and are recognised to the extent that it becomes probable that taxable income will be sufficient to enable said deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured on the basis of the tax rates expected to be applied in the financial year in which such assets will be realised or such liabilities will be extinguished, considering the rates currently in effect and the rates previously promulgated, or substantially in effect, as at the reporting date.

Deferred taxes pertaining to items recognised outside the income statement are also recognised outside the income statement and consequently under shareholders' equity or in the statement of comprehensive income, in a manner consistent with the item in question.

Deferred tax assets and deferred tax liabilities are used to offset each other in instances where there is a legal right to use current tax assets to offset current tax liabilities, and the deferred taxes pertain to the same taxpayer and the same tax authority.

Any tax benefits acquired as a result of a business combination, but which do not meet the criteria for separate recognition as at the acquisition date, are recognised subsequently, at the time additional information is received regarding changes in facts and circumstances. The adjustment is recognised as a reduction in goodwill (up to the entire amount of goodwill) if it is recognised during measurement, or in the income statement if recognised subsequently.

Indirect Taxes

Costs, revenues, assets and liabilities are recognised net of indirect taxes, such as value added tax, with the following exceptions:

- the tax applied to the purchase of goods or services is non-deductible; in that case, it is recognised as part of the cost of purchasing the asset or part of the cost recognised in the income statement;
- trade receivables and payables include the applicable indirect tax.

The net amount of indirect taxes to be recovered from or paid to the Treasury is included in the statement of financial position under receivables or payables.

Earnings Per Share

<u>Basic or Undiluted</u>

Earnings/ (losses) per share are calculated as the ratio between the Group profit or loss and a weighted average of the common shares in circulation during the financial year, excluding any shares possibly held by the company itself.

<u>Diluted</u>

Diluted earnings/(losses) per share are calculated as the ratio between the total Group profit or loss and a weighted average of the ordinary shares outstanding during the period, excluding any treasury shares. In order to calculate diluted earnings per share, the weighted average number of shares outstanding is modified assuming the conversion of all potential shares with a dilutive effect, whereas the Group profit or loss is adjusted to take into account the effects of conversion net of tax.

Dividends and Distribution of Assets Other Than Cash and Cash Equivalents

The Group recognises a liability with respect to the distribution to shareholders of cash, cash equivalents or assets other than cash and cash equivalents when the distribution is properly authorised and is no longer at the discretion of the company. Based on applicable corporate law in Europe, a distribution is authorised when it is approved by the shareholders. The corresponding amount is recognised directly in shareholders' equity.

Distributions of assets other than cash and cash equivalents are measured at the fair value of the assets to be distributed; re-calculations of fair value are directly recognised in shareholders' equity.

At the time that the payable dividend is paid, any difference between the book value of the assets distributed and the book value of the payable dividend is recognised in the income statement.

Cash Flow Statement

The Company presents its cash flow statement using the indirect method, as allowed by IAS 7. The Company has reconciled the pre-tax profit with net cash flows from operating activities. Paragraph 33 of IAS 7 allows interest income and expense to be classified as operating or financing activities on the basis of the presentation that the company deems relevant; the Company classifies interest income received and interest expense paid as cash flows from operating activities.

Accounting Standards, Amendments and Interpretations Approved by the European Union and Adopted by the Company

Effective 1 January 2015, the following accounting standards and amendments of accounting standards must be applied, after having completed the process of EU endorsement.

Even though these new standards and amendments were applied for the first time in 2015, there were no material impacts on Group financial statements. The nature and impact of each new standard/amendment is presented below:

Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)

IAS 19 requires an entity to include in the recognition of defined benefit plans the contributions of employees or third parties. When the contributions are connected to work in employment, they must be charged to employment periods as a negative benefit. This amendment makes the clarification that, if the amount of contributions is independent of the number of years of employment, the entity is permitted to recognise such contributions as a reduction in the cost of labour during the period of work in employment, as well as to allocate the contribution to employment periods. This amendment applies to financial years beginning on 1 July 2014 or later. This amendment is not relevant to the Group.

Annual Improvements to IFRSs 2010-2012 Cycle

IFRS 2 Share-Based Payment

This improvement applies prospectively and clarifies several points regarding definition of performance and service conditions which represent the vesting conditions. The clarifications are consistent with the procedures by which the Group identified in previous periods the performance and service conditions which represent the vesting conditions. The Group has no share-based payments and consequently these improvements have no impact on the Company's financial statements or accounting standards.

IFRS 3 Business Combinations

This amendment is applicable prospectively and makes the clarification that all agreements regarding contingent considerations classified as liabilities (or assets) that are generated by a business combination must subsequently be measured at fair value through profit or loss, whether or not they fall within the scope of IAS 39. This is consistent with the accounting standards applied by the Company, and consequently this amendment has had no impact on Group accounting standards.

IFRS 8 Operating Segments

This amendment is applicable retroactively and makes the clarification that:

- an entity must provide disclosure of the judgements made by management in applying the aggregation criteria contained in Paragraph 12 of IFRS 8, including a brief description of the operating segments that have been aggregated and their economic characteristics (for example: sales, gross margin) utilised to determine whether the segments are "similar";

- the reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

The Group has not applied the aggregation criteria established by IFRS 8.12. The Group disclosed the reconciliation of segment assets to total assets in prior periods and continues to disclose it in the appropriate section of this Note because the reconciliation was provided to the chief operating decision maker.

IAS 16 Property Plant and Equipment and IAS 38 Intangible Assets
This amendment is applicable retroactively and makes the clarification that under IAS 16 and IAS 38 an asset can be revalued with reference to observable data by either adjusting the gross book value of the asset to the market value or determining the market value of the book value and adjusting the gross book value proportionately so that the resulting book value is equal to the market value. Furthermore, accumulated depreciation/amortisation is the difference between the gross book value and the book value of the asset. This amendment had no impact.

IAS 24 Related Party Disclosures
This amendment is applicable retroactively and makes the clarification that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. Furthermore, an entity that uses a management entity is required to disclose the expenses incurred for management services. This amendment is not relevant to the Group because it does not receive management services from another entity.

Annual Improvements to IFRSs - 2011-2013 Cycle
These improvements entered into effect on 1 July 2014 and include:

IFRS 3 Business Combinations
This amendment is applicable prospectively and, for the purposes of exclusion from the scope of IFRS 3, makes the clarification that:

- Not only joint ventures but also joint arrangements are outside the scope of IFRS 3.
- This exclusion from the scope of IFRS 3 applies only to the recognition of joint arrangements in financial statements.

The Group is not a joint arrangement, and consequently this amendment is not relevant to the Parent Company and its subsidiaries.

IFRS 13 Fair Value Measurement
This amendment is applicable prospectively and it makes the clarification that the portfolio exception established by IFRS 13 may be applied not only to financial assets and liabilities, but also other contracts falling within the scope of IAS 39. The Group does not apply the portfolio exception established by IFRS 13.

IAS 40 Investment Property
The description of additional services in IAS 40 makes a distinction between investment properties and owner-occupied properties (for example: property, plant and equipment). This amendment is applicable prospectively and makes the clarification that in determining whether a transaction represents the

purchase of an asset or a business combination, it is necessary to utilise IFRS 3 and not the description of additional services in IAS 40. In previous periods the Group, in determining whether a transaction represented the purchase of an asset or a business combination, relied upon IFRS 3, not IAS 40. Consequently this amendment has no impact on the Company's accounting standards.

Annual Improvements to IFRSs - 2012-2014 Cycle

These improvements entered into effect on 1 January 2016 and include:

IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations

The amendment clarifies that the change from one disposal method to the other should not be considered a new disposal plan, but the continuation of the original plan. Thus, there is no interruption in the application of the requirements of IFRS 5. This amendment must be applied prospectively. This amendment is not relevant to the Group.

IFRS 7 Financial instruments: Disclosure

(i) Servicing contracts: The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in IFRS 7 to assess whether disclosure is required. The assessment of which servicing contracts constitute continuing involvement will need to be done retrospectively. However, the required disclosure would not need to be provided for periods preceding initial application of this amendment.
(ii) Applicability of IFRS 7 amendments to condensed interim financial statements. The amendment clarifies that offsetting disclosure requirements do not apply to condensed interim financial statements unless such disclosures provide a significant update to the information presented in the most recent annual financial statements. This amendment must be applied retrospectively IAS 19 Employee Benefits.
The amendment clarifies that the market depth of high-quality corporate bonds must be assessed based on the currency in which the bond is denominated rather than the country in which the bond is located. When there is no market depth for high-quality corporate bonds in that currency, government bond rates must be used. This amendment must be applied prospectively.
These amendments had no impact on the Group's financial statements.

Disclosure Initiative (Amendments to IAS 1)

The amendments clarify:

- the requirement of materiality in IAS 1;
- the fact that specific lines in income statements, statements of other comprehensive income or statements of financial position can be disaggregated;
- that entities have flexibility in terms of the order in which they present notes in the financial statements;
- that the portion of other components of the statement of comprehensive income related to associated companies and joint ventures recorded using the equity method must be presented on a combined basis on a single line, and classified among those items that will not be later reclassified to the income statement.

In addition, the amendments clarify the requirements that apply when sub-totals are presented in income statements, statements of other comprehensive income or statements of financial position. These amendments apply to periods beginning on or after 1 January 2016; early application is allowed. These amendments have no impact on the Group.

With regard to all newly issued standards and interpretations, as well as re-visitations and amendments of existing standards, the Group is evaluating the possible impact of their future application. Specifically in the instance of IFRS 9 on financial instruments and IFRS 15 on revenue recognition, even though they are applicable as of 1 January 2018, the Group is continuing preliminary evaluations.

Discretionary Judgements and Significant Accounting Estimates

The preparation of the Group's financial statements requires that directors make discretionary judgements, perform estimates and make assumptions that have an impact on the amounts of revenues, costs, assets and liabilities and the information pertaining to same, as well as the statement of contingent liabilities. The uncertainty regarding such assumptions and estimates may produce results that in the future will require a significant adjustment to the book value of such assets and/or liabilities.

Estimates and Assumptions

The following are examples of assumptions regarding the future and the other principal causes of uncertainty in estimates that, as at the reporting date, present the significant risk of causing material adjustments to the book values of assets and liabilities no later than the following financial year. The Group has based its estimates and assumptions on the parameters available at the time the consolidated financial report was prepared. However, present circumstances and assumptions regarding future developments could be altered as a result of changes in the market or events beyond the Group's control. Such changes, should they occur, are reflected in the assumptions.

Impairment of Non-Financial Assets

Please see the earlier "Impairment of non-financial assets" and below in Note 1 - Intangible Assets.

Fair Value of Investment Properties

The Group recognises its investment properties at cost, which approximates their fair value given the particular nature of same (absence of a comparable active market).

Fair Value of Financial Instruments

The Group provides the fair value of financial instruments in a Note. When the fair value of a financial asset or liability cannot be measured based on prices in an active market, the fair value is determined by employing various measurement techniques, including the discounted cash flow model. The inputs to the latter model are found in observable markets, where possible, but where that is not possible, a certain amount of estimation is required in order to determine fair values. Estimates include considerations regarding variables such as liquidity risk, credit risk and volatility. Changes in the assumptions for these items could have an impact on the fair value of the recognised financial instrument.

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 by the highest decision-making level in order to assess the performance of decisions regarding resource allocation, and for which separate financial statement information is available.
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 per-passenger revenues, making a distinction between those 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 assets are those that the segment uses to carry out its core business or which may be reasonably allocated to it on account of its core business.
The segment assets presented are measured using the same accounting criteria as for the preparation of the Group's Half-Year Consolidated Financial Report.

in thousands of Euro	for the half-year ended 30.06.2016 Aviation	for the half-year ended 30.06.2016 Non-Aviation	for the half-year ended 30.06.2016 Other	for the half-year ended 30.06.2016
Revenues	24,788	17,183	0	41,971
Costs	(22,706)	(8,357)	0	(31,063)
Gross operating profit (EBITDA)	**2,082**	**8,826**	**0**	**10,908**
Depreciation and amortisation	(2,516)	(1,158)	0	(3,674)
Provisions	(1,098)	(238)	0	(1,336)
Operating result	**(1,532)**	**7,430**	**0**	**5,898**
Financial income	0	0	156	156
Financial expenses	0	0	(747)	(747)
Non-recurring income and expenses	0	0	0	0
Result before taxes	**(1,532)**	**7,430**	**(591)**	**5,307**
Taxes for the period	0	0	(1,560)	(1,560)
Profit (loss) for the period	**(1,532)**	**7,430**	**(2,151)**	**3,747**
Minority interests in profit (loss)	**0**	**0**	**0**	**35**
Group profit (loss)	**0**	**0**	**0**	**3,712**

in thousands of Euro	for the half-year ended 30.06.2015 Aviation	for the half-year ended 30.06.2015 Non-Aviation	for the half-year ended 30.06.2015 Other	Total for the half-year ended 30.06.2015
Revenues	19,913	15,549	0	35,462
Costs	(19,620)	(7,743)	0	(27,363)
Gross operating profit (EBITDA)	**293**	**7,806**	**0**	**8,099**
Depreciation and amortisation	(2,303)	(1,212)	0	(3,515)
Provisions	(1,228)	(345)	0	(1,573)
Operating result	**(3,238)**	**6,249**	**0**	**3,011**
Financial income	0	0	87	87
Financial expenses	0	0	(332)	(332)
Result before taxes	**(3,238)**	**6,249**	**(245)**	**2,766**
Taxes for the period	**0**	**0**	(735)	(735)
Profit (loss) for the period	**(3,238)**	**6,249**	**(980)**	**2,031**
Minority interests in profit (loss)	**0**	**0**	**0**	**49**
Group profit (loss)	**0**	**0**	**0**	**1,982**

The following tables concern segment information on the asset side:

in thousands of Euro	for the half-year ended 30.06.2016 Aviation	for the half-year ended 30.06.2016 Non-Aviation	for the half-year ended 30.06.2016 Other	for the half-year ended 30.06.2016
Non-current assets	**147,080**	**24,567**	**29,090**	**200,737**
Intangible assets	**142,952**	**14,220**	**0**	**157,172**
Concession Rights	142,460	13,761	0	156,222
Other intangible assets	492	458	0	950
Tangible assets	**4,088**	**10,347**	**0**	**14,435**
Property, plant and equipment	4,088	5,615	0	9,703
Investment property	0	4,732	0	4,732
Other non-current assets	**40**	**0**	**29,090**	**29,130**
Investments	0	0	147	147
Other non-current financial assets	0	0	20,099	20,099
Deferred tax assets	0	0	7,512	7,512
Other non-current assets	40	0	1,332	1,372
Current assets	**19,067**	**4,144**	**32,854**	**56,065**
Inventories	289	169	0	458
Trade receivables	10,867	3,240	0	14,107
Other current assets	7,911	735	496	9,142
Current financial assets	0	0	14,927	14,927
Cash and cash equivalents	0	0	17,431	17,431
Total assets	**166,147**	**28,711**	**61,944**	**256,802**

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

Aviation: includes the aviation activities that represent 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. It also includes freight 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 managed exclusively by the airport management company, for safety and security reasons, or for reasons of its economic impact. On the other hand, 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. The latter are carried out in 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 Transport Minister's 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 investment during the period between the two SBUs according to regulatory criteria;
- incentives for the expansion of air traffic allocated entirely to the Aviation SBU, in line with the financial statements.

Information about the Main Customers

The Group generates most of its sales through the following clients:

Description
RYANAIR LTD
ALITALIA SOCIETA' AEREA ITALIANA SPA
WIZZ AIR HUNGARY LTD
EMIRATES
LUFTHANSA GERMAN AIRLINES
TRAVEL RETAIL ITALIANA SRL
SOCIETE' AIRFRANCE S.A.
BRITISH AIRWAYS PLC
TURKISH AIRLINES
AIR DOLOMITI SPA

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 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Concession Rights	156,222	155,001	1,221
Software, licences and similar rights	610	690	(80)
Other intangible assets	79	81	(2)
Other intangible assets under development	261	110	151
TOTAL INTANGIBLE ASSETS	**157,172**	**155,882**	**1,290**

The following table shows changes in intangible assets for the half-year ended 30 June 2016, along with a comparison with the half-year ended 30 June 2015, presented by individual intangible asset category.

	31.12.2015			Changes for the Period				30.06.2016		
in thousands of Euro	Historical cost	Amortisation Provisions	Book Value	Increases/ Purchases	Amortisation	Disposal/ Divestitures	Disposal Provision	Historical cost	Amortisation Provisions	Book Value
Concession Rights	174,050	(19,049)	155,001	3,837	(2,616)	0	0	177,887	(21,665)	156,222
Software, licences and similar rights	7,924	(7,234)	690	167	(247)	0	0	8,091	(7,481)	610
Other intangible assets	250	(169)	81	0	(2)	0	0	250	(171)	79
Other intangible assets under development	110	0	110	151	0	0	0	261	0	261
TOTAL INTANGIBLE ASSETS	**182,334**	**(26,452)**	**155,882**	**4,155**	**(2,865)**	**0**	**0**	**186,489**	**(29,317)**	**157,172**

	31.12.2014			Changes for the Period				30.06.2015		
in thousands of Euro	Historical cost	Amortisation Provisions	Book Value	Increases/ Purchases	Amortisation	Disposal/ Divestitures	Disposal Provision	Historical cost	Amortisation Provisions	Book Value
Concession Rights	170,460	(13,876)	156,584	1,224	(2,587)	0	0	171,684	(16,454)	155,230
Software, licences and similar rights	7,230	(6,632)	598	234	(224)	0	0	7,464	(6,856)	608
Other intangible assets	250	(165)	85	0	(3)	0	0	250	(167)	83
Other intangible assets under development	216	0	216	20	0	0	0	236	0	236
TOTAL INTANGIBLE ASSETS	**178,156**	**(20,673)**	**157,483**	**1,478**	**(2,805)**	**0**	**0**	**179,634**	**(23,477)**	**156,157**

In the first half of 2016, the Concession Rights item posted an increase of about Euro 3.8 million (which represents the fair value of the construction services performed during the period), mainly for:

- work to upgrade the AeroClub apron and a section of the taxiway under construction at 30 June in an amount totalling Euro 2.1 million;
- the construction of new toilets and upgrading of several offices and terminal premises for a total of Euro 0.5 million;
- the expansion of the P3, Express and Staff car parks for a total of Euro 0.2 million to deal with the increase in traffic and address the decrease in parking spaces due to the presence of the construction site for building the People Mover station;
- the construction of the pedestrian and cycle path that connects the airport entrance with passenger terminals and parking areas for a total of Euro 0.1 million.

During the half-year, two passenger finger bridges also entered into service for a total of Euro 0.9 million. Another three finger bridges are under construction for a total of Euro 0.52 million at 30 June 2016.

Amortisation of Concession Rights for the half-year amounted to Euro 2.61 million and has been applied on the basis of the remaining duration of the airport concession. This amount is an increase compared with the first half of 2015 due to the entry into service of airport infrastructure investments made in the twelve months since June 2015.

The item “Software, licences and similar rights,” which consists of software used to manage services, rose by Euro 0.17 million in the first half of 2016 due mainly to software licences for new applications and new functionality of existing applications.

Amortisation of the item “Software, licences and similar rights” did not change significantly during the half-years being compared.

"Other intangible assets under development" included costs incurred for projects not completed at 30 June 2016, including the implementation of software platforms for collecting data in order to get a better understanding of how the airport is used.

Assessment of the Recoverable Value of Assets or Groups of Assets

The Group performed impairment tests to assess whether there had been long-term impairment of the “Concession rights” recorded in the year ended 31 December 2015 and in previous years.

With respect to preparing the Half-Year Consolidated Financial Report, since there were no indicators of impairment as defined by IAS 36, and since the Group’s economic and financial performance was in line with the economic and financial projections for 2016-2044 formulated by the Board of Directors and already used to perform impairment tests for the year ended 31 December 2015 and previous years, no impairment tests were performed since it is believed that there was no permanent loss of value in relation to the amounts recorded under “Concession rights” at 30 June 2016.

2. Tangible Assets

The following table presents a breakdown of tangible assets at 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Land	2,758	2,758	0
Buildings and minor construction and improvements	1,638	1,638	0
Machinery, equipment and facilities	2,896	3,325	(429)
Furniture, office machinery, transport equipment	2,016	2,066	(50)
Property, plant and equipment under construction and advances	395	135	(260)
Investment property	4,732	4,732	0
TOTAL TANGIBLE ASSETS	**14,435**	**14,654**	**(219)**

The following table shows changes in tangible assets for the half-year ended 30 June 2016, along with a comparison with the half-year ended 30 June 2015, presented by individual tangible asset category.

	31.12.2015			Changes for the Period				30.06.2016		
in thousands of Euro	Historical cost	Depreciation Provisions	Book Value	Increases/ Purchases	Depreciation	Disposal/ Divestitures	Disposal Provision	Historical cost	Depreciation Provisions	Book Value
Land	2,758	0	2,758	0	0	0	0	2,758	0	2,758
Buildings and minor construction and improvements	4,888	(3,250)	1,638	87	(87)	(2)	2	4,973	(3,335)	1,638
Machinery, equipment and facilities	11,429	(8,104)	3,325	43	(471)	0	0	11,472	(8,577)	2,896
Furniture, office machinery, transport equipment	8,266	(6,200)	2,066	203	(251)	(11)	9	8,458	(6,442)	2,016
Tangible assets under construction	135	0	135	260	0	0	0	395	0	395
Investment property	4,732	0	4,732	0	0	0	0	4,732	0	4,732
TOTAL TANGIBLE ASSETS	**32,208**	**(17,554)**	**14,654**	**593**	**(809)**	**(13)**	**11**	**32,788**	**(18,354)**	**14,435**

	31.12.2014			Changes for the Period				30.06.2015		
in thousands of Euro	Historical cost	Depreciation Provisions	Book Value	Increases/ Purchases	Depreciation	Disposal/ Divestitures	Disposal Provision	Historical cost	Depreciation Provisions	Book Value
Land	2,758	0	2,758	0	0	0	0	2,758	0	2,758
Buildings and minor construction and improvements	4,813	(3,083)	1,729	0	(81)	0	0	4,813	(3,164)	1,649
Machinery, equipment and facilities	10,459	(7,293)	3,166	204	(400)	(35)	35	10,628	(7,658)	2,970
Furniture, office machinery, transport equipment	7,853	(5,874)	1,980	104	(229)	(99)	99	7,858	(6,004)	1,854
Tangible assets under construction	112	0	112	275	0	0	0	387	0	387
Investment property	4,732	0	4,732	0	0	0	0	4,732	0	4,732
TOTAL TANGIBLE ASSETS	**30,727**	**(16,250)**	**14,477**	**583**	**(710)**	**(134)**	**134**	**31,176**	**(16,826)**	**14,350**

The item “Furniture, office machinery and transport equipment” rose by Euro 0.2 million in the first half of 2016 mainly due to the purchase of miscellaneous furnishings, electronic machinery and radio devices for offices and various terminal areas to ensure service continuity.

Tangible assets under construction included costs incurred for projects not completed at 30 June 2016, including work to complete the People Mover station.

The increase in depreciation of tangible assets was primarily due to investments that entered into service during the twelve months from June 2015.

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 as well as its strategic value.

3. Investments

The following table provides details of equity investments at 30 June 2016 compared with 31 December 2015. During both the period under review and the period used as a comparison, this item did not change.

in thousands of Euro	at 31.12.2015	Increases/Acquisitions	Decreases/Disposals	Write-downs	at 30.06.2016
Other investments	147	0	0	0	147
TOTAL INVESTMENTS	**147**	**0**	**0**	**0**	**147**

Detailed breakdown:

in thousands of Euro	Share	at 30.06.2016	at 31.12.2015	Change
Consorzio Energia Fiera District	13.33%	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 INVESTMENTS		**147**	**147**	**0**

4. Other non-current financial assets

The table below shows changes in other non-current financial assets for the half-year ended 30 June 2016 compared with 31 December 2015. For the sake of a like-for-like comparison, the table also shows changes in the item being analysed for the period from 31 December 2014 to 30 June 2015.

in thousands of Euro	at 31.12.2015	Increases/Acquisitions	Decreases/Disposals	Write-downs	at 30.06.2016
Equity financial instruments	0	4,000	0	0	4,000
Bonds	0	7,780	0	0	7,780
Deposit accounts	70	8,000	0	0	8,070
Other sundry financial assets	293	249	(293)	0	249
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS	**363**	**20,029**	**(293)**	**0**	**20,099**

in thousands of Euro	at 31.12.2014	Increases/ Purchases	Decreases/ Sales	Write-downs	at 30.06.2015
Deposit accounts	70	0	0	0	70
Other sundry financial assets	878	0	(292)	0	586
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS	**948**	**0**	**(292)**	**0**	**656**

The item “Other non-current financial assets” includes:

- the subscription to the equity financial instrument in Marconi Express S.p.A. on 21 January 2016 for a total amount of Euro 10.9 million, and the concurrent payment of the first tranche of Euro 4 million. Marconi Express S.p.A. is the company licensed to construct and manage the infrastructure for the express railway link (People Mover) between the Airport and Bologna’s main train station. Information was provided on the People Mover in the 2015 Financial Report and in the Interim Directors’ Report at 31 March 2016. The carrying value corresponds to the amount actually paid when the instrument was subscribed, or the cost incurred at 30 June 2016. Pursuant to IAS 39, this financial asset was classified under available-for-sale financial assets. Subsequent measurement following initial recording is at fair value, and related changes are posted to shareholders’ equity and reported in the statement of comprehensive income as OCI (other comprehensive income), whereas impairment is 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;
- the purchase of two senior bonds with a total nominal value of Euro 7.5 million, one with a maturity of October 2017 in the amount of Euro 3 million, and one maturing in September 2018 in the amount of Euro 4.5 million. Pursuant to IAS 39, the Group elected to classify these financial assets under investments held to maturity 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. There were no impairment indicators in relation to the value of these financial assets at 30 June 2016;
- deposit accounts including Euro 8 million to open a time deposit maturing in August 2017 (Euro 1 million) and October 2017 (Euro 7 million), in addition to Euro 0.07 million for the balance of a blocked bank account with Banco Popolare in relation to the guarantee issued to the Customs Agency for the payment of amounts due for the placement and/or removal of goods from the temporary holding warehouse at Bologna Airport;
- lastly, the remaining item “Other non-current financial assets”, which at 31 December 2015 included only the long-term portion of the receivable arising from the sale of the company Marconi Handling S.r.l., was decreased by this amount due to the reclassification of the remaining instalments under current financial assets (see Note 10) since the last instalment is due by 30 June 2017. However, the increase in the item is attributable to the subscription of a capitalisation product totalling Euro 0.25 million with a term of five years that the Group elected to classify, pursuant to IAS 39, under investments held to maturity with the related initial recognition and periodic measurement as described above.

Fair value - hierarchy

All assets and liabilities for which fair value is to be measured or stated in financial statements are categorised on the basis of a fair value hierarchy, as required by IFRS 13 and described below:

- Level 1: quoted prices obtained in an active market;
- Level 2: inputs other than quoted prices as indicated in the item above that are observable directly (prices) or indirectly (price derivatives) in the market;
- Level 3: inputs that are not based on observable market data.

The following tables indicate the assets and liabilities measured at fair value at 30 June 2016 and 31 December 2015 by hierarchy level:

in thousands of Euro	*Level 1*	*Level 2*	*Level 3*	*Total*
Financial assets	10,908	0	920	11,828
Available-for-Sale Financial Assets	0	19,173	4,000	23,173
Derivatives	0	0	0	0
Total at 30.06.2016	**10,908**	**19,173**	**4,920**	**35,001**

in thousands of Euro	*Level 1*	*Level 2*	*Level 3*	*Total*
Financial assets	2,838	0	1,207	4,045
Available-for-Sale Financial Assets	0	5,120	0	5,120
Derivatives	0	0	0	0
Total at 31.12.2015	**2,838**	**5,120**	**1,207**	**9,165**

5. Deferred tax assets

The table below shows the overall change in deferred tax assets for the half-year ended 30 June 2016 compared with 31 December 2015. For the sake of a like-for-like comparison, the table also shows changes in the item being analysed for the period from 31 December 2014 to 30 June 2015.

in thousands of Euro	at 31.12.2015	Provisions	Amounts used	at 30.06.2016
DEFERRED TAX ASSETS	**7,474**	**920**	**(882)**	**7,512**

in thousands of Euro	at 31.12.2014	Provisions	Amounts used	at 30.06.2015
DEFERRED TAX ASSETS	**7,293**	**1,018**	**(949)**	**7,362**

The following table presents, for the half-years ended 30 June 2016 and 2015, a breakdown of taxable amounts that result in the recognition of deferred tax assets, with a distinction between corporate income tax (IRES) and the Regional Tax on Productive Activities (IRAP).

Specifically:

- the item "Other costs with deferred deductibility" mainly includes the maintenance costs covered by Article 107 of the TUIR, which are deductible in subsequent financial years;
- the item "Deferred taxes provisions" mainly includes provisions for doubtful accounts, other provisions for litigation and future costs that are deductible in subsequent financial years, and

airport infrastructure renewal provisions, with respect to the portion deductible in subsequent financial years;

- The item "Listing Costs" includes costs connected to the listing of the Company's shares in the Star Segment of the Borsa Italiana Electronic Stock Exchange, which occurred on 14 July 2015, recorded in part in the income statement and in part as a deduction of the shareholders' equity reserves and deductible over five financial years.

IRES rate 27.5%- 24%	Taxable Amount				Tax			
in thousands of Euro	at 31.12.2015	Provisions	Amounts used	at 30.06.2016	at 31.12.2015	Provi-sions	Amounts used	at 30.06.2016
Other costs with deferred IRES deductibility	7,220	1,572	(1,153)	7,639	1,810	378	(318)	1,870
Provisions with deferred IRES/IRAP taxes	4,945	1,348	(1,602)	4,691	1,216	338	(390)	1,164
Provisions for renewal of airport infrastructure	9,590	0	0	9,590	2,305	0	0	2,305
Amortisation of FTA system and expansion costs	24	0	(1)	23	5	0	0	5
Amortisation of concession rights from ENAC-ENAV agreement	143	0	0	143	40	0	(5)	35
Tax losses with unlimited reversal	1,156	0	0	1,156	277	0	0	277
Listing Costs	3,699	0	(462)	3,237	920	0	(127)	793
Discounting of severance provisions	200	494	0	694	55	136	0	191
Other	0	0	0	0	275	0	0	275
Total IRES	**26,977**	**3,414**	**(3,218)**	**27,173**	**6,903**	**852**	**(840)**	**6,915**

IRAP rate 4.2%-3.9%	Taxable Amount				Tax			
in thousands of Euro	at 31.12.2015	Provisions	Amounts used	at 30.06.2016	at 31.12.2015	Provi-sions	Amounts used	at 30.06.2016
Provisions with deferred IRES/IRAP taxes	2,730	45	0	2,775	117	2	0	119
Other provisions for deferred IRAP taxes	1,111	1,569	(1,005)	1,675	46	66	(42)	70
Provisions for renewal of airport infrastructure	9,590	0	0	9,590	403	0	0	403
Amortisation of FTA system and expansion costs	24	0	(1)	23	1	0	0	1
Amortisation of concession rights from ENAC-ENAV agreement	95	0	0	95	4	0	0	4
Total IRAP	**13,550**	**1,614**	**(1,006)**	**14,158**	**571**	**68**	**(42)**	**597**
Total					**7,474**	**920**	**(882)**	**7,512**

IRES rate 27.5%- 24% (IRES)	Taxable Amount				Tax			
in thousands of Euro	at 31.12.2014	Provisions	Amounts used	at 30.06.2015	at 31.12.2014	Provisions	Amounts used	at 30.06.2015
Other costs with deferred IRES deductibility	6,272	15	(868)	5,419	1,723	4	(239)	1,488
Provisions with deferred IRES/IRAP taxes	5,986	2,872	(2,180)	6,678	1,646	790	(599)	1,837
Provisions for renewal of airport infrastructure	9,655	16	0	9,671	2,655	4	0	2,659
Amortisation of FTA system and expansion costs	29	0	(1)	28	8	0	0	8
Amortisation of concession rights from ENAC-ENAV agreement	119	12	0	131	33	3	0	36
Tax losses with unlimited reversal	1,161	0	0	1,161	319	0	0	319
Discounting of severance provisions	494	0	(324)	170	136	0	(87)	49
Other	0	0	0	0	140	152	0	292
Total IRES	**23,716**	**2,915**	**(3,373)**	**23,258**	**6,660**	**953**	**(925)**	**6,688**

4.2% IRAP rate	Taxable Amount				Tax			
in thousands of Euro	at 31.12.2014	Provisions	Amounts used	at 30.06.2015	at 31.12.2014	Provisions	Amounts used	at 30.06.2015
Provisions with deferred IRES/IRAP taxes	2,741	0	(19)	2,722	116	0	(1)	115
Other provisions for deferred IRAP taxes	2,549	1,544	(522)	3,571	107	65	(22)	150
Provisions for renewal of airport infrastructure	9,655	0	0	9,655	405	0	0	405
Amortisation of FTA system and expansion costs	29	0	(1)	28	1	0	0	1
Amortisation of concession rights from ENAC-ENAV agreement	95	0	0	95	4	0	0	4
Total IRAP	**15,069**	**1,544**	**(542)**	**16,071**	**633**	**65**	**(23)**	**675**
Total					**7,293**	**1,018**	**(949)**	**7,362**

6. Other non-current assets

The following table shows the breakdown of other non-current assets at 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Non-current prepayments and accrued income	46	62	(16)
Security deposits	82	80	2
Non-current tax credits	1,244	1,244	0
OTHER NON-CURRENT ASSETS	**1,372**	**1,386**	**(14)**

Non-current tax credits, which were unchanged compared with 31 December 2015, included:

- the credit recorded following the IRES reimbursement request for the non-deduction of IRAP on personnel costs (Decree Law 201/2011 and Order No. 2012/140973 of 2012 of the Revenue Agency) totalling Euro 1.2 million, including portions attributable to the subsidiaries TAG Bologna and Fast Freight Marconi and the former subsidiary Marconi Handling as part of the Group’s tax consolidation scheme;
- Euro 41 thousand for the IRAP reimbursement credit pursuant to Decree Law 185/2008 related to Marconi Handling, which will be collected directly from Società Aeroporto Guglielmo Marconi di Bologna S.p.A. by virtue of the tax consolidation agreement in force in the year this item was recorded in the financial statements;
- Euro 15 thousand for the credit relating to the recovery of VAT on unpaid invoices as a result of the bankruptcy of certain customers pursuant to article 26, paragraph 2 of Presidential Decree 633 of 26 October 1972.

7. Inventories

The following table presents the breakdown of inventories at 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Inventories of raw materials, supplies and consumables	425	427	(2)
Inventory of finished products	33	40	(7)
INVENTORIES	**458**	**467**	**(9)**

Inventories of raw materials, supplies and consumables refer to inventories of workshop materials, heating oil and runway and aircraft de-icing fluid, and stationery supplies and printed materials. Inventories of finished products refer to aviation fuel.

8. Trade receivables

The following table provides a breakdown of trade receivables and related adjusting provisions at 30 June 2016 compared with 31 December 2015; during the half-year there were no significant changes.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Trade receivables	15,667	15,371	296
Provisions for doubtful accounts	(1,560)	(1,594)	34
TRADE RECEIVABLES	**14,107**	**13,777**	**330**

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 amount of the provisions as at 30 June 2016 (Euro 1.6 million) is deemed appropriate for the purpose of adjusting the face value of trade receivables to the estimated realisable value.

The changes in provisions for doubtful accounts during the two periods were as follows:

in thousands of Euro	at 31.12.2015	Provisions	Amounts used	Releases	at 30.06.2016
PROVISIONS FOR DOUBTFUL TRADE RECEIVABLES	**(1,594)**	**(109)**	**143**	**0**	**(1,560)**

in thousands of Euro	at 31.12.2014	Provisions	Amounts used	Releases	at 30.06.2015
PROVISIONS FOR DOUBTFUL TRADE RECEIVABLES	**(2,156)**	**(210)**	**578**	**202**	**(1,586)**

The following is a breakdown by seniority of the Group's outstanding trade receivables at 30 June 2016, compared with 31 December 2015:

in thousands of Euro	Expiring	Expired	Total at 30.06.2016
Trade receivables for invoices/credit notes issued	7,842	7,300	15,142
Trade receivables for invoices/credit notes to be issued	525	0	525
TOTAL TRADE RECEIVABLES	**8,367**	**7,300**	**15,667**

in thousands of Euro	*Expiring*	*Expired 0-30 days*	*Expired 30-60 days*	*Expired 60-90 days*	*Expired after 90 days*	*Total*
TRADE RECEIVABLES	**7,842**	**4,018**	**637**	**150**	**2,496**	**15,142**

in thousands of Euro	Expiring	Expired	Total at 31.12.2015
Trade receivables for invoices/credit notes issued	6,837	8,543	15,380
Trade receivables for invoices/credit notes to be issued	(9)	0	(9)
TOTAL TRADE RECEIVABLES	**6,829**	**8,543**	**15,371**

in thousands of Euro	*Expiring*	*Expired 0-30 days*	*Expired 30-60 days*	*Expired 60-90 days*	*Expired after 90 days*	*Total*
TRADE RECEIVABLES	**6,837**	**3,690**	**2,264**	**210**	**2,379**	**15,380**

9. Other current assets

The following table presents a breakdown of other current assets at 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
VAT credit	95	89	6
Direct tax receivables	167	374	(207)
Other tax receivables	0	13	(13)
Receivables from personnel	78	70	8
Other receivables	8,802	7,284	1,518
OTHER CURRENT ASSETS	**9,142**	**7,830**	**1,312**

The most significant change in the first half of 2016 was for the item “Other receivables”, the detail of which is provided below:

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Accrued income and prepayments	1,062	291	771
Advances to suppliers	51	194	(143)
Receivables from retirement and social security institutions	100	20	80
Receivables for security deposits (article 17)	3,628	3,628	0
Receivables for municipal surcharge	4,500	3,316	1,184
Provisions for other doubtful current receivables	(807)	(449)	(358)
Other current receivables	268	284	(16)
TOTAL OTHER RECEIVABLES	**8,802**	**7,284**	**1,518**

Details on the main items are as follows:

- Accrued income and prepayments: these mainly included Euro 0.2 million in insurance premiums paid in advance in the first half of the year, Euro 0.3 million in prepayments for local taxes paid in the first half of the year, Euro 0.1 million in data processing charges invoiced in advance during the half-year and Euro 0.2 million in other costs for services invoiced in advance;
- Receivables for municipal surcharge: the Parent Company charges the airlines the municipal surcharge on passenger boarding fees established by article 2, paragraph 11 of Law No. 350/2003, as subsequently amended and supplemented, and once collected, allocates it as appropriate to the government and INPS respectively, in the current amount of Euro 1.50 and Euro 7.50 per passenger boarded. The portion to be allocated to INPS was increased by Euro 2.50 starting 1 January 2016 by article 1 of Decree Law 357 of 29 October 2015. The increase was subsequently suspended from 1 September 2016 to 31 December 2016 by Decree Law 113/2016 “Urgent Financial Measures for Local Authorities and Local Areas” (the so-called Decree Law of Local Authorities);
- Receivables for security deposits (article 17): these are security deposits paid by the Parent Company to ENAC for the period 1998-2004, during which the Parent Company operated under the mechanism for early occupancy of government property established by article 17 of Law No. 135/97.

The most significant change in the item “Other receivables” was for:

- the increase in the balance of accrued income and prepayments resulting from the seasonality of payable invoices for maintenance and data processing fees, insurance premiums and local taxes;
- the increase in receivables for the municipal surcharge which is still to be collected from carriers. This increase is related to traffic growth as well as the increase in the related tariff effective 1 January 2016. This latter factor is also the reason for the increase in provisions for doubtful receivables for the municipal surcharge following disputes made by several carriers, on which more information can be found in the section on the legislative framework in the Directors’ Report.

The following shows the changes in provisions for other doubtful current receivables:

in thousands of Euro	at 31.12.2015	Provisions/Increases	Amounts used	Releases	at 30.06.2016
Provisions for doubtful receivables for municipal surcharge	(449)	(359)	1	0	(807)
TOTAL PROVISIONS FOR OTHER DOUBTFUL RECEIVABLES	**(449)**	**(359)**	**1**	**0**	**(807)**

in thousands of Euro	at 31.12.2014	Provisions/Increases	Amounts used	Releases	at 30.06.2015
Provisions for doubtful receivables for municipal surcharge	(394)	(44)	0	0	(438)
TOTAL PROVISIONS FOR OTHER DOUBTFUL RECEIVABLES	**(394)**	**(44)**	**0**	**0**	**(438)**

The entry indicated as the "provisions for doubtful receivables for municipal surcharge" is obtained by reclassifying to assets - as a deduction of the relevant receivable - the municipal surcharge passed on to carriers that, in the meantime, were subject to bankruptcy proceedings and/or that contest the payment of the surcharge. 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 of the related receivables is highly unlikely.

10. Current Financial assets

The following table presents a breakdown of current financial assets at 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Securities and similar	2,879	2,838	41
Deposit accounts	11,103	5,050	6,053
Receivables from the sale of investments	920	914	6
Other financial receivables	25	29	(4)
CURRENT FINANCIAL ASSETS	**14,927**	**8,831**	**6,096**

In detail, the current financial assets item mainly includes:

- securities and similar, which refers to investments of liquidity in a Euro 2.9 million capitalisation product purchased in 2011 and maturing on 28 December 2016;
- deposit accounts related to investments of liquidity in several deposit accounts with the following maturities:
    - October 2016: Euro 4 million
    - February 2017: Euro 1.1 million
    - April 2017: Euro 3 million
    - May 2017: Euro 3 million.
- receivables from the sale of investments, which include the receivable for the sale of the investment in Marconi Handling. This amount is secured by a special pledge on the stake sold. See also Note 4.

11. Cash and cash equivalents

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Bank and postal accounts	17,407	50,657	(33,250)
Cash	24	27	(3)
CASH AND CASH EQUIVALENTS	**17,431**	**50,684**	**(33,253)**

The item "bank and postal accounts" represents the available balances of bank current accounts as well as bank deposits that are readily convertible into cash (time deposits) as at 30 June 2016, in the amount of Euro 6.2 million. The decrease in this item compared with 31 December 2015 is due to investments in time deposits, bonds and other financial instruments totalling Euro 26.1 million in addition to the repayment of debt totalling Euro 7.6 million and the distribution of dividends of Euro 6.1 million.

Net financial debt

The following table shows the composition of net financial debt at 30 June 2016, 31 December 2015 and 30 June 2015, in accordance with the provisions of the CONSOB Communication of 28 July 2006, and in compliance with the ESMA/2011/81 Recommendations:

	in thousands of Euro	at 30.06.2016	at 31.12.2015	at 30.06.2015
A	Cash	24	27	23
B	Other cash equivalents	17,407	50,657	9,684
C	Securities held for trading	2,879	2,838	2,806
D	**Liquidity (A+B+C)**	**20,310**	**53,522**	**12,513**
E	**Current financial receivables**	**12,048**	**5,994**	**18,687**
F	Current bank debt	(103)	(1,110)	(1,114)
G	Current portion of non-current debt	(7,450)	(9,064)	(8,989)
H	Other current financial debt	(4,503)	(1,980)	(1,944)
I	**Current financial debt (F+G+H)**	**(12,056)**	**(12,154)**	**(12,047)**
J	**Net current financial debt (I-E-D)**	**20,302**	**47,362**	**19,153**
K	Non-current bank debt	(27,792)	(32,728)	(37,773)
L	Bonds issued	0	0	0
M	Other non-current debt	0	0	0
N	**Non-current financial debt (K+L+M)**	**(27,792)**	**(32,728)**	**(37,773)**
O	**Net financial debt (J+N)**	**(7,490)**	**14,634**	**(18,620)**

Items A + B represent the balance of the item "cash and cash equivalents"; please see Note 11 for additional details.

Item C is contained in the item "current financial assets"; please see Note 10 for further details.

Items F + G + H represent the balance of the item "current financial liabilities"; please see Note 22 for further details.

Item K represents the balance of the item "non-current financial liabilities"; please see Note 17 for further details.

LIABILITIES

12. Shareholders' equity

The following table presents a breakdown of Shareholders' Equity at 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Share capital	90,250	90,250	0
Reserves	63,787	63,306	481
Result for the period	3,712	6,957	(3,245)
SHAREHOLDERS' EQUITY	**157,749**	**160,513**	**(2,764)**

i. Share capital

Following the increase in the Parent Company's share capital, which was a part of the stock market listing process that took place on 14 July 2015, share capital at 30 June 2016 consists of 36,100,000 ordinary shares equal to Euro 90.25 million, which is entirely subscribed and paid up.

The Public Subscription and Sale Offer also made provision for bonus shares to be awarded in the event that subscribed shares are held continuously for 365 days following the start of trading of the shares on the stock exchange:

- 1 share for every 20 subscribed shares for the general public and residents of the Emilia-Romagna region;
- 1 share for every 10 subscribed shares for Group employees.

Upon completion of the subscription, there were 109,200 shares with underlying bonus shares. Subject a request from the beneficiaries during the period from 14 July 2016 to 12 August 2016 to the custodian intermediary of the securities account, the bonus shares will be distributed within 12 September 2016 on the basis of the intermediary's certification that the shares subscribed at the time of the Offer were owned without interruption for 365 days.

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

in units of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015
Group Profit/(Loss) for the period	3,372,890	2,213,358
Average number of outstanding shares	36,100,000	29,600,000
Average number of shares including bonus shares	36,209,200	29,600,000
Undiluted Earnings/(Losses) per Share	**0.09**	**0.07**
Diluted Earnings/(Losses) per Share	**0.09**	**0.07**

ii. Reserves

The following table details reserves at 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Share premium reserve	25,747	25,747	0
Legal reserve	5,018	4,679	339
Extraordinary reserve	34,922	34,606	316
FTA reserves	(3,222)	(3,222)	0
Profits (losses) carried forward	2,413	2,248	165
OCI reserve	(1,091)	(752)	(339)

TOTAL RESERVES	**63,787**	**63,306**	**481**

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 13 million as a result of the Public Subscription and Sale Offer of 2015, reduced by Euro 1.6 million for listing costs, net of the relative tax impact.

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 legal reserve and extraordinary reserve rose as a result of the allocation of profit for the previous year, and, with regard to the Parent Company, net of the distribution of dividends approved by the Shareholders' Meeting of 27 April 2016 totalling Euro 6.137 million corresponding to a gross dividend of Euro 0.17 for each of the 36,100,000 ordinary shares outstanding on the ex-dividend date (2 May 2016). The extraordinary reserve is made up entirely of profits from prior financial years.

The profits/losses carried forward reserve increased as a result of the allocation of the profits/losses resulting from the IAS accounting records of subsidiaries as well as the proportional share of the TAG result for the period.

The OCI reserve shows the changes arising from the discounting of severance in accordance with revised IAS 19, net of the related tax impact.

The following table shows details of the reserve at 30 June 2016 and the pertinent comparison:

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Actuarial gains/losses as per IAS 19	(1,514)	(1,042)	(472)
Deferred taxes on actuarial gains/losses as per IAS 19	416	286	130
OCI RESERVE	**(1,098)**	**(756)**	**(342)**
of which Minority Interests	**(7)**	**(4)**	**(3)**
of which Group	**(1,091)**	**(752)**	**(339)**

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:

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Share capital – minority interests	155	155	0
Reserves – minority interests	356	200	156
Profit (loss) for the period – minority interests	35	159	(124)
SHAREHOLDERS' EQUITY - MINORITY INTERESTS	**546**	**514**	**32**

Changes in "Shareholders' equity - minority interests" are mainly to be attributed to the allocation of the previous year's result.

13. Severance and other personnel provisions

The following table indicates changes in severance and other personnel provisions from 31 December 2015 to 30 June 2016 compared with the same movements during the period from 31 December 2014 to 30 June 2015.

in thousands of Euro	at 31.12.2015	Service Cost	Net Interest	Benefits Paid	Actuarial Gains (Losses)	at 30.06.2016
Severance	4,453	6	45	(112)	472	4,864
Other personnel provisions	18	45	0	0	0	63
SEVERANCE AND OTHER PERSONNEL PROVISIONS	**4,471**	**51**	**45**	**(112)**	**472**	**4,927**

in thousands of Euro	at 31.12.2014	Service Cost	Net Interest	Benefits Paid	Actuarial Gains (Losses)	at 30.06.2015
Severance	4,922	8	33	(155)	(320)	4,487
SEVERANCE AND OTHER PERSONNEL PROVISIONS	**4,922**	**8**	**33**	**(155)**	**(320)**	**4,487**

The actuarial evaluation of severance provisions was performed using the "accrued benefits" methodology, with the support of expert actuaries.
The following is a summary of the principal assumptions made for the process of the actuarial estimation of severance:

a) discounting rate: 1.05% for the evaluation at 30 June 2016 and 2.03% at 31 December 2015.
b) prospective inflation rate: 1.50% for 2016, 1.80% for 2017, 1.70% for 2018, 1.60% for 2019, and 2% from 2020 onwards (at 31 December 2015 the projected annual rate was 0.60% for 2015, 1.20% for 2016, 1.50% for 2017 and 2018, and 2% from 2019 onwards);
c) demographic bases (mortality/disability): the RG 48 mortality tables published by the Italian General Accounting Service were utilised for mortality. An INPS table itemised by age and gender was employed for disability;
d) personnel turnover rate: 15% for TAG, 2% for FFM, and 1% for Aeroporto di Bologna.

As with any actuarial evaluation, the results depend upon the technical bases adopted, which included the interest rate, inflation rate and expected turnover. The following table indicates the impact from changes that are reasonably possible in the relevant actuarial assumptions at 30 June 2016, in absolute terms.

	Evaluation Parameter					
in thousands of Euro	+1% in turnover rate	-1% in turnover rate	+ 0.25% in annual inflation rate	- 0.25% in annual inflation rate	+ 0.25% in annual discounting rate	- 0.25% in annual discounting rate
Severance	4,808	4,929	4,950	4,781	4,730	5,005

As additional information, the following table shows the projected payments over five years.

in thousands of Euro	Estimated future payments
1	227
2	209
3	195
4	229
5	240

Other personnel provisions concern the liability at 30 June 2016 related to the long-term incentive plan and the non-compete agreement of the Parent Company's Chief Executive Officer/General Manager.

14. Deferred Tax Liabilities

The following table shows deferred tax liabilities at 30 June 2016, compared with 30 June 2015.

in thousands of Euro	at 31.12.2015	Provisions	Amounts used	at 30.06.2016
DEFERRED TAX LIABILITIES	**2,145**	**40**	**0**	**2,185**

in thousands of Euro	at 31.12.2014	Provisions	Amounts used	at 30.06.2015
DEFERRED TAX LIABILITIES	**2,347**	**37**	**0**	**2,384**

Provisions for deferred tax liabilities totalled Euro 2.2 million. Deferred tax liabilities were recognised exclusively at the time of the transition to IFRS as the result of applying IFRIC 12 Service Concession Arrangements, as detailed in the note on transition to IFRS in the 2014 Financial Report.

IRES rate 24%	Taxable Amount				Tax			
in thousands of Euro	at 31.12.2015	Provisions	Amounts used	at 30.06.2016	at 31.12.2015	Provisions	Amounts used	at 30.06.2016
Amortisation of concession rights	7,633	113	0	7,746	1,854	35	0	1,859
Total IRES	**7,633**	**113**	**0**	**7,746**	**1,854**	**35**	**0**	**1,859**
IRAP rate 4.2%	Taxable Amount				Tax			
in thousands of Euro	at 31.12.2015	Provisions	Amounts used	at 30.06.2016	at 31.12.2015	Provisions	Amounts used	at 30.06.2016
Amortisation of concession rights	7,633	113	0	7,746	321	5	0	326
Total IRAP	**7,633**	**113**	**0**	**7,746**	**321**	**5**	**0**	**326**
Total					**2,145**	**40**	**0**	**2,185**

IRES rate 27.5% *in thousands of Euro*	Taxable Amount				Tax			
	at 31.12.2014	Provisions	Amounts used	at 30.06.2015	at 31.12.2014	Provisions	Amounts used	at 30.06.2015
Amortisation of concession rights	7,405	114	0	7,519	2,036	32	0	2,068
Discounting of severance provisions	0	0	0	0	0	0	0	0
Total IRES	**7,405**	**114**	**0**	**7,519**	**2,036**	**32**	**0**	**2,068**

IRAP rate 4.2% *in thousands of Euro*	Taxable Amount				Tax			
	at 31.12.2014	Provisions	Amounts used	at 30.06.2015	at 31.12.2014	Provisions	Amounts used	at 30.06.2015
Amortisation of concession rights	7,405	114	0	7,519	311	5	0	316
Total IRAP	**7,405**	**114**	**0**	**7,519**	**311**	**5**	**0**	**316**
Total					**2,347**	**37**	**0**	**2,384**

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 indicates changes in the provision in the half-years ended 30 June 2016 and 2015:

in thousands of Euro	at 31.12.2015	Provisions	Amounts used	Reclassifications	at 30.06.2016
PROVISIONS FOR RENEWAL OF AIRPORT INFRASTRUCTURE (NON-CURRENT)	**9,548**	**1,578**	**0**	**(844)**	**10,282**

in thousands of Euro	at 31.12.2014	Provisions	Amounts used	Reclassifications	at 30.06.2015
PROVISIONS FOR RENEWAL OF AIRPORT INFRASTRUCTURE (NON-CURRENT)	**10,533**	**1,560**	**0**	**(626)**	**11,467**

The increases for the first half of 2016 totalled Euro 1.58 million, of which Euro 1.4 million was classified under provisions of the income statement and the remaining Euro 0.18 million was classified under financial expenses from discounting. The decreases from reclassifications relate to the periodic reclassification to current liabilities of the portion of costs scheduled to be disbursed in the year following the half-year concerned. Amounts used during the period in question are shown under current liabilities in Note 20.

To supplement the required information, the following table shows the interest rate sensitivity analysis performed on the discounting of provisions for airport infrastructure renewal at 30 June 2016:

in thousands of Euro	Interest Balance	Sensitivity (+0.5%)	Sensitivity (-0.1%)
Provisions for renewal of airport infrastructure	173	242	160

The discounting curve employed for the measurement included the applicable country risk. In this particular case, the input data was the yields on government zero coupon bonds with short-, medium- and long-term maturities (from 3 months to 30 years), obtained from information provider Bloomberg.

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

The table below indicates detailed changes in provisions for risks and charges for the half-year ended 30 June 2016 compared with the first half of the previous year:

in thousands of Euro	at 31.12.2015	Provisions	Uses/Releases	at 30.06.2016
Provisions for ongoing disputes	1,353	8	(122)	1,239
Provisions for employee back pay	14	0	(14)	0
Provisions for other risks and charges	154	0	0	154
PROVISIONS FOR RISKS AND CHARGES (NON-CURRENT)	**1,521**	**8**	**(136)**	**1,393**

in thousands of Euro	at 31.12.2014	Provisions	Uses/Releases	at 30.06.2015
Provisions for ongoing disputes	1,238	18	(4)	1,252
Provisions for employee back pay	25	0	0	25
Provisions for other risks and charges	149	0	0	149
PROVISIONS FOR RISKS AND CHARGES (NON-CURRENT)	**1,412**	**18**	**(4)**	**1,426**

During the half-year, the provision for ongoing disputes contained the future coverage of the Group's estimated contingent liabilities in relation to ongoing disputes, and it was also used to cover legal expenses for these disputes, and partially released to the income statement for the periodic adjustment of estimates. The provision for employee back pay was eliminated following the renewal of the collective agreement for handlers on 11 December 2015.

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 Report of verification 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 (see Note 17).

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

17.Non-current financial liabilities

The following table presents a breakdown of non-current financial liabilities at 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Loans - non-current portion	27,792	30,683	(2,891)
Non-current financial debt	0	2,045	(2,045)
NON-CURRENT FINANCIAL LIABILITIES	**27,792**	**32,728**	**(4,936)**

The non-current portion of loans consists of medium- and long-term loans taken out by the Group.

The following is the breakdown of loans, including the current portion, by calendar year of maturity:

- a ten-year loan maturing on 30 September 2016, with a total outstanding balance of Euro 1.65 million (Euro 3.27 million in 2015) provided by Intesa Sanpaolo S.p.A. for the infrastructure investment plan. This debt, with interest at a fixed rate of 4.312% p.a., is classified under "Loans - current portion" to the extent of the last instalment to be repaid on 30 September 2016;
- a fifteen-year loan with maturing on 15 June 2019, with a total outstanding balance of Euro 8.27 million (Euro 9.66 million at 31 December 2015) provided by Banca OPI S.p.A (now Intesa Sanpaolo S.p.A.) and to be used to implement the Company's infrastructure investment plan. Euro 5.52 million of this debt was classified under "Loans – Non-current portion," and Euro 2.75 million, representing the principal to be repaid by 30 June 2017, under "Loans – Current portion." It is interest-bearing at a variable rate applied to the Bank quarterly by the European Investment Bank, plus a spread of 0.45%;
- a fifteen-year loan maturing on 30 March 2026, with a total outstanding amount of Euro 5.04 million (Euro 5.29 million at 31 December 2015), granted by Monte dei Paschi di Siena (formerly Banca Agricola Mantovana) to support the costs of constructing the General Aviation Terminal. Euro 4.55 million of this debt was classified under "Loans – Non-current portion" (Euro 4.8 million in December 2015) and Euro 0.49 million, representing the principal to be repaid by 30 June 2017, under "Loans – Current portion." This debt is interest-bearing at a variable rate of the 3-month Euribor + a 0.9% spread;
- a ten-year loan maturing on 10 June 2024 with a total outstanding balance of Euro 20.28 million (Euro 21.54 million at 31 December 2015). Euro 17.75 million of this debt was classified under "Loans – Non-current portion" and Euro 2.53 million, representing the principal to be repaid by 30 June 2017, under "Loans – Current portion." The loan arrangement/structuring fee of Euro 0.3 million paid by the Group in 2014 is treated in accordance with IAS 39 and classified under the item "Loans - Non-current portion." This debt is interest-bearing at a fixed rate of 3.693%. The Parent Company must comply with the following financial covenants, which are calculated annually:
  - Ratio of Net Financial Liabilities to Gross Operating Margin (less than 1.9 in 2016 – at 30 June 2016, complied)
  - Ratio of Net Financial Liabilities to Shareholders' Equity (less than 0.3 in 2016 – at 30 June 2016, complied)

Other non-current financial debt was entirely related to the liability recorded for the guarantee provided by the Group in the form of a special patronage letter to SEAF S.p.A. The Group has continued to pay this liability in accordance with a five-year payment agreement with quarterly instalments entered into in 2014; in the first quarter of 2016, instalments totalling Euro 0.2 million were repaid. Later, in light of the larger amount of cash available, the Parent Company assessed whether it was appropriate to prepay this liability, and it repaid the remaining debt of Euro 2.8 million on 20 April 2016.
The following are the contractual terms and conditions of bank loans and borrowings at 30 June 2016:

Financial Institution	Debt	Rate	Instalments	Maturity	Covenants
Intesa Sanpaolo S.p.A.	Loan	4.312% fixed rate	Six-monthly	2016	No
Intesa Sanpaolo 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

The following is a sensitivity analysis performed on the interest rates applied to variable-rate loans outstanding at 30 June 2016.

			in thousands of Euro			
Financial Institution	**Type of Financing**	**Interest Rate Applied**	**Debt at 30.06.2016**	**2016 Interest Expense**	**Sensitivity (+0.5%)**	**Sensitivity (-0.1%)**
Intesa Sanpaolo S.p.A. (formerly Banca OPI S.p.A.)	Loan	Rate applied to the Bank by the EIB + 0.45%	8,276	22	46	not available
Monte dei Paschi di Siena (formerly Banca Agricola Mantovana)	Loan	3 month/360 Euribor + 0.9%	5,045	20	34	18

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. As at 30 June 2016, the Company had not received any communication for the application of the cross default clauses by its lenders.

18. Trade payables

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Trade payables	13,529	13,746	(217)
TRADE PAYABLES	**13,529**	**13,746**	**(217)**

Trade payables are mainly to domestic suppliers and remained nearly unchanged compared with 31 December 2015.

Below is a breakdown of trade payables reported in the financial statements by due dates:

in thousands of Euro	Expiring	Expired	Total at 30.06.2016
Invoices/credit notes received	3,942	662	4,604
Invoices/credit notes to be received	8,925	0	8,925
TOTAL TRADE PAYABLES	**12,867**	**662**	**13,529**

in thousands of Euro	Expiring	Expired 0-30 days	Expired 30-60 days	Expired 60-90 days	Expired after 90 days	Total
TRADE PAYABLES	**3,942**	**519**	**85**	**20**	**38**	**4,604**

in thousands of Euro	Expiring	Expired	Total at 31.12.2015
Invoices/credit notes received	5,264	656	5,920
Invoices/credit notes to be received	7,826	0	7,826
TOTAL TRADE PAYABLES	**13,090**	**656**	**13,746**

in thousands of Euro	Expiring	Expired 0-30 days	Expired 30-60 days	Expired 60-90 days	Expired after 90 days	Total
TRADE PAYABLES	**5,264**	**566**	**63**	**0**	**27**	**5,920**

19. Other Liabilities

The following table presents a breakdown of other liabilities at 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Current tax payables	1,448	1,250	198
Current payables to personnel and social security institutions	3,306	3,479	(173)
Payables to ENAC for concession fees and other debts to the State	12,031	11,094	937
Other current payables, accrued expenses and deferred income	5,163	3,739	1,424
TOTAL OTHER CURRENT LIABILITIES	**21,948**	**19,562**	**2,386**

The following are comments regarding the main changes:

i. Current Tax Payables

The following table shows a breakdown of current tax payables at 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
VAT payables	303	0	303
Direct tax payables	12	416	(404)
Other tax payables	1,133	834	299
CURRENT TAX PAYABLES	**1,448**	**1,250**	**198**

The item "Other tax payables" is mainly due to withheld personal income tax (IRPEF) for employees and local taxes.

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 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Payables to personnel for salaries	889	889	0
Payables to personnel for deferred compensation	1,423	1,623	(200)
Payables to social security institutions	994	967	27
CURRENT PAYABLES TO PERSONNEL AND SOCIAL SECURITY INSTITUTIONS	**3,306**	**3,479**	**(173)**

iii. Payables to ENAC for concession fees and other debts to the State

This item mainly includes:

- Euro 9.21 million (Euro 8.56 million in December) in relation to the debt for fire prevention 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 2009-2015 in addition to the amount accrued at 30 June 2016, which is being disputed. For additional details on this matter, see the Directors' Report in the 2015 Financial Report.
- Euro 2.58 million (Euro 2.32 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 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Municipal surcharge payables	3,693	2,867	826
Other current payables	998	746	252
Accrued expenses and deferred income	472	126	346
TOTAL OTHER CURRENT PAYABLES, ACCRUED EXPENSES AND DEFERRED INCOME	**5,163**	**3,739**	**1,424**

The principal item consists of the municipal surcharge payables connected to the receivables of Euro 3.7 million from carriers that had not been collected at 30 June. The portion of the municipal surcharge payable pertaining to receivables collected from carriers but not yet paid to creditors is instead classified among current financial liabilities (Note 22). Other current payables include security deposits and advances received from customers as well as pre-paid revenues and sundry payables. The increase in 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 half-years ended 30 June 2016 and 2015.

in thousands of Euro	at 31.12.2015	Provisions	Amounts used	Reclassifications	at 30.06.2016
PROVISIONS FOR RENEWAL OF AIRPORT INFRASTRUCTURE (CURRENT)	**3,439**	**0**	**(1,004)**	**844**	**3,279**

in thousands of Euro	at 31.12.2014	Provisions	Amounts used	Reclassifications	at 30.06.2015
PROVISIONS FOR RENEWAL OF AIRPORT INFRASTRUCTURE (CURRENT)	**3,960**	**0**	**(522)**	**626**	**4,064**

This item includes the current portion of provisions for renewal of airport infrastructure. Amounts used in the first half of 2016 mainly related to work to restore a section of the runway pavement, to upgrade offices and restore the roofs and waterproofing systems for buildings and renew conveyor belts for the baggage collection.

21. Provisions for risks and charges (current)

The following table shows the changes in current provisions for risks and charges for the half-year ended 30 June 2016.

in thousands of Euro	at 31.12.2015	Provisions	Amounts used	at 30.06.2016
Provisions for ENAC-ENAV agreement	936	0	(14)	922
PROVISIONS FOR RISKS AND CHARGES (CURRENT)	**936**	**0**	**(14)**	**922**

The other provisions for risks and charges solely contain contractual liability provisions recognised on the basis of the agreement signed on December 2009 with ENAV and ENAC, which provides for another area to be included in the inventory of assets received under the concession. In view of that expansion of the area received under the concession, the Company has assumed the following obligations:
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 of the fulfilment of its obligations with respect to a liability recognised in accordance with IAS 37.
During the half-year under review, the work to complete the new building was assigned and begun, and it is expected to be completed by the end of 2016.

22. Current financial liabilities

The following table presents a breakdown of current financial liabilities for the half-year ended 30 June 2016, compared with 31 December 2015.

in thousands of Euro	at 30.06.2016	at 31.12.2015	Change
Loans - current portion	7,450	9,064	(1,614)
Payables for municipal surcharge	4,503	1,980	2,523
Other current financial debt	103	1,109	(1,006)
CURRENT FINANCIAL LIABILITIES	**12,056**	**12,153**	**(97)**

NOTES TO THE MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

The following are commentaries on the principal items of the income statement for the period ended on 30 June 2016, compared with the period ended on 30 June 2015.

REVENUES

23. Revenues

The following table shows a breakdown of revenues by business segment for the half-years ended 30 June 2016 and 2015.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Revenues from aeronautical services	20,857	18,639	2,218
Revenues from non-aeronautical services	16,957	15,136	1,821
Revenues from construction services	3,836	1,237	2,599
Other operating revenues and income	321	450	(129)
REVENUES	**41,971**	**35,462**	**6,509**

For more detailed information on revenue trends, please see the Directors' Report.

i. Revenues from aeronautical services

The following table shows a breakdown of revenues from aeronautical services for the half-years ended 30 June 2016 and 2015.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Revenues from centralised infrastructure/other airport services	275	256	19
Revenues from fees/ exclusive-use assets	615	557	58
Revenues from airport fees	29,238	25,063	4,175
Revenues from PRM fees	1,866	1,299	567
Incentives for the development of air traffic	(13,203)	(10,397)	(2,806)
Other aeronautical revenues	2,066	1,861	205
TOTAL REVENUES FROM AERONAUTICAL SERVICES	**20,857**	**18,639**	**2,218**

The following is a breakdown of revenues from airport fees:

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Passenger boarding fees	14,576	11,701	2,875
Landing, take-off and parking fees	8,376	6,908	1,468
Passenger security fees	4,536	4,199	337
Hold luggage security fees	1,351	1,972	(621)
Freight movements charges	399	283	116
TOTAL REVENUES FROM AIRPORT FEES	**29,238**	**25,063**	**4,175**

ii. Revenues from non-aeronautical services

The following table shows a breakdown of revenues from non-aeronautical services for the half-years ended 30 June 2016 and 2015.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Sub-licensing of retail areas and premises	7,410	6,700	710
Parking	6,697	6,055	642
Other commercial revenues	2,850	2,381	469
TOTAL REVENUES FROM NON-AERONAUTICAL SERVICES	**16,957**	**15,136**	**1,821**

Other commercial revenues are itemised below:

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Ticketing	33	25	8
Marconi Business Lounge	947	819	128
Advertising	809	731	78
Miscellaneous commercial revenues	1,061	806	255
TOTAL OTHER COMMERCIAL REVENUES	**2,850**	**2,381**	**469**

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.
These revenues totalled Euro 3.8 million in the first half of 2016, an increase compared with the Euro 1.2 million generated in the first half of 2015 as a result of greater investments made.

iv. Other Revenues and Income

The following table shows a breakdown of other revenues and income for the half-years ended on 30 June 2016 and 2015.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Compensation, reimbursements and other income	315	416	(101)
Contributions to operating expenses	6	30	(24)
Capital gains	0	4	(4)
TOTAL OTHER OPERATING REVENUES AND INCOME	**321**	**450**	**(129)**

COSTS

24. Costs

i. Consumables and goods

The following table shows a breakdown of the cost of consumables and goods for the half-years ended 30 June 2016 and 2015.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Consumables and goods	184	164	20
Maintenance materials	72	72	0
Fuels	442	648	(206)
TOTAL CONSUMABLES AND GOODS	**698**	**884**	**(186)**

The reduction in fuel costs was due mainly to lower purchases of aviation fuel.

ii. Services Costs

The following table shows a breakdown of services costs for the half-years ended 30 June 2016 and 2015.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Maintenance costs	2,217	1,818	399
Utilities	1,015	1,334	(319)
Cleaning and similar services	961	889	72
Third-party services	2,565	2,765	(200)
Marconi Business Lounge services	127	108	19
Advertising, promotion and development	473	429	44
Insurance	362	396	(34)
Professional and consultancy services	762	700	62
Fees and reimbursements for statutory bodies	285	288	(3)
Other services costs	226	186	40
TOTAL SERVICES COSTS	**8,993**	**8,913**	**80**

On the whole, there were no major changes in services costs for the two half-years being compared. The most significant were the growth in maintenance costs due to additional work on buildings and the runway and work related to airport access, as well as savings on utilities and snow clearance expenses due to greater efficiency and better weather conditions in 2016.
Below are further details of maintenance costs:

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Maintenance costs of owned assets	411	363	48
Maintenance costs of airport infrastructure	1,596	1,327	269
Maintenance costs of third-party assets	210	128	82
TOTAL MAINTENANCE COSTS	**2,217**	**1,818**	**399**

The following shows a breakdown of third-party services:

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Snow clearance	239	445	(206)
Porterage, transport and third-party services	32	18	14
PRM services	633	532	101
De-icing services and other public service costs	291	484	(193)
Security services	540	484	56
Other third-party services	830	802	28
TOTAL THIRD-PARTY SERVICES	**2,565**	**2,765**	**(200)**

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 fees, rentals and other costs for the half-years ended 30 June 2016 and 2015.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Concession fees	2,499	2,152	347
Rental fees	183	156	27
Payable rents	252	241	11
Data processing fees	498	418	80
Other costs for using third-party assets	6	9	(3)
TOTAL LEASES, RENTALS AND OTHER COSTS	**3,438**	**2,976**	**462**

Overall, the item “Leases, rentals and other costs” rose mainly due to the growth of traffic used to calculate airport concession fees and security services fees.

v. Other operating expenses

The following table shows a breakdown of other operating expenses for the half-years ended on 30 June 2016 and 2015.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Tax charges	658	682	(24)
Fire-fighting service contribution	648	665	(17)
Credit losses	0	20	(20)
Capital losses	1	1	0
Other operating costs and expenses	125	202	(77)
TOTAL OTHER OPERATING EXPENSES	**1,432**	**1,570**	**(138)**

vi. Personnel costs

The following table shows a breakdown of personnel costs for the half-years ended 30 June 2016 and 2015.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Salaries and wages	8,898	8,123	775
Social security contributions	2,497	2,322	175
Severance	649	604	45
Pension and similar	93	110	(17)
Other personnel costs	712	683	29
TOTAL PERSONNEL COSTS	**12,849**	**11,842**	**1,007**

Personnel costs rose in the first half of 2016 mainly due to the increase in the Group's workforce (average workforce +27, full-time equivalents +21) as a result of insourcing certain activities and an increase in traffic. The increased cost was also due to the application of the penultimate tranche of the new collective bargaining agreement (starting July 2015) and salary increases.

Other personnel costs break down as follows:

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Staff canteen	310	291	19
Personnel training and refresher courses	58	68	(10)
Personnel travel expenses	88	109	(21)
Other provisions to personnel-related funds	45	0	45
Miscellaneous personnel costs	211	215	(4)
TOTAL OTHER PERSONNEL COSTS	**712**	**683**	**29**

Average workforce (no. of staff)	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Executive Managers	10	10	
White-collar workers	362	343	19
Blue-collar workers	97	89	8
TOTAL PERSONNEL	**469**	**442**	**27**

25. Depreciation and amortisation

The following table shows a breakdown of depreciation and amortisation for the half-years ended 30 June 2016 and 2015.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Amortisation of concession rights	2,616	2,578	38
Amortisation of other intangible assets	249	227	22
Depreciation of tangible assets	809	710	99
TOTAL DEPRECIATION AND AMORTISATION	**3,674**	**3,515**	**159**

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

26. Provisions for risks and charges

The following table presents a breakdown of provisions for risks and charges for the half-years ended on 30 June 2016 and 2015.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Provisions for doubtful accounts	38	8	30
Provisions for renewal of airport infrastructure	1,405	1,550	(145)
Other provisions for risks and charges	(107)	15	(122)
TOTAL PROVISIONS FOR RISKS AND CHARGES	**1,336**	**1,573**	**(237)**

Savings were due to lower provisions for renewal of airport infrastructure and lower provisions for risks and charges; for more information, see Notes 8, 15 and 16.

27. Financial Income and Expenses

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Income from securities	52	40	12
Financial income other than the previous items	104	47	57
TOTAL FINANCIAL INCOME	**156**	**87**	**69**
Interest expenses and bank charges	(745)	(315)	(430)
Other financial expenses	(2)	(17)	15
TOTAL FINANCIAL EXPENSES	**(747)**	**(332)**	**(415)**
TOTAL FINANCIAL INCOME AND EXPENSES	**(591)**	**(245)**	**(346)**

The increase in financial income was due to higher interest income resulting from greater available cash. The increase in financial expenses was due to an increase in:

- interest expense due to higher debt in the first half of 2016 as a result of the drawdown in June 2015 of the loan obtained in 2014;
- financial expenses on the discounting of provisions.

On the whole, as a result of the above, during the half-year under review there was an increase in net financial expense.

28. Taxes for the period

The following table shows a breakdown of taxes for the period for the half-years ended 30 June 2016 and 2015.

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
Current taxes	1,428	704	724
Prepaid and deferred taxes	132	31	101
TOTAL TAXES FOR THE PERIOD	**1,560**	**735**	**825**
Current taxes as a % of result before tax	**26.91%**	**25.45%**	
Taxes for the period as a % of result before taxes	**29.40%**	**26.57%**	

The following table shows the reconciliation of the effective IRES rate with the theoretical rate:

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015
Result before taxes	5,307	2,766
Ordinary tax rate	**27.50%**	**27.50%**
Theoretical tax burden	1,459	761
Effect of increase or decrease in the ordinary tax rate		
Taxed provisions deductible in subsequent financial years	54	228
Costs deductible in subsequent financial years	1,604	1,325
Other non-deductible costs	533	521
Use of provisions taxed in prior financial years	(136)	(361)
Costs not deducted in prior financial years	(1,670)	(947)
Other differences	(1,579)	(716)
Change in deferred/prepaid taxes from IAS conversion	(113)	(99)
Total increases/decreases	**(1,307)**	**(49)**
Tax impact on changes at 27.5%	(359)	(13)
IRES for the period	1,100	747
Effective tax rate	**20.73%**	**27.01%**

In the first half of 2016 the effective IRES rate decreased largely due to the favourable impact of ACE (economic growth incentive, Decree Law 201/2011, art. 1) following the cash contribution made as part of the stock market listing process. This IRES reduction was partially offset by the non-recognition (unlike in 2015) of income for recording the tax credit for investments in new capital assets pursuant to art. 18 of Decree Law 91 of 24 June 2014.

Lastly, the following table shows a breakdown of current taxes for the two periods:

in thousands of Euro	for the half-year ended 30.06.2016	for the half-year ended 30.06.2015	Change
IRES	1,100	747	353
IRAP	323	223	100
IRES income for energy savings	0	(152)	152
Taxes for previous financial periods	5	(114)	119
TOTAL	**1,428**	**704**	**724**

Related Party Transactions

A definition of "Related Parties" can be found in IAS 24, approved by EC Regulation No. 1725/2003.
Intercompany transactions are executed as part of ordinary operations and under normal market conditions.
Related party transactions mainly pertain to commercial and financial transactions, as well as relations in accordance with the tax consolidation regime.
None of those relationships is of particular economic or strategic importance for the Group because receivables, payables, revenues and costs with related parties do not represent a significant share of the total amounts in the financial statements.
The shareholder Bologna Chamber of Commerce has been identified as Government, making it exempt from related party disclosure under IAS 24.
The classification of Bologna Chamber of Commerce as Government has consequently limited the scope of the checks for the purpose of identifying related parties to solely the identification of the Bologna Chamber of Commerce.
The financial statements furthermore contain no further information regarding the Company's relationship with the shareholder Bologna Chamber of Commerce, because there are no significant transactions with that shareholder.
The following tables show the balances for the related party transactions contained in the financial statements.

in thousands of Euro	at	
	30.06.2016	
	Total	Of which related parties
Concession Rights	156,222	0
Other intangible assets	950	0
Intangible assets	**157,172**	***0***
Property, plant and equipment	9,703	0
Investment property	4,732	0
Tangible assets	**14,435**	***0***
Investments	147	0
Other non-current financial assets	20,099	0
Deferred tax assets	7,512	0
Other non-current assets	1,372	0
Other non-current assets	**29,130**	***0***
NON-CURRENT ASSETS	**200,737**	***0***
Inventories	458	0
Trade receivables	14,107	0
Other current assets	9,142	0
Current financial assets	14,927	920
Cash and cash equivalents	17,431	0
CURRENT ASSETS	**56,065**	***920***
TOTAL ASSETS	**256,802**	**920**

in thousands of Euro	at	
	30.06.2016	
	Total	Of which related parties
Share capital	90,250	0
Reserves	63,787	0
Result for the period	3,712	0
GROUP SHAREHOLDERS' EQUITY	**157,749**	**0**
MINORITY INTERESTS	**546**	**0**
TOTAL SHAREHOLDERS' EQUITY	**158,295**	**0**
Severance and other personnel provisions	4,927	0
Deferred tax liabilities	2,185	0
Provisions for renewal of airport infrastructure	10,282	0
Provisions for risks and charges	1,393	0
Non-current financial liabilities	27,792	0
Other non-current liabilities	194	0
NON-CURRENT LIABILITIES	**46,773**	***0***
Trade payables	13,529	2
Other liabilities	21,948	0
Provisions for renewal of airport infrastructure	3,279	0
Provisions for risks and charges	922	0
Current financial liabilities	12,056	0
CURRENT LIABILITIES	**51,734**	***2***
TOTAL LIABILITIES	**98,507**	**2**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**256,802**	**2**

in thousands of Euro	for the half-year ended		for the half-year ended	
	30.06.2016		30.06.2015	
	Total	Of which related parties	Total	Of which related parties
Revenues from aeronautical services	20,857	40	18,639	218
Revenues from non-aeronautical services	16,957	47	15,136	257
Revenues from construction services	3,836	0	1,237	0
Other operating revenues and income	321	13	450	88
Revenues	**41,971**	**100**	**35,462**	**563**
Consumables and goods	(698)	0	(884)	0
Services costs	(8,993)	(181)	(8,913)	(1,211)
Costs for construction services	(3,653)	0	(1,178)	0
Leases, rentals and other costs	(3,438)	0	(2,976)	0
Other operating expenses	(1,432)	0	(1,570)	0
Personnel costs	(12,849)	0	(11,842)	0
Costs	**(31,063)**	**(181)**	**(27,363)**	**(1,211)**

Amortisation of concession rights	(2,616)	0	(2,578)	0
Amortisation of other intangible assets	(249)	0	(227)	0
Depreciation of tangible assets	(809)	0	(710)	0
Depreciation and amortisation	**(3,674)**	**0**	**(3,515)**	**0**
Provisions for doubtful accounts	(38)	0	(8)	0
Provisions for renewal of airport infrastructure	(1,405)	0	(1,550)	0
Provisions for other risks and charges	107	0	(15)	0
Provisions for risks and charges	**(1,336)**	**0**	**(1,573)**	**0**
Total costs	**(36,073)**	**(181)**	**(32,451)**	**(1,211)**
Operating result	**5,898**	**(81)**	**3,011**	**(648)**
Financial income	156	7	87	23
Financial expenses	(747)	0	(332)	0
Result before taxes	**5,307**	**(74)**	**2,766**	**(625)**
Taxes for the period	(1,560)	0	(735)	0
Profit (loss) for the period	**3,747**	**(74)**	**2,031**	**(625)**
Minority interests in profit (loss)	**35**		**49**	
Group profit (loss)	**3,712**		**1,982**	

	in thousands of Euro	for the half-year ended 30.06.2016	Of which related parties
A	Cash	24	0
B	Other cash equivalents	17,407	0
C	Securities held for trading	2,879	0
D	**Liquidity (A+B+C)**	**20,310**	**0**
E	**Current financial receivables**	**12,048**	**920**
F	Current bank debt	(103)	0
G	Current portion of non-current debt	(7,450)	0
H	Other current financial debt	(4,503)	0
I	**Current financial debt (F+G+H)**	**(12,056)**	**0**
J	**Net current financial debt (I-E-D)**	**20,302**	**920**
K	Non-current bank debt	(27,792)	0
L	Bonds issued	0	0
M	Other non-current liabilities	0	0
N	**Non-current financial debt (K+L+M)**	**(27,792)**	**0**
O	**Net financial debt (J+N)**	**(7,490)**	**920**

The following are the changes that occurred with individual related parties.

First half of 2016												
in thousands of Euro	Revenues from aeronautical services	Revenues from non-aeronautical services	Other operating revenues and income	TOTAL REVENUES	Consumables and goods	Services costs	Leases, rentals and other costs	Other operating expenses	Personnel costs	TOTAL COSTS	Financial income	Financial expenses
Marconi Handling S.r.l.	40	47	13	100	0	(181)	0	0	0	(181)	0	0
GH Italia S.r.l.	0	0	0	0	0	0	0	0	0	0	7	0
Total	**40**	**47**	**13**	**100**	**0**	**(181)**	**0**	**0**	**0**	**(181)**	**7**	**0**

First half of 2015												
in thousands of Euro	Revenues from aeronautical services	Revenues from non-aeronautical services	Other operating revenues and income	TOTAL REVENUES	Consumables and goods	Services costs	Leases, rentals and other costs	Other operating expenses	Personnel costs	TOTAL COSTS	Financial income	Financial expenses
Marconi Handling S.r.l.	218	257	88	**563**	0	(1,211)	0	0	0	**(1,211)**	0	0
Banco Popolare Soc Coop.	0	0	0	**0**	0	0	0	0	0	**0**	23	0
Total	**218**	**257**	**88**	**563**	**0**	**(1,211)**	**0**	**0**	**0**	**(1,211)**	**23**	**0**

First half of 2016												
in thousands of Euro	Property, plant and equipment	Other non-current financial assets	Total non-current assets	Trade receivables	Other current assets	Current financial assets	Total current assets	Total assets	Trade payables	Other liabilities	Total current liabilities	Total liabilities
Marconi Handling S.r.l.	0	0	**0**	0	0	0	**0**	**0**	2	0	**2**	**2**
GH Italia S.r.l.	0	0	**0**	0	0	920	**920**	**0**	0	0	**0**	**0**
Total	**0**	**0**	**0**	**0**	**0**	**920**	**920**	**0**	**2**	**0**	**2**	**2**

The tables above show transactions in the first halves of 2016 and 2015 with the related parties Marconi Handling S.r.l. and GH Italia S.p.A.

The following related-party status were no longer in effect at 30 June 2016 due to the resignation of an executive of the Parent Company from the position of board member of Marconi Handling S.r.l. in February 2016:

- Marconi Handling S.r.l. was a related party because an executive of the Parent Company was a member of the Marconi Handling S.r.l. Board of Directors;
- GH Italia S.p.A. is the sole shareholder of Marconi Handling S.r.l.

The tables above show the amounts accrued by the Group in relation to:

1) Marconi Handling S.r.l. at 31 January 2016 related to:
   - revenues from aeronautical services from agreements to sub-licence premises, operating areas and check-in counters;
   - revenues from non-aeronautical services from agreements covering vehicle maintenance services, de-icing equipment rental and the PRM service;
   - other operating revenues and income for ancillary sub-licensing fees from operating areas leased to Marconi Handling;
   - services costs from agreements covering the PRM assistance service, the de-icing service, and night flight assistance services.
2) GH Italia S.r.l. at 31 January 2016 related to a receivable for the remaining instalments of the contractual payment for the sale of the stake in Marconi Handling including the corresponding interest income on the instalment payment plan.

All transactions with the above-described related parties are carried out as part of normal operations and under normal market conditions.

Financial Risk Classification and Management

For information regarding the financial risk classification and management procedures required by article 2428, section 2, no. 6-bis of the Civil Code, please see the pertinent section of the Directors' Report.

The Chairman of the Board of Directors
(Enrico Postacchini)

Bologna, 29 August 2016

Declaration of the Chief Executive Officer and the officer responsible for the preparation of the corporate accounting documents of Aeroporto Guglielmo Marconi di Bologna S.p.A. pursuant to the provision of article 154-bis paragraph 5 TUF (Testo Unico Finanziario [Consolidated Law on Financial Intermediation]

1. The undersigned, Nazareno Ventola and Patrizia Muffato in their respective capacities as Chief Executive Officer and officer responsible for the preparation of the corporate accounting documents of Aeroporto Guglielmo Marconi di Bologna S.p.A., hereby certify, pursuant to article 154-bis, paragraphs 3 and 4, of legislative decree No. 58, of 24 February 1998:

   - the accounting procedures for the preparation of the Half-year consolidated financial statements at June 30, 2016, are adequate based on the characteristics of the company;
   - the effective adoption of the administrative and accounting procedures for the preparation of the consolidated financial statements.

2. The assessment of the adequacy of administrative and accounting procedures for the preparation of the Half-year Consolidated financial statements at June 30, 2016 was based on a process defined by Aeroporto Guglielmo Marconi di Bologna S.p.A., in compliance with the Internal Control-Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which represents the standard reference generally accepted at the international level.

3. In addition we certify that:
   3.1 The Half-year consolidated financial statements at June 30, 2016:
      a) has been prepared in accordance with applicable international accounting standards recognized in the European Community within the meaning of (EC) Regulation No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
      b) correspond to the information in the books and other accounting documents and records;
      c) provide a true and fair representation of the financial, economic and assets situation of the issuer and all the companies included in the scope of consolidation.

   3.2 The interim Directors' report includes a reliable analysis of the material events occurred during the first half of 2016 and their impact on Half-year consolidated financial statements, as well as a description of the main risks and uncertainties for the second half of the year. The interim operating and financial review contains a reliable analysis of the disclosure on significant related-partly transactions.

4. The assessment of the adequacy of administrative and accounting procedures for the preparation of the Half-Year Consolidated Financial Statements at 30 June 2016 was based on a process defined by Aeroporto Guglielmo Marconi di Bologna S.p.A., in compliance with the Internal Control-Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which represents the standard reference generally accepted at international level.

   Bologna, 29 August 2016

The Chief Executive Officer	**The Chief Financial Officer**
(Nazareno Ventola)	(Patrizia Muffato)

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Review report on the interim condensed consolidated financial statements
(Translation from the original Italian text)

To the Shareholders of
Aeroporto Guglielmo Marconi di Bologna S.p.A.

Introduction

We have reviewed the interim condensed consolidated financial statements, comprising the statement of financial position as of June 30, 2016, the income statement, the statement of comprehensive income, the statement of changes in equity and cash flow statement for the period then ended and the related notes of Aeroporto Guglielmo Marconi di Bologna S.p.A. and its subsidiaries (the "Aeroporto di Bologna Group"). The Directors are responsible for the preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of 31 July 1997. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements of Aeroporto di Bologna Group as of June 30, 2016 are not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Bologna, August 29, 2016

EY S.p.A.
Andrea Nobili
(Partner)

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

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