SAVE Group

Half-Year Financial Report at 30 June 2016

2016

SAVE Group

Consolidated Half-Year Report
at June 30, 2016

Contents

Based on the shareholders' register, through communications received in accordance with Article 120 of Legislative Decree No. 58/98 and other information available to the company, the shareholders of SAVE S.p.A. with holdings of greater than 3% at June 30, 2016 were the following (in addition to treasury shares held at that date):

	% HELD
MARCO POLO HOLDING S.R.L.	51.23
SAN LAZZARO INVESTMENTS SPAIN SL	21.29
AGORA' INVESTIMENTI SPA	7.82
METROPOLITAN CITY OF VENICE	4.78
MARKET	13.74
SAVE SPA	1.14

The share percentage holdings of Companies belonging to Finanziaria Internazionale Holding S.p.A. as the majority shareholder are reported below.

	% HELD
MARCO POLO HOLDING SRL	51.23
AGORA' INVESTIMENTI SPA	7.82
FINANZIARIA INTERNAZIONALE HOLDING SPA	0.59
TOTAL	**59.64**

Board of Directors

The Board of Directors appointed by the Shareholders' AGM of April 21, 2015 and in office at June 30, 2016 were:

Name	**Office**
Enrico Marchi	Chairman & CEO
Monica Scarpa	CEO
Alberto Angeloni	Director *
Maurizio Cereda	Director * (B)
Massimo Colli	Director *
Alberto Donzelli	Director (B)
Maria Leddi	Director *
Francesco Lorenzoni	Director
Giorgio Martorelli	Director * (A)
Ronald P. Spogli	Director * (B)

Paola Tagliavini	Director * (A)
Sandro Trevisanato	Director * (A)

* Independent Director.
(A) Member of the Control & Risks Committee.
(B) Member of the Remuneration Committee.

Board of Statutory Auditors

The Board of Statutory Auditors appointed by the Shareholders' AGM of April 21, 2015 and in office at June 30, 2016 were:

Name	**Office**
Antonio Aristide Mastrangelo	Chairman
Arcangelo Boldrin	Statutory Auditor
Lino De Luca	Statutory Auditor
Paola Ferroni	Statutory Auditor
Nicola Serafini	Statutory Auditor
Paola Cella	Alternate Auditor
Marco Salvatore	Alternate Auditor

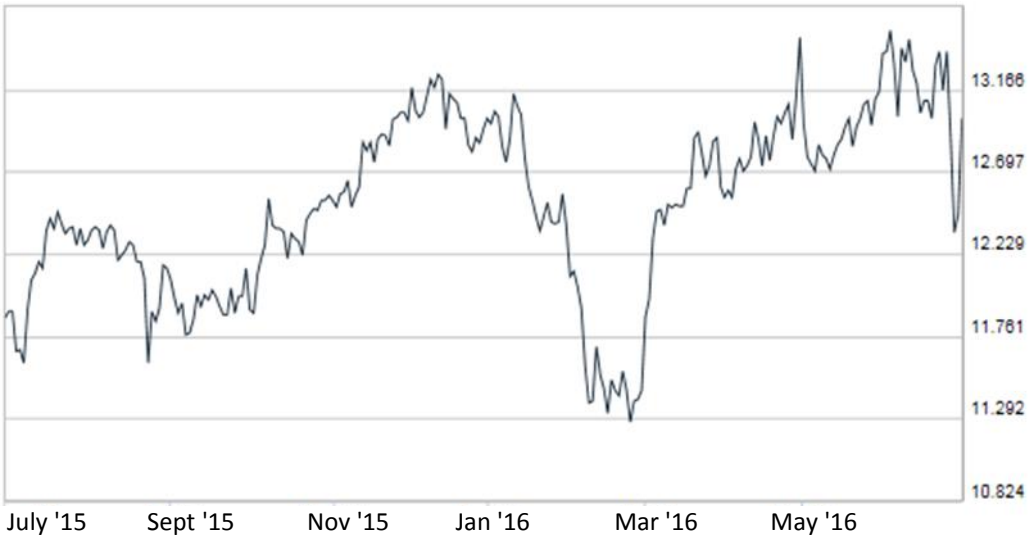
Independent Audit Firm

Deloitte & Touche S.p.A. (appointed by the Shareholders' AGM of April 29, 2014)

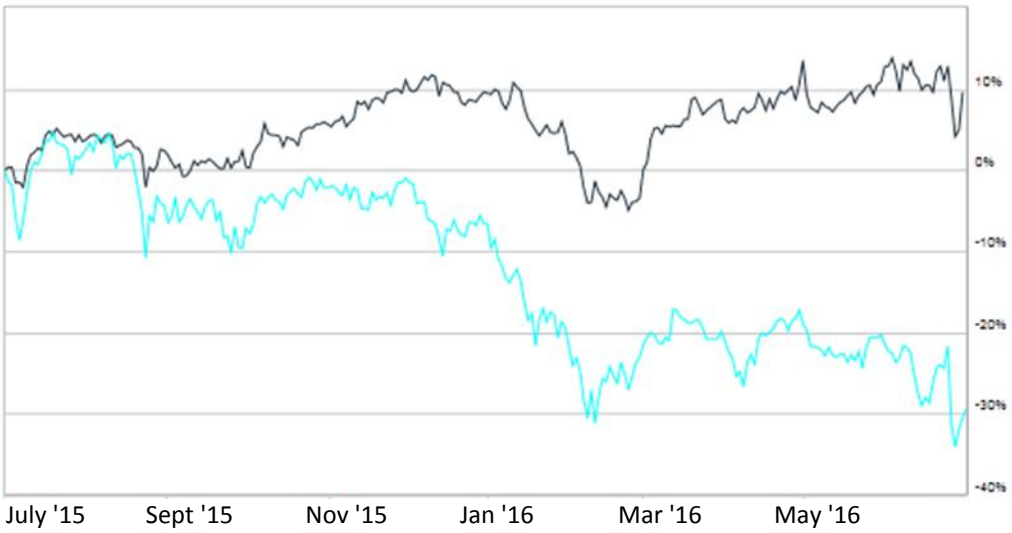
Interim Directors' Report

Share performance

The Save share performance in H1 2016 is outlined below and tracked against the FTSE IT All-Share index. The official price at June 30, 2016 was Euro 12.959 per share.
The Stock market capitalisation at this date was approx. Euro 717 million.
The performance of the Save share in comparison with the FTSE All Share index is outlined below.



Save



Save - Ftse All Share

Consolidated Financial Highlights

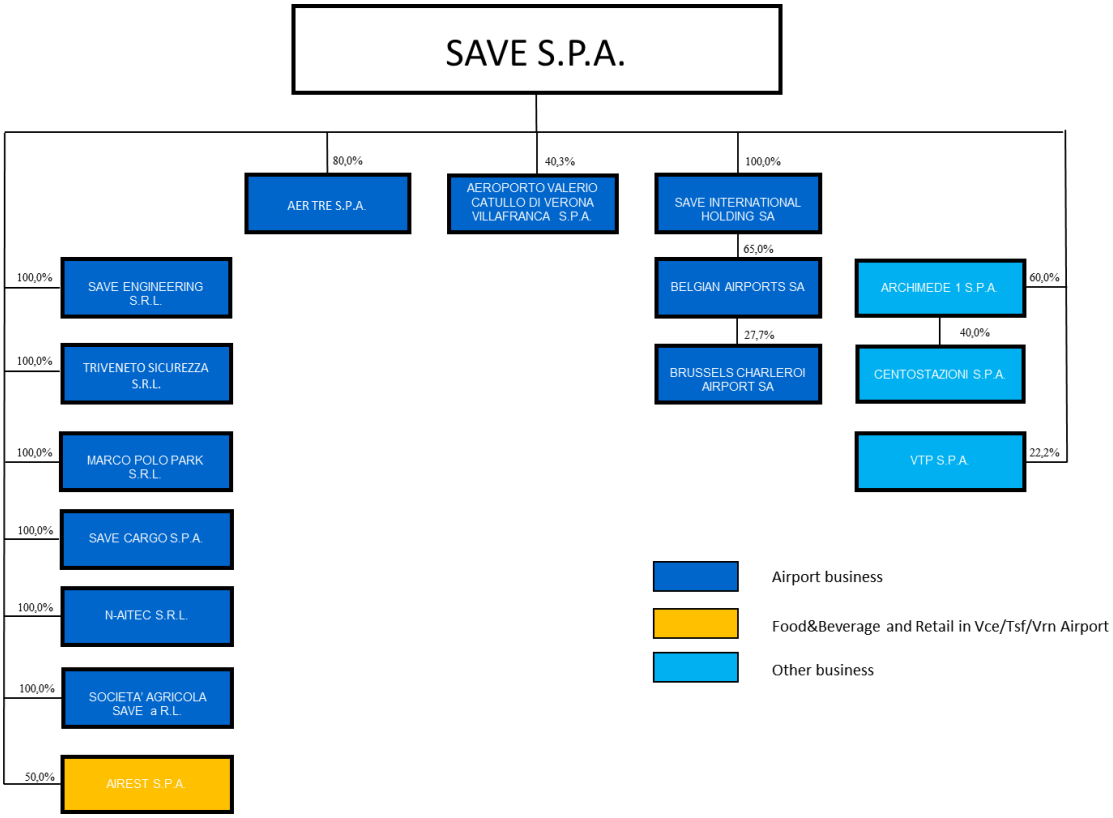
(in Euro millions)	H1 2016	H1 2015	CGE. %	2015
Revenues	86.0	74.2	15.9%	166.4
EBITDA*	36.6	29.7	23.4%	73.7
EBIT**	25.3	20.2	24.9%	53.5
Net Profit	16.0	12.2	31.5%	52.7
Fixed Capital Employed	525.8	441.3	19.2%	496.8
Net operating working capital	(67.4)	(48.4)	39.3%	(67.7)
Net capital employed* **	**458.5**	**392.9**	**16.7%**	**429.2**
- Own Funds	196.5	195.1	0.7%	211.5
- Minority shareholders	29.1	28.2	3.0%	28.7
SHAREHOLDERS' EQUITY	**225.6**	**223.4**	**1.0%**	**240.2**
NET FINANCIAL POSITION	**232.9**	**169.5**	**37.4%**	**189.0**
EBIT/Revenues (ROS)	29.4%	27.3%		32.2%
EBIT/Net capital employed Continuing Operations (ROI)	N.A.	N.A.		12.5%
NFP/Net equity - Gearing	1.03	0.76		0.79

A number of alternative performance indicators not governed by IFRS are utilised in the present report, as described in the dedicated paragraph of the Directors' Report.

The SAVE Group

SAVE S.p.A. ("Save" or the "Parent Company") is an investment holding company which principally operates as an airport manager. It directly manages Venice Marco Polo Airport and controls Treviso Antonio Canova Airport. The company also has significant holdings in Verona Valerio Catullo Airport and in Charleroi Airport (Belgium).
Save also holds companies operating in the airport and in the transport infrastructure management and related services sectors.

We report below the structure of the principal operating companies of the SAVE Group at June 30, 2016.



Market performance

The first half of 2016 featured a series of opposing developments. Against on the one hand a recovery, although contained, in the Eurozone, a heightened climate of instability emerged due to persistent geopolitical and terrorist threats. In addition to the issues originating in preceding years, Great Britain's referendum decision of June 23 - which will lead to the exit of one of the largest European Union economies - was a further development for which all of the economic and social knock-on effects are difficult to predict.

At an economic and financial level, the ECB continued to play its role in stimulating investment and ensuring market stability. The decision to permit the acquisition of bonds issued not only by EU states further supported the business lending market with a view to sparking investment. The Eurozone recovery continued in the second quarter, although at a slower pace than the first, while consumer inflation in June creeped back into positive territory[1].

The gradual recovery in Italy continued on the back of improving domestic demand; the expectation of recovering investment however is significantly conditioned by global uncertainty and the very latest international events certainly risk putting back decision making which has lacked impetus[1].

In this climate, European traffic (as communicated by ACI Europe), following a first quarter with average growth of 8.2%, saw a significant drop off in the months of April and May (respectively of +3% and +3.6%), with a divergence among EU and non-EU countries and the latter experiencing difficulties, reporting in May its first contraction (-2.5%) since 2009. Political uncertainties and the numerous terrorist attacks have certainly had a major impact in stemming traffic increases and may represent also in the future the biggest risk to the market, in spite of continued growth support in the form of continued low fuel prices and the resilience of air traffic performances to general economic developments, which has become a commonly used means of transport.

In Italy, traffic numbers for the first five months of 2016 were also up, supported by the low cost airlines which have now begun to operate also out of the major airports (+4.3% on the previous year).
Against this backdrop, the Venice-Treviso airport system reported growth rates significantly above the national average at 9.6%.

[1] Source: Bank of Italy Bulletin

H1 significant events

During the period, the structure of the Group headed by Airest S.p.A., held equally with the Lagardére Group, was simplified through the merger, effective from August 1, 2016, of the holding companies into the operating company Airest Retail Srl, which will therefore become a direct subsidiary of SAVE S.p.A..

The cargo management and movement activities were conferred in the period by SAVE S.p.A. to SAVE Cargo S.p.A. in order to concentrate operations in a single legal entity.

Consolidated Operational Overview

The SAVE Group consolidated reclassified income statement is reported below (in thousands of Euro):

Euro/000	H1 2016		H1 2015		CHANGE	
Operating revenue and other income	**85,964**	**100.0%**	**74,173**	**100.0%**	**11,791**	**15.9%**
Raw materials and goods	818	1.0%	770	1.0%	48	6.2%
Services	19,016	22.1%	17,051	23.0%	1,965	11.5%
Lease and rental costs	4,607	5.4%	4,198	5.7%	409	9.7%
Personnel costs	24,251	28.2%	21,755	29.3%	2,496	11.5%
Other operating charges	694	0.8%	748	1.0%	(54)	-7.2%
Total operating costs	**49,386**	**57.4%**	**44,522**	**60.0%**	**4,864**	**10.9%**
EBITDA	**36,578**	**42.6%**	**29,651**	**40.0%**	**6,927**	**23.4%**
Amortisation & write-down of intangible assets	4,814	5.6%	3,785	5.1%	1,029	27.2%
Depreciation & write-down of tangible assets	3,810	4.4%	3,399	4.6%	411	12.1%
Replacement provision	2,160	2.5%	1,810	2.4%	350	19.3%
Losses & doubtful debt provision	116	0.1%	104	0.1%	12	11.5%
Provision for risks and charges	407	0.5%	322	0.4%	85	26.4%
Total amortisation, depreciation, provisions and write-downs	**11,307**	**13.2%**	**9,420**	**12.7%**	**1,887**	**20.0%**
EBIT	**25,271**	**29.4%**	**20,231**	**27.3%**	**5,040**	**24.9%**
Net financial income/(charges)	(1,840)	-2.1%	(1,846)	-2.5%	6	0.3%
Profit/losses from associates carried at equity	450	0.5%	(237)	-0.3%	687	N.A.
Profit before taxes	**23,881**	**27.8%**	**18,148**	**24.5%**	**5,733**	**31.6%**
Income tax	7,815	9.1%	5,972	8.1%	1,843	30.9%
Profit from Continuing Operations	**16,066**	**18.7%**	**12,176**	**16.4%**	**3,890**	**31.9%**
Profit/(loss) from Discontinued Operations/Held-for-sale	(60)	-0.1%	0	0.0%	(60)	N.A.
Net Profit	**16,006**	**18.6%**	**12,176**	**16.4%**	**3,830**	**31.5%**
Minorities	(335)	-0.4%	(126)	-0.2%	(209)	-165.9%
Group Net Profit	**15,671**	**18.2%**	**12,050**	**16.2%**	**3,621**	**30.0%**

Revenues in the first half of the year totalled Euro 86 million, increasing 15.9% on H1 2015. They principally derive from Group operations at Venice and Treviso airports and are broken down as follows:

	H1 2016				H1 2015				CHANGE				CHANGE %
Euro/000	Total	Venice	Treviso	Others	Total	Venice	Treviso	Others	Total	Venice	Treviso	Others	Total
Aviation fees & tariffs	56,384	50,131	6,253	0	47,605	41,751	5,854	0	8,779	8,380	399	0	18.4%
Cargo Handling Depot	1,408	1,407	1	0	1,370	1,370	0	0	38	37	1	0	2.8%
Handling	1,046	439	607	0	1,107	582	525	0	(61)	(143)	82	0	-5.5%
Aviation revenue	**58,838**	**51,977**	**6,861**	**0**	**50,082**	**43,703**	**6,379**	**0**	**8,756**	**8,274**	**482**	**0**	**17.5%**
Ticketing	42	14	28	0	59	23	36	0	(17)	(9)	(8)	0	-28.8%
Parking	6,654	5,908	746	0	5,830	5,243	587	0	824	665	159	0	14.1%
Advertising	965	909	56	0	976	927	49	0	(11)	(18)	7	0	-1.1%
Commercial	13,897	12,535	1,362	0	13,033	11,752	1,281	0	864	783	81	0	6.6%
Non-Aviation revenue	**21,558**	**19,366**	**2,192**	**0**	**19,898**	**17,945**	**1,953**	**0**	**1,660**	**1,421**	**239**	**0**	**8.3%**
Other income	**5,568**	**2,758**	**170**	**2,640**	**4,193**	**1,962**	**153**	**2,078**	**1,375**	**796**	**17**	**562**	**32.8%**
Total Revenue	**85,964**	**74,101**	**9,223**	**2,640**	**74,173**	**63,610**	**8,485**	**2,078**	**11,791**	**10,491**	**738**	**562**	**15.9%**

The most significant events impacting revenues were:

- growth of *aviation revenue* of approx. Euro 8.8 million (+17.5%) due to the increase in tariffs agreed for Venice airport and improved system passenger traffic of +9.6%; Handling revenues were impacted by reduced general aviation traffic (-27.2%), mainly due to the absence of the Venice Biennale;

- *non-aviation revenue* growth of approx. Euro 1.7 million (+8.3%), driven particularly by the strong parking revenues (+14.1%); commercial revenues grew 6.6% on the first half of the previous year, with stable advertising revenues impacted by the major current terminal extension works;
- *other revenues* were up Euro 1.4 million (+32.8%), benefitting from increased internal capitalisations for Euro 0.4 million and higher cost recharges for Euro 0.5 million, in addition to an insurance repayment of Euro 0.2 million.

EBITDA totalled Euro 36.6 million, up 23.4% compared to the first half of 2015. The improved result, with the EBITDA margin increasing from 40% in the first half of 2015 to 42.6% in the first half of 2016, follows higher revenues against operating costs which increased Euro 4.9 million (+10.9%). This latter related for Euro 2.5 million to higher labour costs, due to the salary increase established under the National Labour Contract (CCNL) (+Euro 0.8 million) and the expanded workforce, particularly in terms of security and ongoing works management, higher service costs for approx. Euro 2 million, due to increased maintenance charges, additional traffic promo operations and higher recharges for Euro 0.5 million, and the increase in the concession fee for Euro 0.4 million. In the first half, approx. Euro 0.7 million of increased net costs were reported following the conclusion of the contract between Save and the Chief Executive Officer Mr. Simioni on March 14, 2016.

EBIT amounted to Euro 25.3 million, compared to Euro 20.2 million in the first half of 2015 (+24.9%). The increased EBITDA was partially absorbed by higher amortisation, depreciation and provisions of Euro 1.9 million against new assets entering into use.

Net financial charges amounted to Euro 1.4 million compared to approx. Euro 2.1 million in H1 2015. Against substantially stable financial charges and income, the contribution from the result of investments improved from a charge of Euro 0.2 million to income of Euro 0.5 million in the first half of 2016. This result benefitted from the increased contribution from BSCA and Airest for Euro 0.3 million each and from the Verona and Brescia airport management company for Euro 0.2 million.

The **profit before taxes** therefore was approx. Euro 23.9 million, compared to Euro 18.1 million in the first half of 2015 (+31.6%).

The Group **net profit** totalled Euro 15.7 million, compared to approx. Euro 12.1 million in the first half of 2015.

Group Reclassified Balance Sheet

Euro/000	06/30/2016	12/31/2015	Change	06/30/2015
Property, plant & equipment	58,232	59,442	(1,210)	55,651
Airport concession rights	324,353	288,887	35,466	238,781
Intangible fixed assets	11,079	11,073	6	10,566
Financial fixed assets	146,073	149,337	(3,264)	146,214
Deferred tax assets	26,665	26,343	322	29,117
TOTAL FIXED ASSETS	**566,402**	**535,082**	**31,320**	**480,329**
Post-employment benefits	(3,597)	(3,630)	33	(3,932)
Provision for liabilities and deferred taxes	(36,982)	(34,862)	(2,120)	(35,448)
Other non-current assets	7	254	(247)	310
FIXED CAPITAL	**525,830**	**496,844**	**28,986**	**441,259**
Inventories	1,360	1,285	75	1,093
Trade receivables	44,666	33,514	11,152	34,778
Tax assets	3,331	4,943	(1,612)	3,330
Other receivables and other current assets	2,592	2,670	(78)	3,749
Trade payables and advances	(63,219)	(66,909)	3,690	(50,075)
Tax payables	(13,474)	(6,067)	(7,407)	(3,346)
Payables to social security institutions	(3,275)	(3,119)	(156)	(3,196)
Other payables	(39,343)	(33,971)	(5,372)	(34,690)
TOTAL NET WORKING CAPITAL	**(67,362)**	**(67,654)**	**292**	**(48,357)**
TOTAL CAPITAL EMPLOYED	**458,468**	**429,190**	**29,278**	**392,902**
Group Net Equity	196,502	211,462	(14,960)	195,135
Minority interest	29,065	28,733	332	28,228
SHAREHOLDERS' EQUITY	**225,567**	**240,195**	**(14,628)**	**223,363**
Cash and current assets	(52,398)	(69,624)	17,226	(95,259)
Current bank payables	45,993	21,887	24,106	19,820
Non-current bank payables	232,338	230,137	2,201	238,502
Other lenders	424	368	56	60
Financial receivables from group & related companies	(188)	(185)	(3)	(183)
Financial payables to group & related companies	6,732	6,412	320	6,599
TOTAL NET FINANCIAL POSITION	**232,901**	**188,995**	**43,906**	**169,539**
TOTAL FINANCING SOURCES	**458,468**	**429,190**	**29,278**	**392,902**

The Group balance sheet was impacted by the major investments in the period of approx. Euro 43 million for key extension projects at Venice airport.

Consolidated Fixed Capital increased in fact approx. Euro 29 million, financed by the increase in the net debt from approx. Euro 189 million at December 31, 2015 to approx. Euro 233 million at June 30 - due also to the dividend on the 2015 result of Euro 30 million, paid in May 2016.

Specifically, **investments** in the period amounted to approx. Euro 43 million (Euro 43.4 million including cyclical maintenance investments), compared to Euro 38.1 million in the first six months of 2015 and principally include the works at Venice airport, of which approx. Euro 12.8 million for terminal extension works, approx. Euro 10.9 million for the installation of the moving walkway, approx. Euro 8.9 million for the construction of the tri-generation station and approx. Euro 3.4 million for the design and works for the development of the runway and stands.

Working capital was negative for Euro 67.4 million, substantially in line with December 2015 with a significant suppliers' balance (approx. Euro 63.2 million), principally due to investments in the period.

Shareholders' equity totalled Euro 225.6 million, compared to approx. Euro 223.4 million at June 30, 2015. Compared to approx. Euro 240.2 million at December 2015, the principal movements concerned:

- the payment of dividends to shareholders in the first half of the year of Euro 30 million;
- the purchase of treasury shares for approx. Euro 0.6 million;
- the net profit, excluding minority interests, of approx. Euro 16 million.

Net Financial Position

The Group **net debt** increased from Euro 189 million at December 31, 2015 to Euro 232.9 million at June 30, 2016 (Euro 169.5 million at June 30, 2015).

	(Euro thousands)	06/30/2016	12/31/2015	06/30/2015
	Cash and cash equivalents	52,398	69,624	95,259
	Other financial assets	188	185	183
	Financial assets	**52,586**	**69,809**	**95,442**
**	Bank payables	45,993	21,887	19,820
*	Other financial liabilities – current portion	7,069	6,673	6,659
	Current liabilities	**53,062**	**28,560**	**26,479**
**	Bank payables – less current portion	232,338	230,137	238,502
	Other lenders – less current portion	87	107	0
	Non-current liabilities	**232,425**	**230,244**	**238,502**
	Net Financial Position	**(232,901)**	**(188,995)**	**(169,539)**
*	of which net liabilities for derivative contracts carried at fair value	297	225	60
**	Total gross payables to banks	278,331	252,024	258,322

Current financial assets available totalled Euro 52.6 million, reducing approx. Euro 17.2 million on December 2015.
In terms of the cash flow statement, available liquidity (the difference between "Cash and cash equivalents" and "Current bank payables", excluding the current portion of loans) decreased approx. Euro 17.2 million, from approx. Euro 69.6 million at the end of 2015 to approx. Euro 52.4 million at June 30, 2016. Bank loan repayments totalled approx. Euro 13.9 million, with new loans of Euro 40 million disbursed. Operating activities generated cash flows of approx. Euro 36.7 million, substantially from self-financing activities.
Tangible and intangible asset investment absorbed approx. Euro 49.6 million.

Further outflows concerned the payment of dividends of Euro 30 million and treasury share investments of Euro 0.6 million.

Net payables for the fair value measurement of interest rate risk hedging amounted to Euro 297 thousand, compared to net payables of Euro 225 thousand at the end of the previous year and are categorised as "Other current financial liabilities".
Group bank loans, measured under the amortised cost method, totalled Euro 278.3 million. The portion maturing in the coming 12 months amounted to Euro 46 million, of which Euro 43.3 million concerning the Parent Company. Loans due beyond one year totalled Euro 232.3 million, of which none due beyond five years. The Group financial policy is always to align financing and the relative cash flows resulting from the investment decisions of the individual Group companies.
At the reporting date, IRS's on medium/long-term loans were in place against interest rate increases for approx. 10.7% of their total capital value.

Guarantees granted

The following table summarises the guarantees granted by the SAVE Group at June 30, 2016.

Guarantees granted (Euro thousands)	Amount
Sureties:	115
- as a guarantee for lease contracts	64
- as a guarantee for public grants	-
- as a guarantee for tax receivables/payables	13
- other	38
Mortgages	5,300
Total guarantees granted	**5,415**

At June 30, 2016, the guarantees granted by the SAVE Group total approx. Euro 5.4 million and principally concern mortgages.

Human Resources

An analysis of the Group workforce follows.

Workforce at June 30, 2016	06/30/2016		12/31/2015		06/30/2015		Cge. 06/30 - 12/31		Cge. 06/16 - 06/15	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Executives	20	0	19	0	19	0	1	0	1	0
Managers	47	1	42	1	38	2	5	0	9	(1)
White-collar	537	264	511	211	524	246	26	53	13	18
Blue-collar	142	98	143	61	151	62	(1)	37	(9)	36
TOTAL	**746**	**363**	**715**	**273**	**732**	**310**	**31**	**90**	**14**	**53**
TOTAL WORKFORCE	**1,109**		**988**		**1,042**		**121**		**67**	

Employees at June 30, 2016, including both full-time and part-time, in addition to fixed contract employees, totalled 1,109, increasing 121 compared to December 31, 2015.

The full-time equivalent of the total airport activity workforce at June 30, 2016 was 1,025 employees compared to 922 at December 31, 2015.
The expanded workforce on the same period of 2015 follows the strengthening of the technical, operational and security areas alongside infrastructural development, following the major investment which has been rolled out at the terminal, in addition to significant increases in passenger traffic over the last three quarters.

Airport Management Review

Traffic performance

The half-year figures published by Assaeroporti on Italy's airports highlight a rise in traffic of 4.3% on H1 2015, with over 75 million passengers transported at domestic airports and more than 700 thousand movements (+1.5% on the previous year).

Italian airports - Breakdown of passenger traffic by category

	06/30/2016	CGE. % '16/'15
Hubs *	28,176,445	3.5%
Medium-sized airports **	28,116,979	6.9%
Airports with mainly Ryanair traffic ***	14,428,270	1.4%
Other	4,624,020	3.8%
Total	75,345,714	4.3%

*Hubs: Rome Fiumicino, Milan Malpensa

***Airports with more than 3 million pax/year and % Ryanair <50%: Bari, Bologna, Cagliari, Catania, Milan Linate, Naples, Palermo, Turin, Venice, Verona

***Airports with % Ryanair >50%: Alghero, Ancona, Bergamo, Brindisi, Parma, Pescara, Pisa, Rome Ciampino, Trapani, Treviso

Analysing traffic by airport category, it emerges that the hubs of Rome Fiumicino and Milan Malpensa saw an overall increase of 3.5% on the previous year. The Bergamo low-cost airport was confirmed as Italy's third largest airport, with over 5.2 million passengers in the first half of 2016 (+6.7% on 2015).
The Venice Airport System (which includes Venice and Treviso airports) reconfirmed its position as the third largest Italian airport system after Rome and Milan in the first half of the year, exceeding 5.5 million passengers.
Venice was the fifth largest Italian airport after Rome Fiumicino, Milan Malpensa, Bergamo and Milan Linate, with over 4.3 million passengers (+9.8% on H1 2015).
Treviso's performance also improved on 2015 (over 1.2 million passengers, +8.9%).

Venice Airport System

The Venice Airport System transported over 5.5 million passengers in the first six months of 2016, up 9.6% on the previous year, for over 50 thousand movements (+8.4%).
The following table reports the key traffic data for H1 2016 (compared to H1 2015):

VENICE AIRPORT SYSTEM

Year-to-date June

	06.30.2016	% of system	06.30.2015	% of system	Cge. % '16/'15
SAVE					
Movements	41,782	81%	38,318	81%	9.0%
Passengers	4,327,477	78%	3,941,031	77%	9.8%
Tonnage	2,949,721	85%	2,597,261	84%	13.6%
Cargo (Tonnes)	28,567	100%	24,548	100%	16.4%
AERTRE					
Movements	9,531	19%	9,039	19%	5.4%
Passengers	1,247,874	22%	1,146,333	23%	8.9%
Tonnage	532,614	15%	501,393	16%	6.2%
Cargo (Tonnes)	0	0%	0	0%	-80.4%
SYSTEM					
Movements	51,313		47,357		8.4%
Passengers	5,575,351		5,087,364		9.6%
Tonnage	3,482,335		3,098,654		12.4%
Cargo (Tonnes)	28,567		24,548		16.4%

The breakdown of traffic by type was as follows:

VENICE AIRPORT SYSTEM

Year-to-date June

	06.30.2016	Cge. % '16/'15
Commercial Aviation		
Scheduled + Charter		
Movements (no.)	46,837	11.8%
Passengers (no.)	5,567,170	9.6%
Cargo (tonnes)	28,519	16.4%
Mail (tonnes)	48	2.5%
Aircraft (tonnes)	3,427,182	13.4%
General Aviation		
Movements (no.)	4,476	-17.9%
Passengers (no.)	8,181	-16.2%
Aircraft (tonnes)	55,153	-27.6%
Overall		
Movements (no.)	51,313	8.4%
Passengers (no.)	5,575,351	9.6%
Cargo/Mail (tonnes)	28,567	16.4%
Aircraft (tonnes)	3,482,335	12.4%

Venice

Venice passenger numbers in H1 2016 totalled over 4.3 million, increasing 9.8% on the first half of 2015, for nearly 42 thousand movements (+9%).
International traffic improved 10.4% in the first six months of 2016, with domestic passenger numbers up 6.7%. 86% of passengers travelled between Venice and European and intercontinental destinations, confirming the international focus of the airport, against a national average of 62% (Assaeroporti figures). 26% of passengers departing from Venice connected with an intermediate airport for onward travel in the first half of the year. Rome was confirmed as the largest hub, followed by Frankfurt and Paris CDG. Non-stop long-haul passengers from Venice numbered over 350 thousand in the first six months of the year, increasing 7% on the first half of 2015, thanks to the full operability of Alitalia at Abu Dhabi and the increased capacity of Qatar Airways' aircraft, which in 2015 changed from a narrow body to a wide body for the daily Doha connection.
Medium-range traffic (between Venice and Israel, Morocco and Tunisia) also performed strongly (+39%), with over 70 thousand passengers, in particular thanks to Royal Air Maroc operations with Casablanca. A number of new flights were launched in summer 2016.
Easyjet, which opened a base at Venice (its third Italian base) in the first six months of 2016, located four aircraft at the airport, operating 10 new destinations: Bordeaux, Bristol, Copenhagen, Edinburgh, Minorca, Mykonos, Olbia, Prague, Santorini and Stuttgart.
The other airline based at Venice, Volotea, in summer 2016 extended its network, flying also to Alghero, Asturie and Dubrovnik and increasing its total number of connections to 32. LOT returned to Venice and from January 2016 directly connected the Laguna airport with Warsaw. Ukraine International Airlines, a new airline at the terminal, from the beginning of the summer season flies between Venice and Kiev, with 3 weekly flights. Aegean Airlines, in addition to the existing operations with Athens, opened the new routes of Heraklion and Rodi. Vueling introduced from May new flights with Paris CDG, strengthening its presence at Venice. Transavia launched new Munich connections from the beginning of the summer season. Air Berlin connects Venice to Düsseldorf with 3 daily flights. Alitalia will connect Venice to Catania during the peak summer season of August and September with 4 weekly flights. The long-haul Middle East operations (Abu Dhabi, Doha, Dubai) with Canada (Montreal, Toronto) and the United States (Atlanta, New York EWR, New York JFK, Philadelphia) were confirmed. In addition, Norwegian will extend until the end of November its connection between Venice and Oslo, previously only envisaged for the summer months.
General aviation passenger traffic at Venice declined 17.5% in the first half of 2016: this reduction is related to the fact that the Venice Biennale Arts Festival was held in 2015.
Overall cargo traffic (including couriers and mail) developed strongly (+16.4%) in the first half of 2016 compared to 2015. Volumes improved on the back of exports and the growth of Alitalia, United Airlines and American Airlines on the long-haul market. Emirates was again confirmed as the leading cargo airline at the terminal, with quantities in line with 2015. The couriers also performed strongly, in particular DHL (+14.8% on 2015).

The traffic breakdown at Venice between domestic, EU and non-EU destinations is outlined below.

Origin/destination areas - Venice
Year-to-date June

	06.30.2016	CGE. % '16/'15
Domestic traffic	602,248	6.7%
EU Traffic	2,842,272	12.0%
Non-EU Traffic	876,817	5.4%
Total commercial aviation	4,321,337	9.9%
General Aviation	6,140	-17.5%
Total	4,327,477	9.8%

Non-EU traffic accounted for 20% of total traffic in the first half of 2016.

- Passengers carried between Venice and the Middle East in the first half of 2016 numbered more than 220 thousand, up 20% on 2015, thanks to the full operability of the new Alitalia connection with Abu Dhabi and the increased capacity of Qatar Airways;
- Over 100 thousand passengers utilised the direct connections between Venice and the United States of Delta Air Lines, American Airlines and United Airlines, in addition to nearly 30 thousand passengers availing of the seasonal Canadian market flights of Air Canada and Air Transat;
- 23 thousand passengers utilised the direct flights with Tel Aviv during the period; in addition, 47 thousand passengers travelled to Casablanca (a destination connected to Venice also by Royal Air Maroc from winter 2015) and Tunis;
- Turkish Airlines transported 143 thousand passengers between Venice and Istanbul (IST and SAW) in the January-June 2016 period; Istanbul is the third largest connecting airport (after Doha and Dubai) for indirect traffic to Asia and the third hub (after Rome FCO and Paris CDG) for final African destinations;
- Traffic between Venice and Russia slowed also in 2016. Passengers transported by Aeroflot to Moscow in the first six months of the year numbered nearly 75 thousand, down 5% on 2015.

The following table completes that outlined above, with breakdown by country of origin/destination of Venice airport traffic.

Main destination/origin countries - Venice
Year-to-date June

Country	06.30.2016	CGE. % '16/'15
France	715,325	8.0%
Great Britain	623,387	20.7%
Italy	602,248	6.7%
Germany	601,659	3.7%
Spain	288,537	9.9%
Holland	253,067	16.5%
Switzerland	164,435	3.9%
UAE	153,496	9.5%
Turkey	144,102	3.9%
USA	104,403	0.2%
Others	670,678	13.8%
General Aviation	6,140	-17.5%
Total	4,327,477	9.8%

In the first half of 2016, the leading destination country was France, with traffic increasing 8% and a market share of 17%. England (+20.7% on 2015, thanks to Easyjet and Monarch and increased British Airway frequencies to its London Heathrow hub) and the domestic market (+6.7% on H1 2015) followed. Domestic traffic represented 14% of the total in the first six months of the year.

The table below highlights the breakdown of Venice airport traffic by major airline (passengers transported).

Principal Venice airlines
Year-to-date June

Airline	06.30.2016	CGE. %
Easyjet	1,041,350	31.8%
Alitalia	364,763	4.5%
Volotea	255,858	15.2%
Air France	235,765	-6.6%
Lufthansa	215,866	-4.5%
British Airways	203,415	5.1%
Klm	162,677	2.8%
Vueling Airlines	145,657	24.3%
Turkish Airlines	143,853	4.8%
Iberia	134,681	3.3%
Others	1,417,452	4.4%
General Aviation	6,140	-17.5%
Total	4,327,477	9.8%

Easyjet consolidated its position as the leading airline at the airport, following the opening of its base, exceeding 1 million transported in the first half of 2016, up 31.8% on H1 2015. Alitalia (+4.5%) and Volotea (+15.2%, for 32 destinations operative from Venice in summer season 2016) followed some distance behind.

Treviso

Treviso airport moved over 1.2 million passengers in the January-June 2016 period, up 8.9% on the previous year (for over 9,500 movements, +5.4% on 2015).
The airport represents 22% of total System traffic.
The increase follows the improved average flight load and the new operations launched at the airport in recent months.
During the summer season, Ryanair began connections between Treviso and Corfù, Ibiza and Wroclaw. The airline transported over 1 million passengers in the first half of 2016, up 13% on 2015 and with an 87% share of total airport traffic. Traffic between Treviso and the English (+29% on 2015) and the Spanish (+37%) markets in particular increased.
Wizzair traffic contracted 13% due to the discontinuation of Ukrainian market operations.

Verona Airport

Verona airport traffic increased 5.8% in the first half of 2016, with over 1.2 million passengers transported (for over 13 thousand movements, +3.1% on 2015).
Scheduled passenger traffic performed strongly (+10%) thanks also to the new operations launched at the airport, against a 14% contraction in charter traffic, principally due to the loss of the Tunisian and Egyptian markets.
The leading airlines in the first half of 2016 were Volotea (+42% YoY, with market share of 16%), Ryanair (+177% YoY) and Alitalia (+6% YoY).
A significant number of new flights were introduced in 2016: Transavia connected Verona to Paris Orly from February, from summer season 2016 Ryanair added the new destination of Birmingham and additional flights to London Stansted, Volotea operates three flights between Verona airport and Palma de Mallorca, Ibiza, Santorini and Olbia, bringing to 13 the total number of routes, while Norwegian introduced a new flight between Verona and Oslo from June. In addition, Alitalia will connect Verona to Catania in the peak season of August and September.

The Strategy

With regard to the three pillars of the strategy outlined for Venice in the 2015 Annual Report, external events such as geopolitical instability and a weakening global economy have impacted expectations.
The outlook is however bright:
1) Domestic traffic improved 7% on 2015;
2) The airlines based at the airport are in a phase of consolidation, with Easyjet improving 32% in the first six months and Volotea up 15% on 2015.

Easyjet has already announced that it will expand Eastern European services from Venice from the winter, launching new connections with Budapest and Krakow;
3) The demand for new intercontinental connections continues to rise, although airlines are extremely prudent in the current environment in terms of new market expansion.
Treviso airport continues to perform strongly, thanks to further flight load improvements and the launch of new routes.
At Verona, thanks to the new flights to Paris, Birmingham, Palma de Mallorca, Ibiza, Santorini, Olbia and Oslo, point-to-point traffic has begun to grow. Charter volumes, despite the expansion of the long-haul segment and good results on the English market, do not offset the traffic lost between Verona airport and North Africa (Egypt, Tunisia), where a difficult situation persists.

Charleroi Airport

The period - despite the difficulties stemming from the tragic events in Belgium in March 2016 which impacted traffic in the second quarter of 2016 - reported approx. 3.5 million passengers, increasing 8% on the same period of the previous year, with the number of passengers transported up over 268 thousand.
Ryanair was confirmed as the main airline operating from the airport, carrying over 2.7 million passengers, an increase of 10% on 2015 and with a market share of approx. 80%. Ryanair's operations at June 30, 2016 comprised 75 regular destinations. In addition to the new route introduced last spring, the airline will add four new routes from autumn 2016: Toulon in France, Timisoara in Romania, Sofia in Bulgaria and Glasgow in Scotland.
Wizzair continues to grow, which with only 10 routes operating in the period transported over 328 thousand passengers, up over 6% on the first half of 2015.
Jetairfly (TUI Arlines Belgium), with 22 regular routes is the second largest carrier and in 2016 moved over 300 thousand passengers, contracting 2% on the previous year.

Investments at Venice and Treviso airports

Investments totalled approx. Euro 43.4 million, of which Euro 0.4 million allocated to the assets under concession replacement provision.
The main investments in the first half of 2016 included:
Euro 12.8 million for the design, extension and adjustment of the Venice terminal; Euro 10.9 million for the installation of the Moving Walkway; Euro 8.9 million for tri-generation station construction costs; Euro 3.4 million for the development of runways and aircraft stands; Euro 2.4 million for actions on existing airport infrastructure; Euro 1.1 million for the new Fire Service and Finance Police buildings; Euro 1.1 million for hydraulics works and territorial protection; Euro 1 million for equipment and vehicles; Euro 0.8 million for hardware and software investment and Euro 0.8 million for parking upgrade works.

Regulatory Framework Amendments

Regulatory Agreement

As previously stated, Article 17, paragraph 34-*bis* of Legislative Decree 78/2009, enacted into Law 102/2009, as amended by Article 47, paragraph 3-*bis*, letters a) and b) of Legislative Decree 78/2010, enacted with amendments into Law 122/10, authorised ENAC to undertake, for airports of national importance and however with traffic of greater than 8 million passengers annually, long-term Regulatory Agreements with options for updating throughout their applicability. ENAC recognised the applicability of the regulation to Venice, based on the Venice/Treviso System, as also recognised by Italian and European legislation.
With Presidential Decree of December 28, 2012, published in the Official Gazette No. 303/2012, the Regulatory Agreement signed on October 26, 2012 between ENAC and SAVE was approved. In accordance with the above-stated Presidential Decree, ENAC and SAVE signed an Additional Agreement which introduced the conditions of the President of the Governmental Council of Ministers. The new tariff system entered into force on March 11, 2013.
Under the Regulatory Agreement, three appeals - all suspension appeals - were proposed before the Veneto Regional Administrative Court, respectively by the Municipality of Venice, the Aeroterminal S.p.A. in liquidation bankruptcy and Assaereo (the National Association of Airlines and Air Transport Operators). With judgements Nos. 136/2014 and 223/2014, the Veneto Regional Administrative Court rejected the appeals of the Municipality of Venice and the Aeroterminal S.p.A. in liquidation bankruptcy. Assaeroporti, which represents the major Italian airports, among others, intervened in defence of SAVE and the other cited parties. The hearing date for the appeal proposed by Assaereo has not yet been fixed. The Municipality of Venice appealed against judgement No. 136/2004 before the Council of State (No. 6950/2014), while the hearing date has not yet been fixed.
Legislative Decree No. 133 of September 12, 2014 (so-called "Release Italy" Decree), converted with amendments by law No. 164 of November 11, 2014, incorporated a number of provisions relevant to the airport sector. Particularly, Article 11-*bis*, supplemented upon conversion, clarified, among other issues, that "For the Regulatory Agreements in force and for their execution, the governance contained therein in relation both to the tariff and consultation systems remains in place, with the exception of the deadline established of 120 days from the opening of the consultation procedure for tariff adjustments". Article 11-*ter*, in addition established that "In implementation of Articles 1, paragraph 5, and 11, paragraph 6 of directive 2009/12/EC of the European Parliament and Council of March 11, 2009, the procedure for the settlement of disputes between the airport manager and airport users may not be employed where concerning the investment plan approved by the National Civil Aviation Authority and the relative tariff consequences, nor where concerning the investment plan previously approved by the competent bodies". The Constitutional Court, with judgement No. 7/2016 of December 1, 2015, filed on 01/21/2016, declared the constitutional illegality of Article 1, paragraph 11 of Legislative Decree No. 133 of 2014 as not establishing that the approval of regulatory agreements - between ENAC and national interest airport managers - requires the prior opinion of the Region involved.
We highlight finally that the European Commission, within the EU Pilot No. 4424/12/MOVE (Communication system concerning the application of Directive

2009/12/EC on airport fees by Italy), in July 2013 requested from the Italian Authorities further information to verify the correct transposition into national law of the above-stated directive. The request for information from the European Commission concerns the obligation for full collaboration by member states under Article 4, paragraph 3 on the European Union treaty and the right of the Commission to launch an infraction procedure in accordance with Article 258 of the TFEU for any non-compliance with this obligation. In October 2014, in order to avoid the opening of an infraction procedure, ENAC adopted the Guidelines for the consultation procedure between the manager and airport users for the supplementary regulatory agreements. In the initial months of 2015, the General Mobility and Transport section of the European Commission requested the Italian Authorities to provide additional information, which was communicated in the letter of April 24, 2015.
Latterly, the General Secretary of the European Commission sent to the Italian Ministry for Foreign Affairs a letter of formal notice - Infraction No. 2014/4187, dated October 22, 2015, through which the Commission communicated that it does not consider that Italian law (on the basis of which the Regulatory Agreements for the airports of Milan, Rome and Venice have been agreed) complies with Article 6, paragraph 3 and Article 11, paragraphs 1 and 6 of the directive and in relation to which the Italian Government has been invited within two months to communicate observations with regard to the contestations put forward. In particular, the Commission does not consider Italian law compatible with the European directive as disputes between managers and airport users may not be submitted before the Oversight Authority with regard to the airports of Rome, Milan and Venice. In addition, according to the Commission, there will be no legal basis for ENAC to continue its oversight functions in the area of airport fees for airports subject to the directive, following the beginning of operations of the TRA in January 2014.

The Commission has reserved the right to issue, after considering the observations of the Italian Government (or where such are not communicated), an opinion in accordance with Article 258 of the TFEU. Where the State does not agree with the opinion of the Commission, a dispute phase of the infraction procedure may be initiated, which would be held before the Court of Justice (Article 258, section 2, TFUE). In the case in which the EU court agrees with the assessment of the Commission, the judgement would declare the existence of an infraction and the State will be held to comply, adopting the necessary measures to adjust Italian law to that of the Union (Article 260, section 1, TFUE). Where the European directives are not incorporated, the Commission may request the Court to declare non-fulfilment of an obligation and to judge payment against the non-compliant State of a monetary sanction or a non-performance penalty before completion of any subsequent pre-litigation phase. Currently, it has not been noted whether the Commission has issued an opinion.

Airport fees

As stated above, from March 11, 2013, SAVE has applied the airport fees established by the Regulatory Agreement, approved by Presidential Decree of December 28, 2012.
Following the initiation of an infraction procedure against the Italian Republic by the European Commission (Note C (2013) 3048 of May 30, 2013), the Italian Government standardised the take-off and landing fees applied at Italian airports.

Specifically, in relation to Venice airport, the President of the Council of Ministers, with Decree of October 29, 2013 (communication published in Official Gazette No. 256 of October 31, 2013) approved the new standardised take-off and landing fees for EU and non-EU flights, included as annexes to the Regulatory Agreement in force between ENAC and SAVE.
On April 20, 2015 an extraordinary appeal was notified to SAVE by the Head of State, proposed by AICAI (Associazione Italiana Corrieri Aerei Internazionali) and the major carriers, for the cancellation, following suspension of efficacy, of the provisions under which the cargo loading and unloading fees for 2015 were increased, communicated on January 15, 2015, in addition to, for that applicable, of the Regulatory Agreement and the relative approving provisions. SAVE notified opposition to the extraordinary appeal in accordance with Article 10 of Presidential Decree No. 1199/1971, so that the appeal should be decided before the Veneto Regional Administrative Court, where SAVE may put forward the inadmissibility and lack of foundation of the appeal. With deed notified on July 1, 2015, the appeal was transposed before the Veneto Regional Administrative Court, with re-preposition of the suspension of the challenged provisions. Following the application of the plaintiffs for the reconsideration of the case (i.e. the suspension), the Veneto Regional Administrative Court, at the hearing of October 7, 2015 postponed further consideration to a later date.
The fees are updated annually in accordance with Article 15 of the Regulatory Agreement. The latest tariff update entered into force on February 16, 2016.

The Transport Regulation Authority (TRA) and the new tariff models

Article 37 of Legislative Decree No. 201/2011 (the so-called Save Italy Decree), enacted with amendments by Law No. 214/2011, as amended by Article 36 of Legislative Decree No. 1/2012 (the so-called Liberalisation Decree), enacted with amendments by Law No. 27/2012, provides for the setting up of the Transport Regulation Authority (TRA).
On January 15, 2014, the TRA began operations and on September 22, 2014, after carrying out the public consultations in which all airports participated, approved 3 tariff regulation models - for airports in the preceding two years reporting average traffic of greater than 5 million passengers (Model 1), between 3 and 5 million (Model 2) or lower than 3 million (Model 3). All models establish that fees are defined within the context of, and on the basis of, a negotiation between the airport manager and the airlines, with the option for each to appeal to the Transport Regulation Authority in the case of failure to reach agreement.
Article 1, paragraph 220 of Law No. 190 of December 23, 2014 "Provisions for the formation of the annual financial statements and medium-term budget of the State" (Stability Law 2015), published in the General Series of the Official Gazette No. 300 of December 29, 2014, in force from January 1, 2015, amended Article 76, paragraph 1 of Legislative Decree No. 1/2012, removes the restriction to define tariff models "in compliance with the principles and criteria at Article 11-nonies of Legislative Decree No. 203 of September 30, 2005, as enacted, with amendments, by Law No. 248 of December 2, 2005", with the above-stated law requiring the setting of airport fees according to the partial single-till (lowering of airport fees by 50% of the commercial taxes).
With motion No. 94/2015 of November 5, 2015, enacting the "Measure and manner of payment of the contribution due to the Transport Regulation Authority for 2016", approved with Presidential Decree of December 23, 2015, and supplemented by

order of the secretary general No. 19 of March 9, 2016, the parties required to settle the contribution for 2016, the revenues considered for the purposes of the contribution, the contribution rate and the declaration and payment method were defined. In accordance with this motion, the contribution for the operations of the Regulatory Authority for 2016, as applicable, is 0.4 per thousand of revenues according to the latest approved financial statements at the publication date of motion No. 94/2015. According to the above-stated regulation, parties whose contribution is equal to or lower than Euro 6,000.00 are exempt from payment. Companies in liquidation and/or subject to administration with the "objective of liquidation" are also exempt from payment at December 31, 2015. Those parties required to pay the contribution should pay two-thirds of the contribution due by April 29, 2016, with the residual one-third paid by and not beyond November 30, 2016.

Regulation EC No. 139/2014 and the new rules for the certification of European airports.

Regulation EC No. 139/2014, in establishing the technical requirements and administrative procedures for the certification of airports in accordance with Regulation (EC) No. 216/2008, conferred to airport operators the role of "responsibility for airport functioning", with the duty to directly or indirectly supply airport operating services.

The Regulation, which requires the conversion of the current airport certificates by December 31, 2017, is an innovative development and contributes to establishing a new definition of roles and responsibilities within airports. In particular, the new rules concerning first aid and fire protection and the air navigation services are particularly significant which, in domestic law, are carried out by third parties (ENAV and the Fire Services). The Regulation however establishes the option for specific agreements with these parties in order to ensure the necessary co-ordination between parties and the establishment of the respective roles and responsibilities.

In January 2016, ENAC published the Framework Agreement between airport managers and Enav S.p.A.. The Framework Agreement between the Airport Manager and the National Fire Service is currently being published.

Fire Service Fund contribution

Article 1, paragraph 478 of Law No. 208 of December 28, 2015 amended Article 39-*bis* of Legislative Decree No. 159/2007, establishing that "The provisions with regard to [...] payments by airport managers concerning the fire protection services at airports, as per Article 1, paragraph 1328 of Law No. 296 of December 25, 2006, are considered not to impose tax obligations". The regulation is in opposition to the case law developed to date (Lazio Regional Administrative Court Judgement No. 4588/2013, Court of Rome No. 10137/51/14, Court of Ancona No. 849/2015 and Court of Florence No. 2975/2015) which verified the jurisdiction of the disputes taken with regard to the contribution to the Fund as per Article 1, paragraph 1328 of Law No. 296 of December 25, 2006 before the Tax Court.

Municipal surtax

The Decree of the Ministry for Infrastructure and Transport, together with the Ministry for the Economy and Finance, of October 29, 2015, No. 357, published in Official Gazette No. 300 of 12/28/2015, quantified the amount of the municipal surtax increase on passenger fees to be allocated to the INPS, as per Article 13,

paragraph 23 of Legislative Decree No. 145 of December 23, 2014, converted into Law No. 9 of February 21, 2014, as Euro 2.50 per paying passenger from January 1, 2016, Euro 2.42 for 2017 and Euro 2.34 for 2018.

National Airport Development Plan

Decree No. 201 of the President of the Republic of September 17, 2015 entered into force from January 2, 2016, concerning the identification of airports of national interest (the "Airports Plan"). Decree of the President of the Republic No. 201 of September 17, 2015 (Official Gazette No. 294 of 12/18/2015), in application of the criteria established by Article 698 of the navigation code, identified the airports and airport systems of national interest, as essential hubs for the exercise of exclusive authority of the State, for each of the ten traffic basins identified in the national network, as specified below.

Airport traffic basins of national interest:

- North West (Milan Malpensa, Milan Linate, Turin, Bergamo, Genoa, Brescia, Cuneo); - North East (Venice, Verona, Treviso, Trieste);
- Central North (Bologna, Pisa, Florence, Rimini, Parma, Ancona);
- Central Italy (Rome Fiumicino, Ciampino, Perugia, Pescara);
- Campania (Naples, Salerno);
- Mediterranean/Adriatic (Bari, Brindisi, Taranto);
- Calabria (Lamezia Terme, Reggio Calabria, Crotone);
- Eastern Sicily (Catania, Comiso);
- Western Sicily (Palermo, Trapani, Pantelleria, Lampedusa);
- Sardinia (Cagliari, Olbia, Alghero).

Within the above-stated airports of national interest, the following airports have particular strategic importance, on the basis of the criteria established by Article 698 of the navigation code:

- North West (Milan Malpensa, Turin);
- North East (Venice);
- Central North (Bologna, Pisa /Florence);
- Central Italy (Rome Fiumicino);
- Campania (Naples);
- Mediterranean/Adriatic (Bari).

The following airports are considered as intercontinental gateways due to their capacity to respond to the demand of extensive traffic basins and their high degree of connectivity with European and international destinations:

a) Rome Fiumicino, main national hub;
b) Milan Malpensa;
c) Venice.

The airports of national interest, excluding those of particular strategic importance, should satisfy the following conditions:

exercise a well-defined role within the basin, with a specialisation and a recognisable commitment to the area served, ensuring its promotion;

demonstrate, through an industrial plan, together with a financial plan, the achievement of financial equilibrium, even on a year-on-year basis, and adequate solvency indicators, over at least a three-year period.

Airport management fees
The Decree of the State Property Office of December 14, 2015 (Official Gazette No. 296 of 21.12.2015) concerns the "Establishment of airport management fees for the 2016-2018 three-year period". The Decree confirms, also for the 2016-2018 three-year period, the method for the quantification of the fees due by airport management companies, as per Article 1 of inter-departmental decree of June 30, 2003, based on Work Load Units.

Charleroi Airport – Decision of the European Commission on State Aid
On October 1, 2014, the European Commission (the "Commission") adopted a decision declaring that a series of measures granted by the Belgian state in favour of the company Brussels South Charleroi Airport (BSCA), the Charleroi Airport management company, constitute state aid under the European regulation. In particular, the agreement and subsequent addendum between BSCA and Sowaer/Region of Wallonia establishes a concession fee which, according to the Commission (and contrary to the position of BCSA), is not sufficiently remunerative. The Commission consequently requested the Belgian State to recover the amounts due from BCSA (which holds such are not due) on the basis of these measures from April 4, 2014. In addition, the Commission has requested that in future such aid is interrupted through increasing the concession fee.
On December 19, 2014, BCSA presented an appeal before the European Court of Justice for the partial cancellation of the Commission decision. BSCA in fact considers that the Commission has committed errors of fact and of law, in addition to various manifest assessment errors. In particular, in the appeal to the General Court of the European Union, BCSA underlines how, in addition to procedural errors, the Commission was erroneous in, among other matters, the fixing of the current value of the measures taken and the establishment of the additional concession fee which must be paid by BCSA in future and in its definition of the applicable market. The dispute is still in progress, with further petitions presented by BSCA at the end of June 2016.

Alternative performance indicators

In addition to the financial indicators established by IFRS, a number of alternative performance indicators are presented to provide more complete disclosure on the operating performance and financial position.

"EBITDA" measures the result before amortisation, depreciation, provisions for risks and the replacement provision, write-downs, financial income and charges, taxes and non-recurring operations.
"EBIT" measures the result excluding financial income and charges, income taxes and non-recurring operations.
The "Net financial position" includes liquidity, financial receivables and current securities, net of financial payables (current and non-current) and the fair value of financial debt hedging derivatives.
"Net working capital" includes inventory, trade receivables, tax and social security receivables and payables, other assets and liabilities and trade payables.
"Net capital employed" measures the sum of "Net working capital" as defined above and fixed assets, net of the Post-Employment benefit provision and risks provisions and added to Other non-current non-financial assets.
"ROS" is the ratio between EBIT, as defined above, and Revenues.
"ROI" is the ratio between EBIT, as defined above, and Net capital employed.
"Gearing" is the ratio between the Net Financial Position and Net equity.
"Total Workforce" is the number of employees enrolled to the employee register on the last day of the period.

Financial Risks

The management of financial risks is carried out by the Parent Company, in line with Company objectives and focuses on the minimisation of interest rate risk and the relative optimisation of the cost of debt, the credit risk and the liquidity risk. Management of these risks is based on the principle of prudence and in line with best market practices. For further information, reference should be made to Note 38 "Type and management of financial risk" of this consolidated half-year report.

Other principal risks and uncertainties to which SAVE S.p.A. and the Group are exposed

Risks associated with economic conditions

The economic and financial situation of the Group is affected by various factors related to the general economic environment (including the increase or the decrease of GDP, the level of consumer and business confidence, interest rates for consumer credit, the cost of raw materials and the unemployment rate) in the various countries in which the Group operates.
The present report contains a number of forward looking statements. These statements are based on current Group expectations and projections concerning future events, including the general conditions of the economy described above, subject to an intrinsic degree of risk and uncertainty and, by their nature, outside of the Group's control.

Risks deriving from a reduction in the number of passengers or the quantity of cargo transported through airports managed by the Group

The volume of passenger traffic and cargo in transit at the SAVE Group managed airports represents a key factor in the results achieved by the Group. In particular, any reduction or interruption to flights by one or more airlines (particularly those operating at the airports managed by the SAVE Group), also as a result of the continued economic - financial difficulties of such airlines, the stoppage or alteration to connections with destinations with a particularly high level of passenger numbers, the discontinuation or alteration of airline alliances or the occurrence of events which may impact upon the general quality perception of users, of services provided at the airports managed by the SAVE Group (due, for example, to a reduction in service quality standards provided by the handling companies operating at the airports, or the interruption to the activities exercised), in addition to the occurrence of unforeseeable natural events, may result in a decrease in traffic, with a consequent impact on the activities and the results of the Group.
The Group however, based on past experience, considers that - although no certainty may be assured - the risk of a reduction or suspension of flights by one or more airlines operating out of the airports managed by the SAVE Group does not pose a significant threat, also in consideration of the redistribution of passengers among airlines present on the market and the capacity of the SAVE Group to attract new airlines to the airports managed by the Group. However, such redistribution of traffic may require a certain period of time and may temporarily affect traffic volumes.

Risks related to Group results

All general economic events, such as a significant contraction in one of the main markets, the volatility of the financial markets and the consequent deterioration of the capital markets, an increase in commodity prices, unfavorable movements in specific sector variables such as interest rates, susceptible to causing impacts in the sector in which the Group operates, may significantly impact the Group outlook, in addition to the results and financial position. The profitability of the activities of the Group is also subject to risks related to interest rate and inflation fluctuations, the solvency of the counterparties, as well as the general economic conditions of the countries in which these activities are undertaken.

Risks connected with the importance of certain key figures

The success of the SAVE Group depends on a number of key figures who have contributed significantly to the Group's development. The Group considers that it has in place an adequate operational and managerial structure to ensure continuity of general and operational management. However, in the case where such key figures discontinued their working relationship with the SAVE Group, there is no guarantee that a suitable replacement may be found in such a time period so as to ensure the same contribution in the short-term, with consequent possible implications for the SAVE Group.

Risks concerning the regulatory framework

The SAVE Group operates within a sector governed by an extensive domestic and international regulatory framework. Any change to the regulatory framework (and in particular any changes in relations with the state, public bodies and sector authorities, the determination of airport fees and the amount of concession fees, the airport tariff system, the allocation of slots, environmental protection and noise pollution) may impact operations and Company and Group results.
For greater details on the principal amendments to the regulatory framework and sector developments, reference should be made to the dedicated paragraph of the Interim Directors' Report.

Treasury shares or parent company shares in portfolio

In accordance with Article 2428, paragraphs 2, 3 and 4 of the Civil Code, it is communicated that the Company and the Group hold at June 30, 2016, directly through SAVE S.p.A., 632,663 treasury shares. The nominal value of shares held amounts to Euro 0.4 million (1.143% of the share capital); the book value is Euro 5.5 million.
In H1 2016, SAVE S.p.A. purchased 46,836 treasury shares of a nominal value of Euro 30.4 thousand, comprising 0.085% of the share capital for a total amount of Euro 0.595 million.
These acquisitions were carried out in compliance with the limits and the methods indicated in the Shareholders' Meeting motion in approval of the acquisition and utilisation plan of treasury shares of April 27, 2016.

Shares held by Directors and Statutory Auditors

Based on the legally required communications, the Directors and Statutory Auditors of SAVE S.p.A. directly and/or indirectly holding shares at June 30, 2016 were:

- Directors:
    - Enrico Marchi (Chairman, Board of Directors): 573,756 shares;
    - Francesco Lorenzoni (Director): 1,239 shares.

Inter-company and other related party transactions

Reference should be made to the specific paragraph of the Explanatory Notes to the half-year financial statements for information concerning transactions undertaken during the period with subsidiaries, associated companies and related parties.

Subsequent events

No significant events which could substantially alter the current balance sheet and financial situation or which would require amendments or supplements to the financial statements took place after the reporting date.

Outlook

The traffic performance in the first half-year confirms our expectations of improving Group results in 2016. The principal risk factor, which continues to threaten, is the worsening of the already critical general security situation, impacting therefore air traffic performances.

Venice Tessera, July 28, 2016

The Chairman of the Board of Directors
Mr. Enrico Marchi

CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS
AT JUNE 30, 2016

FINANCIAL STATEMENTS

Balance Sheet
Income Statement
Comprehensive Income Statement
Cash flow statement
Statement of Changes in Shareholders' Equity

Consolidated Balance Sheet

Assets (Euro thousands)	NOTE	06/30/2016	12/31/2015
Cash and cash equivalents	1	52,398	69,624
Other financial assets	2	188	185
of which related parties	2	*188*	*185*
Tax assets	3	3,331	4,943
Other receivables	4	2,592	2,670
of which related parties	4	*0*	*2*
Trade receivables	5-30	44,666	33,514
of which related parties	5-30	*5,600*	*6,762*
Inventories	6	1,360	1,285
Total current assets		**104,535**	**112,221**
Property, plant & equipment	7	58,232	59,442
Airport concession rights	8	324,353	288,887
Other intangible fixed assets with finite useful life	8	4,102	4,096
Goodwill - other intangible fixed assets with indef. useful life	8	6,977	6,977
Investments in associated companies and joint ventures	9	142,022	145,236
Other equity investments	9	1,144	1,194
Other assets	10	2,914	3,161
Deferred tax assets	11	26,665	26,343
Total non-current assets		**566,409**	**535,336**
TOTAL ASSETS		**670,944**	**647,557**

Liabilities (Euro thousands)	NOTE	06/30/2016	12/31/2015
Trade payables	12	63,219	66,909
of which related parties	12	*638*	*2,692*
Other payables	13	39,343	33,971
of which related parties	13	*1,311*	*1,311*
Tax payables	14	13,474	6,067
Social security institutions	15	3,275	3,119
Bank payables	16	45,993	21,887
Other current financial liabilities	17	7,069	6,673
of which related parties	17	*6,732*	*6,412*
Total current liabilities		**172,373**	**138,626**
Other payables			
Bank payables – less current portion	18	232,338	230,137
Other lenders – less current portion	19	87	107
Deferred tax liabilities	20	10,338	10,319
Post-employment benefits and other employee provisions	21	3,597	3,630
Other provisions for risks and charges	22-32-33	26,644	24,543
Total non-current liabilities		**273,004**	**268,736**
TOTAL LIABILITIES		**445,377**	**407,362**

Shareholders' Equity (Euro thousands)	NOTE	30/06/2016	31/12/2015
Share capital	23	35,971	35,971
Share premium reserve	23	57,851	57,851
Legal reserve	23	7,194	7,194
Reserve for treasury shares in portfolio	23	(5,506)	(4,912)
Other reserves and retained earnings	23	85,321	86,129
Net Profit	23	15,671	29,229
Total Group shareholders' equity		**196,502**	**211,462**
Shareholders' equity - minority interest	23	29,065	28,733
TOTAL SHAREHOLDERS' EQUITY	23	**225,567**	**240,195**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**670,944**	**647,557**

Consolidated Income Statement

(Euro thousands)	NOTE	H1 2016	H1 2015
Operating revenue	24	81,008	70,464
Other income	24	4,956	3,709
Total operating revenue and other income		**85,964**	**74,173**
Costs of Production			
Raw and ancillary materials, consumables and goods	25	835	731
Services	26	19,016	17,051
Lease and rental costs	27	4,607	4,198
Personnel costs:			
wages and salaries and social security charges	28	22,120	20,495
post-employment benefits	28	1,055	1,033
other costs	28	1,076	227
Amortisation, depreciation & write-downs			
amortisation	29	4,814	3,785
depreciation	29	3,810	3,399
Write-downs of current assets	30-5	116	104
Change in inventories of raw and ancillary materials, consumables & goods	31	(17)	39
Provisions for risks	32-22	407	322
Replacement provision	33-22	2,160	1,810
Other charges	34	694	748
Total costs of production		**60,693**	**53,942**
EBIT		**25,271**	**20,231**
Financial income and revaluation of financial assets	35	498	801
Interest, other financial charges and write-down of financial assets	35	(2,338)	(2,647)
Profit/losses from associates & JV's carried at equity	35	450	(237)
		(1,390)	**(2,083)**
Profit before taxes		**23,881**	**18,148**
Income taxes	36	7,815	5,972
current		*8,113*	*6,624*
deferred		*(298)*	*(652)*
Profit from Continuing Operations		**16,066**	**12,176**
Profit/(loss) from Discontinued Operations/Held-for-sale	37	(60)	
Net Profit		**16,006**	**12,176**
Minority interest		335	126
Group Net Profit		**15,671**	**12,050**
Earnings per share			
- not diluted		0.286	0.232
- diluted		0.286	0.232
Earnings per share excluding discontinued operations			
- not diluted		0.287	0.232
- diluted		0.287	0.232

Consolidated Comprehensive Income Statement

(Euro thousands)	Note	H1 2016	H1 2015
Net Profit for the period		16,006	12,176
Continuing Operations			
Other comprehensive income/(expenses)	2		(54)
Hedging instruments (cash flow hedges)		(62)	
Total Gains/(Losses) on other comprehensive income statement items net of taxes which may be reclassified to the income statement		(62)	(54)
Actuarial gains/(losses) of employee defined plans	21	21	(101)
Total Gains/(Losses) on other comprehensive income statement items net of taxes which may not be reclassified to the income statement		21	(101)
Total comprehensive income		15,965	12,021
Minority comprehensive income		331	127
Total comprehensive income pertaining to the Group		15,634	11,895

Consolidated Cash Flow Statement

(Euro thousands)	H1 2016	H1 2015	Note
Operating activities			
Profit from continuing operations	15,731	12,050	
Profit/(loss) from discontinued operations/held-for-sale	(60)		36
- Amortisation, depreciation & write-downs	8,624	7,183	29
- Net changes in post-employment benefit provisions		(14)	21 - 28
- Net changes in provisions for risks and charges	2,502	2,009	22 - 32 - 33
- (Gains)/Losses on disposal of assets	(88)	(26)	
- (Income)/Charges from securities and other financial assets	374	431	
- Valuation of investments under the equity method	3,203	2,370	35
- Change in deferred taxes	(302)	(781)	11 - 20
Sub-total self-financing (A)	**29,983**	**23,223**	
Decrease (increase) in trade receivables	(11,153)	2,522	5 - 30
Decrease (increase) in other current assets	251	(563)	4 - 6 - 10
Decrease (increase) in tax assets/liabilities	9,019	2,924	3 - 14
Increase (decrease) in trade payables	2,741	5,191	12
Increase (decrease) in social security payables	171	38	15
Increase (decrease) in other liabilities	5,706	1,298	13
Sub-total (B)	**6,736**	**11,409**	
CASH FLOW FROM OPERATING ACTIVITIES (A + B) = (C)	**36,719**	**34,632**	
Investing activities			
(Acquisition) of property, plant & equipment	(2,185)	(3,672)	7 - 29
Divestments of property, plant & equipment	146	31	7 - 29
(Acquisition) of intangible fixed assets	(41,172)	(36,061)	8 - 29
Divestments of intangible fixed assets	12		8 - 29
Change in Trade payables for investments	(6,440)	2,816	9
Decrease in financial fixed assets		4,266	9
(Increase) in financial fixed assets		(383)	9
CASH FLOW FROM INVESTING ACTIVITIES (D)	**(49,639)**	**(33,004)**	
Financing activities			
New loans from other lenders	320	2,796	17 - 19
(Repayment) to other lenders	(16)		17 - 19
(Repayment) and other changes in loans	(13,873)	(44,160)	16 - 18
New loans proceeds	39,816	82,745	16 - 18
(Increase)/Decrease in financial assets	(3)	139	2
Dividends paid	(30,000)	(28,000)	23
Purchase of treasury shares	(595)	(1,651)	23
Change in net debt arising from change in consolidation scope	44	39	
CASH FLOW FROM FINANCING ACTIVITIES (E)	**(4,307)**	**11,908**	
CASH FLOW FROM DISCONTINUED OPERATIONS (F)	**0**	**0**	
NET CASH FLOW FOR THE PERIOD (C+D+E+F)	**(17,227)**	**13,536**	
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	**69,622**	**81,723**	
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**52,395**	**95,259**	
Additional information:			
Interest paid	2,033	1,996	
Taxes paid	-	6,236	

Some reclassifications were made to the comparative period, which however did not have any effect on the Group result and/or Shareholders' Equity. In particular, intercompany receivables and payables of a commercial nature were reclassified respectively to trade receivables and trade payables from other receivables and other payables.

Statement of changes in Shareholders' Equity

Refer to Note 23

(Euro thousands)	Share capital	Legal reserve	Share premium reserve	Treasury shares reserve	Other reserves and retained earnings	Group Shareholders' Equity	Minority interest	Total Shareholders' Equity
Balance at January 1, 2015	**35,971**	**7,194**	**57,851**	**(27,903)**	**139,777**	**212,890**	**28,123**	**241,013**
Result of separate income statement					**12,050**	**12,050**	**126**	**12,176**
Other comprehensive profits / losses					(155)	(155)	1	(154)
Result of comprehensive income statement					**11,895**	**11,895**	**127**	**12,022**
Distribution of dividends					(28,000)	(28,000)		(28,000)
Acquisition of minority interest in subsidiaries						0	(21)	(21)
Treasury shares				(1,651)		(1,651)		(1,651)
Balance at June 30, 2015	**35,971**	**7,194**	**57,851**	**(29,554)**	**123,673**	**195,135**	**28,228**	**223,363**

(Euro thousands)								
Balance at January 1, 2016	**35,971**	**7,194**	**57,851**	**(4,912)**	**115,358**	**211,462**	**28,733**	**240,195**
Result of separate income statement					**15,671**	**15,671**	**335**	**16,006**
Other comprehensive profits / losses					(37)	(37)	(4)	(41)
Result of comprehensive income statement					**15,634**	**15,634**	**331**	**15,965**
Distribution of dividends					(30,000)	(30,000)		(30,000)
Acquisition of treasury shares				(594)		(594)		(594)
Balance at June 30, 2016	**35,971**	**7,194**	**57,851**	**(5,506)**	**100,992**	**196,502**	**29,065**	**225,567**

Explanatory Notes
to the Condensed Consolidated
Half-Year Financial Statements
at June 30, 2016

SAVE S.p.A.
Registered Office: Viale G. Galilei n. 30/1
30173 Tessera Venice
Share capital: Euro 35,971,000.00 fully paid-in
Venice REA No.: 201102
Venice Company Registration Office No.: 29018, Tax Code and VAT No.: 02193960271

EXPLANATORY NOTES AT JUNE 30, 2016

Group activities

SAVE S.p.A. ("Save" or the "Parent Company") is an investment holding company which principally operates as an airport manager. It directly manages Venice Marco Polo Airport and controls Treviso Antonio Canova Airport. The company also has significant holdings in Verona Valerio Catullo Airport and in Charleroi Airport (Belgium).
Save also holds investments in the airport management sector and through the company Centostazioni S.p.A. in the transport infrastructure management and related services sector.
The Parent Company's registered offices are in Tessera (Venice), at Viale G. Galilei No. 30/1.

Accounting Standards adopted for the preparation of the Condensed Consolidated Half-Year Financial Statements at June 30, 2016

Basis of preparation

The present condensed consolidated financial statements of the Group concern the period ended June 30, 2016.
The condensed consolidated half-year financial statements were prepared under the historic cost convention, except for derivative financial instruments and financial assets held-for-sale, which were recognised at fair value, and in accordance with the going concern principle.
The condensed consolidated half-year financial statements are presented in Euro, which is also the Group functional currency, and all amounts are rounded to the nearest thousand of Euro, where not otherwise indicated.

Compliance with IAS/IFRS and the enacting provisions of Article 9 of Legislative Decree 38/2005

The condensed consolidated half-year financial statements were prepared in compliance with IFRS adopted by the European Union and in force at the preparation date of the financial statements, in addition to the provisions issued in enactment of Article 9 of Legislative Decree 38/2005 (Consob Motions No. 15519 and 15520 of July 27, 2006).

The publication of the condensed consolidated half-year financial statements of Save S.p.A. for the first half of 2016 was approved by the Board of Directors on July 28, 2016.

Content and form of the condensed consolidated half-year financial statements

The present explanatory notes were prepared by the Board of Directors on the basis of the consolidation and accounting records updated to June 30, 2016. For comparative purposes, the financial statements are presented with the comparative balance sheet at December 31, 2015 and the H1 2015 income statement. The company opted to apply the Separate and Comprehensive Income Statements, the Balance Sheet, the Cash Flow Statement and the Statement of changes in Shareholders' Equity, as permitted by IAS 1, considering such more representative of operations. In particular, the balance sheet was broken down between current and non-current assets and liabilities, the income statement with allocation of income and charges by type and the cash flow statement using the indirect method, with breakdown of operating, investing and financing activities.

Consolidation Scope

Subsidiaries

The Group condensed consolidated financial statements at June 30, 2016 include, through the line-by-line method, the companies in which Save holds, directly or indirectly, control, as defined by IFRS 10, or the majority of share capital and voting rights.
All inter-company balances and transactions, including any unrealised gains and losses deriving from transactions between Group companies, are fully eliminated.
The subsidiary companies are fully consolidated from the date of acquisition, or from the date in which the Group acquires control, and ceases to be consolidated at the date on which the Group no longer has control.
The book value of the investments included in the consolidation scope is eliminated against the net equity of the investee companies according to the line-by-line method. Any difference between the acquisition cost and the book value of the net equity of the investees on the acquisition of the investment, is allocated to the specific assets, liabilities or contingent liabilities of the acquired companies, based on their fair value at the acquisition date and for the residual part, where fulfilling the requirements, to Goodwill. In this case, these amounts are not amortised but subject to an impairment test at least annually and where indicators of impairment exist.
Minority interests represent the part of profits or losses and of net assets not held by the Group and are shown in a separate income statement account and in the balance sheet under equity, separately from the Group net equity. The acquisition of minority interests in previous years are recognised utilising the "parent entity extension method", on the basis of which the difference between the price paid and the book value of the share of net assets acquired is recorded as goodwill. Changes in ownership not resulting in a loss of control were treated as equity transactions and therefore recognised to net equity. The Group holds investments in subsidiaries which however are not consolidated as currently not considered operative, whose balance sheet and income statement effects from full consolidation would substantially be in line with the carrying value in the financial statements of the Group.

The companies included in the consolidation scope through the line-by-line method are listed below:

Company	Currency	Share Capital	Group % holding 06/30/2016	Group % holding 12/31/2015
PARENT COMPANY:				
SAVE S.p.A.	Euro	35,971,000		
its subsidiaries:				
Marco Polo Park S.r.l.	Euro	516,460	100	100
Save International Holding SA	Euro	7,450,000	100	100
its subsidiary:				
Belgian Airports SA	Euro	5,600,000	65	65
Save Engineering S.r.l.	Euro	100,000	100	100
N-AITEC S.r.l.	Euro	50,000	100	100
Aer Tre S.p.A.	Euro	13,119,840	80	80
Società Agricola Save a r.l.	Euro	75,000	100	100
Triveneto Sicurezza S.r.l.	Euro	100,000	93	93
Archimede 1 S.p.A.	Euro	25,000,000	60	60
Save Cargo S.p.A. (*)	Euro	1,000,000	100	100
Archimede 3 S.r.l.	Euro	50,000	100	100
its subsidiary:				
Idea 2 S.r.l.	Euro	10,000	100	100

(*) Company fully consolidated from present Consolidated Half-Year Report

During the year, the consolidation scope did not change significantly compared to December 31, 2015; the company Save Cargo S.p.A. (previously 3A – Advanced Airport Advisory S.r.l.) was however included in the consolidation scope. On May 31, 2016, SAVE S.p.A. conferred the cargo business unit to the company Save Cargo S.p.A. with effect from June 1, 2016. Therefore, from that date all cargo operations were transferred to this company.

Subsidiaries and JV

Where control of an activity is assigned jointly to two or more operators a Joint Arrangement is deemed to be in place and as such is classified as a Joint Operation (JO) or as a Joint Venture (JV) on the basis of the contractually-established underlying rights and obligations. In particular, a JV is a Joint Arrangement in which the participants, although having control over the main strategic and financial decisions through voting mechanisms which provide for the unanimous approval of decisions, do not have significant legal rights over the individual assets and liabilities of the JV. In this case, joint control concerns the net assets of the JV. This form of control is represented in the financial statements through valuation at equity. Joint Operations are however Joint Arrangements in which the participants have rights upon assets and direct obligations for the liabilities. In this case, the individual assets and liabilities and the relative costs and revenues are recognised to the financial statements of the participant on the basis of the rights and obligations of each, independently of the interest held. The Group's Joint Arrangements have all been classified as Joint Ventures.

The companies over which significant influence is exercised, generally accompanied by a holding of between 20% and 50% (investments in associates) and Joint Ventures (as previously qualified) are valued at equity.

For the application of the equity method the value of the investment is aligned with the adjusted equity, where necessary, to reflect the application of international financial reporting standards and includes the recognition of the higher amount paid and subject of the purchase price allocation identified on acquisition, and the effects of the adjustments required by the standards relating to the preparation of the consolidated financial statements.
In the case in which the Group establishes losses in value in the investment greater than already recognised through the equity method, the existence of an impairment is assessed to be recognised to the income statement, as the difference between the recoverable amount of the investment and its carrying amount.

A breakdown of the companies consolidated at equity (associates and JV's) are reported below.

			Group % holding	
Company	Currency	Share Capital	06/30/2016	12/31/2015
Associated Companies				
Airest S.p.A.	Euro	10,629,000	50	50
GAP SpA	Euro	510,000	49.87	49.87
Venezia Terminal passeggeri S.p.A.	Euro	3,920,020	22.18	22.18
Nicelli S.p.A.	Euro	1,987,505	40.23	40.23
Brussels South Charleroi Airport SA (**)	Euro	7,735,740	27.65	27.65
Joint Ventures				
2A - Airport Advertising S.r.l.	Euro	10,000	50	50
Aeroporto Valerio Catullo di Verona Villafranca S.p.A.	Euro	52,317,408	40.3	40.3
Centostazioni S.p.A. (*)	Euro	8,333,335	40	40

(*) through Archimede 1 S.p.A.
(**) through Belgian Airport SA

Consolidation principles

Change of accounting standards

The accounting standards adopted for the preparation of the condensed consolidated half-year financial statements conform with those for the preparation of the annual financial statements of the Group at December 31, 2015, with the exception of the adoption of the new standards and interpretations applicable from January 1, 2016, listed below.

Accounting standards, amendments and interpretations applicable from January 1, 2016

The following IFRS accounting standards, amendments and interpretations were applied for the first time by the Group from January 1, 2016:

- Amendments to **IAS 19 "*Defined Benefit Plans: Employee Contributions*"** (published on November 21, 2013): requires the recognition in the financial statements of contributions made by employees or third parties to defined benefit plans. The adoptions of these amendments do not have any effects on the Group consolidated financial statements.
- Amendments to ***IFRS 11 - Joint Arrangements – "Accounting for acquisitions of interests in joint operations"*** (published on May 6, 2014): requires the recognition of the acquisition of interests in a joint operation, in which the activity of the

joint operation constitutes a business. The adoptions of these amendments do not have any effects on the Group consolidated financial statements.

- Amendments to **IAS 16 *Property, Plant and Equipment*** and **IAS 41 *Agriculture – "Bearer Plants"*** (published on June 30, 2014): bearer plants, therefore plants creating annual harvests must be recognised according to IAS 16 (rather than IAS 41). The adoptions of these amendments do not have any effects on the Group consolidated financial statements.
- Amendments to **IAS 16 *Property, Plant and Equipment and IAS 38 Intangibles Assets – "Clarification of acceptable methods of depreciation and amortisation"*** (published on May 12, 2014): amortisation or depreciation based on revenue recognition is generally not appropriate, as according to the amendment revenues generated by an asset which includes the use of an asset subject to amortisation or depreciation generally reflects factors other than the sole consumption of economic benefits from the asset itself, which is however a requirement for amortisation or depreciation. The adoption of this amendment does not have effects on the consolidated financial statements of the Group.
- Amendment to **IAS 1 - *"Disclosure Initiative"*** (published on December 18, 2014): the amendment seeks to provide clarification on disclosure elements which may be considered impediments to a clear preparation of the financial statements. The adoption of this amendment does not have effects on the consolidated financial statements of the Group.

Finally, within the annual improvement process, on December 12, 2013, the IASB published the **"Annual Improvements to IFRS: 2010-2012 Cycle"** document (among which IFRS 2 *Share-Based Payments – Definition of vesting condition*, IFRS 3 *Business Combination – Accounting for contingent consideration*, IFRS 8 *Operating segments – Aggregation of operating segments and Reconciliation of total of the reportable segments' assets to the entity's assets*, IFRS 13 *Fair Value Measurement – Short-term receivables and payables*) and on September 25, 2014 **"Annual Improvements to IFRS: 2012-2014 Cycle**" (of which: IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*, IFRS 7 – *Financial Instruments: Disclosure* and IAS 19 – *Employee Benefits*) which partially supplements the pre-existing standards. The adoptions of these amendments do not have any effects on the Group consolidated financial statements.

IFRS standards, amendments and interpretations not yet approved by the European Union

- **IFRS 15 – Revenue from Contracts with Customers** published on May 28, 2014 and supplemented with further clarifications published on April 12, 2016. The standard establishes a new revenue recognition model, which will apply to all contracts with clients, with the exception of those falling under the application of other IAS/IFRS such as leasing, insurance contracts and financial instruments. The standard will be effective from January 1, 2018, although advance application is permitted. The directors consider that the application of IFRS 15 may have impacts on the amounts recognised as revenues and on the relative disclosure in the Group consolidated financial statements. However, it is not possible to provide a reasonable estimate of the effects until the Group has completed a detailed analysis.
- Final version of ***IFRS 9 - Financial Instruments*** (published on July 24, 2014). The document incorporates the results of the Classification and measurement, Impairment and Hedge accounting phases of the IASB project to replace IAS 39:

- the standard introduces new criteria for the classification and measurement of financial assets and liabilities;
- the impairment requirements are based on an expected credit loss (ECL) model that replaces the IAS 39 incurred loss model, utilising supporting information, available without unreasonable charges or effort, which includes historic, current and projected figures;
- introduces a new hedge accounting model (increase in the types of transactions eligible for hedge accounting, changes in the accounting method of forward contracts and options when included in a hedge accounting relationship, change in the effectiveness test)

The new standard, which replaces the previous version of IFRS 9, must be applied for financial statements beginning on or after January 2018. The directors consider that the application of IFRS 9 may have an impact on the amounts and the relative disclosure in the Group consolidated financial statements. However, it is not possible to provide a reasonable estimate of the effects until the Group has completed a detailed analysis.

- On January 13, 2016, the IASB published the new standard **IFRS 16 - *Leases***, which replaces IAS 17 – *Leases*, as well as the interpretations IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases—Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.*
  The new standard provides a new definition of leases and introduces a criterion based on control (right of use) of an asset to distinguish leasing contracts from service contracts, identifying essential differences: the identification of the asset, the right of replacement of the asset, the right to obtain substantially all the economic benefits from the use of the asset and the right to use the asset underlying the contract.
  The standard establishes a single model to recognise and measure leasing contracts for the leasee (lessees) which provides also for the recognition of operating leases under assets with a related financial payable, providing the possibility not to be recognise as leasing contracts "low-value assets" and leasing contracts equal or less than 12 months. This Standard does not contain significant amendments for lessors.
  The standard is effective from January 1, 2019, although advance application is permitted, only for companies which have applied in advance IFRS 15 - Revenue from Contracts with Customers. The directors consider that the application of IFRS 16 may have an impact on the recognition of leasing contracts and on the relative disclosure in the Group consolidated financial statements. However, it is not possible to provide a reasonable estimate of the effects until the Group has completed a detailed analysis.
- On September 11, 2014, the IASB published an amendment to **IFRS 10 and IAS 28 "*Sales or Contribution of Assets between an Investor and its Associate or Joint Venture*".** The document was published in order to resolve the current conflict between IAS 28 and IFRS 10 relating to the measurement of the gain or loss from the sale or conferment of a non-monetary asset to a joint venture or associate in exchange for a share of the capital of this latter. Currently the IASB has suspended the application of this amendment.
- On January 19, 2016, the IASB published the "***Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12)***" document, which contains amendments to IAS 12. The document provides clarifications on the recognition of deferred tax assets on unrealised losses on the occurrence of certain circumstances and on estimates of assessable income for future years. The amendments are effective from January 1, 2017, although advance application is permitted. The Directors do not expect these amendments to have a significant impact on the Group consolidated financial statements.

- On January 29, 2016, the IASB published the "***Disclosure Initiative (Amendments to IAS 7)***" document, which contains amendments to IAS 7. The document provides clarifications to improve disclosure on financial liabilities. In particular, the amendments require the provision of disclosure which enables readers of the financial statements to understand the changes to liabilities following funding operations. The amendments are effective from January 1, 2017, although advance application is permitted. The presentation of comparative disclosure relating to preceding periods is not required. The Directors do not expect these amendments to have a significant impact on the Group consolidated financial statements.
- On June 20, 2016, the IASB published the "***Classification and measurement of share-based payment transactions (Amendments to IFRS 2)***" document, which contains clarifications upon the recognition of the effects of vesting conditions in the presence of cash-settled share-based payments, on the classification of share-based payments with characteristics of net settlement and the recognition of the amendments to the terms and conditions of a share-based payment which changes the classification from cash-settled to equity-settled. The amendments are effective from January 1, 2018, although advance application is permitted. The Directors do not expect these amendments to have a significant impact on the Group consolidated financial statements.

Seasonal activities

Due to the cyclical nature of the sector in which the Group generally operates, higher revenues and operating results are expected in the second and third quarters rather than in the first and final quarters of the year. Air traffic is concentrated in June-September, during the peak summer vacation period and the maximum usage levels of the directly managed infrastructure.

Significant accounting estimates

The key future assumptions and those concerning other important sources of uncertainty in the estimates at the reporting date of the present condensed consolidated half-year financial statements that could result in adjustments to the carrying value of the assets and liabilities within the next financial year are illustrated below.

Impairment on goodwill and other intangible assets
An impairment test is carried out on goodwill on an annual basis; this test requires an estimate of the value in use from the cash generating units of the cash flows to which the goodwill is attributed, in turn based on the expected future cash flows of the unit and discounted in accordance with an adequate discount rate. At June 30, total goodwill recognised amounted to approx. Euro 7 million, principally concerning Aertre S.p.A.; for further details, reference should be made to Note 8.

In order to identify any impairments on goodwill, the Group carried out an update at June 30, 2016 of the valuations undertaken as at December 31, 2015 by independent experts.

Deferred tax assets
Deferred tax assets refer to the temporary differences between the amounts recorded in the financial statements and those recorded for tax purposes, attributable to the deferred deductibility of costs, principally relating to risk provisions, and tax losses carried forward by some Group companies.

These assets are recognised in the financial statements on the basis of a discretional assessment by the Directors on the probability of their recovery, with particular regard to the capacity of the Parent Company and of the subsidiaries, also based on the effect of the "tax consolidation" option, to generate future assessable income. They must estimate the probable timeframe and amount of future assessable income.
The calculation was made based on the expected tax rates for the year in which the temporary differences are expected to reverse. At June 30, deferred tax assets amounted to Euro 26.7 million and further information is provided in Note 11.

Doubtful debt provision
The doubtful debt provision is based on a specific analysis of receivables in dispute and also an analysis of overdue receivables. The overall valuation of the realisable value of trade receivables requires estimates on the probability of recovery of the above-mentioned receivables and is therefore subject to uncertainty. At June 30, the doubtful debt provision amounted to Euro 2 million.

Assets under concession replacement provision
The Replacement provision, in line with the contractual obligations in place, includes the allocations for maintenance and restoration on assets comprising infrastructure on the Balance Sheet which must be returned to the state in perfect operating condition on conclusion of the concession.
The provision is updated annually based on a technical evaluation of the estimated future charges relating to the cyclical maintenance of the assets which will be returned free at the end of the concession (2041) and is utilised based on the maintenance undertaken during the year. At June 30, the estimate of this provision was Euro 21.9 million.
Pension provision and other post-employment benefits
The cost of defined benefit plans and post-employment benefits are determined utilising actuarial valuations. The actuarial valuations require the consideration of statistical hypothesis concerning discount rates, the expected return on plan assets, future salary increases, mortality rates and future pension increases. Actuarial profits and losses concerning defined benefit plans are recognised to the comprehensive income statement and are not subsequently recognised to the income statement; the cost for interest is however recognised to the income statement. Due to the long-term nature of these plans, these estimates are subject to a significant degree of uncertainty. Further details are shown at Note 21.

Current income taxes
Current income taxes are valued at the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate such amounts are those issued or substantially issued as at the reporting date of the condensed consolidated half-year financial statements. Current income taxes relating to items recorded directly in net equity are charged directly to equity and not to the income statement.

Accounting policies

The 2016 condensed consolidated half-year financial statements were prepared in accordance with IAS 34 Interim Financial Reporting.

The IAS/IFRS accounting principles applied are illustrated below.

Intangible assets

An intangible asset is an asset without physical substance, identifiable, under control of the entity and capable of generating future economic benefits, and those derived from business combinations.
The useful life of the intangible assets are measured as finite or indefinite.
Intangible assets with a finite useful life are recorded at acquisition or production cost or, where deriving from business combinations, are capitalised at the fair value at the acquisition date; these assets include accessory charges, amortised on a straight-line basis for the period of their residual useful life in accordance with IAS 36 and undergo an impairment test whenever there are indications of loss in value.
The residual value at the end of the useful life is presumed to be zero unless there is a commitment by a third party purchaser of the asset at the end of the useful life or an active market for the asset exists. The Directors review the estimate of the useful life of intangible assets at each reporting date.
The amortisation of finite intangible assets is recorded in the income statement under the category of costs relating to intangible assets.

The indefinite intangible assets undergo an impairment test for loss in value at individual level or at cash generating unit level. The recoverability of the value recorded is verified adopting the criteria indicated below. These assets are not amortised. The useful life of an indefinite intangible asset is reviewed on an annual basis in order to assess whether the conditions exist for it to remain in this classification.

The useful life of the various intangible asset categories are illustrated below:

Category	Amortisation period
Patents and intellectual property rights software	3 years
Airport Concession rights	Duration of Airport concession
Patents and intellectual property rights	5 years
Licences, brands and similar rights	Duration of contract

"Patents and intellectual property rights" principally refers to costs for the implementation and tailoring of operational software.

"Airport concession rights" refer to the amount recognised under intangible assets against the airport infrastructure assets held in relation to the concession rights acquired for the management of the infrastructures which permits the right to charge for the utilisation of such infrastructure, in execution of a public service, in accordance with the provisions of IFRIC 12 – Service Concession Arrangements.

Business combinations and goodwill

Business combinations before January 1, 2010
Business combinations are recorded in accordance with the purchase method. The cost of the business combination is measured as the aggregate of the present values, at the date of exchange, of assets sold, liabilities incurred or assumed, and equity instruments issued by the purchaser, in exchange for control of the company acquired, plus any costs directly attributable to the business combination.

The acquisition cost is allocated to the assets, liabilities and contingent liabilities of the company acquired measured at fair value at the acquisition date, which satisfy the criteria as per IFRS 3. The difference recorded between the business combination cost and the amount acquired at net fair value of the assets, liabilities and contingent liabilities is recorded as goodwill.
Goodwill acquired in a business combination is not amortised; an impairment test is undertaken annually to verify any loss in value, or more frequently if specific events or changed circumstances indicate the possibility of an impairment, in accordance with IAS 36 "Impairment of assets".
In the determination of the fair value of the assets and liabilities and the impairment tests, the evaluations of the Directors are supported by opinions from independent experts.
The minority interests in the companies acquired are initially measured at the fair value of the assets, liabilities and contingent liabilities recognised.

Business combinations after January 1, 2010
Following the introduction of IFRS 3 Revised, from January 1, 2010, date of first prospective application of the standard, business combinations are recognised utilising the acquisition method.
The acquisition cost is calculated as the total of the fair value at the date of acquisition and the value of any minority equity holding in the acquisition. For every business combination, the buyer must measure any minority holding at fair value or in proportion to the amount held in the identifiable net assets of the acquisition. The acquisition costs are expensed and classified under administration expenses.
When the group acquires a business, the financial assets acquired or liabilities assumed under the agreement are classified or designated in accordance with the contractual terms, the economic conditions and the other conditions at the acquisition date. This includes the verification to establish whether an embedded derivative must be separated from the host contract.
If the business combination is realised in a series of phases, the purchaser recalculates the fair value of the holding previously held and measures under the equity method and records to the income statement any resulting profit or loss. Every potential payment is recorded by the purchaser at fair value at the acquisition date. The change in the fair value of the potential payment classified as an asset or liability will be recorded in accordance with IAS 39, in the income statement or in the statement of comprehensive income. If the potential payment is classified under equity, the value must not be recalculated until its elimination is recorded against equity. Goodwill is initially valued at cost calculated as the difference between the sum of the amount paid and the amount recognised for the minority interest holdings compared to the net identifiable assets acquired and liabilities assumed by the Group. If the amount is lower than the fair value of the net assets of the subsidiary acquired, the difference is recorded in the income statement. After initial recognition, goodwill is measured at cost, less any accumulated loss in value. For the purpose of impairment testing, goodwill acquired in a business combination must, from the acquisition date, be allocated to each of the Group's cash-generating units which are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the entity are assigned to those units.
If the goodwill is allocated to a cash-generating unit and the entity sells part of the activities of this unit, the goodwill associated with the activity sold is included in the book value of the activity when determining the gain or loss deriving from the sale. The goodwill associated to assets sold is calculated based on the relative values of the asset sold and the part maintained by the cash-generating unit.

Property, plant & equipment

Property, plant and equipment are initially recognised at purchase price or construction cost or, where deriving from business combinations, at fair value at the acquisition date; the value includes the price paid to acquire or construct the asset (net of discounts) and any directly attributable costs to the acquisition and necessary for the asset to enter into service. The assets held by third parties are measured at fair value on the basis of a specific valuation.
The purchase price or construction cost is net of public grants which are recognised when the conditions for their concession are verified.
Land, both constructible and relating to civil and industrial buildings, is accounted for separately and is not depreciated in that it has an indefinite useful life.
Tangible assets are presented net of accumulated depreciation and any losses in value, calculated as described below. Depreciation is calculated, on a straight-line basis, based on the estimated useful life.
Losses in value are charged to the income statement under depreciation costs. Such losses are restated when the reasons for their write-down no longer exist.
At the time of sale, or when there are no expected future economic benefits from the use of an asset, it is eliminated from the financial statements and any loss or profit (calculated as the difference between sale's price and book value) is charged to the income statement in the year of its elimination.
Where a tangible fixed asset comprises a number of significant components with differing useful lives, the depreciation is carried out separately for each component. Land is not depreciated and fixed assets held-for-sale are valued at the lower of the subscription value and the fair value net of selling costs.
Maintenance and repair expenses, which do not increase the value and/or extend the residual useful life of the asset are expensed in the period in which they are incurred; where they increase the value and/or extend the residual life of the assets, they are capitalised.
Property, plant and equipment are depreciated on a straight-line basis based on the residual useful life of the asset, as follows:

CATEGORY	%
Runway vehicles and equipment	31.5%
Office machinery	12.5%
Other machinery/plant	15.0%
Communication plant	25.0%
Alarm systems	30.0%
Operating/loading/unloading machinery	10.0%
Equipment	35% - 15% - 12.5%
Motor vehicles	20% - 25%
Ordinary office machinery	12.0%
Furniture and fittings	15.0%
Telephones and EDP	20.0%

Leased fixed assets

Assets acquired through finance lease contracts, which substantially transfer the majority of the risks and benefits related to the ownership of an asset to the Group, are capitalised at commencement of the lease at the fair value of the asset or, if lower, at the present value of the minimum lease payments on the recording of a liability to the leasing company.
Lease instalments are allocated to principal and interest to obtain application of a constant interest rate on the balance of the debt (principal). Financial expenses are charged to the income statement.
Capitalised lease assets are depreciated over their estimated useful life.

Impairments on intangible assets and property, plant and equipment

The carrying amount of intangible assets and property, plant and equipment of the SAVE Group undergo an impairment test whenever there are signs internal or external to the entity which indicate the possibility of a loss in value of the assets or group of assets (defined as the Cash-Generating Unit or CGU).
The recoverable value is the higher between the fair value of the asset or cash generating unit, net of selling costs, and its value in use. The recoverable value is determined by individual asset except when this asset generates cash flows which are not sufficiently independent from those generated by other assets or groups of assets.
If the carrying amount of an asset is higher than its recoverable value, this asset has incurred a loss in value and is consequently written down to the recoverable value. In the determination of the value in use, the estimated future cash flows are discounted by the Group at a pre-tax rate that reflects the market assessment of the current value of money and the risks specific to the asset. In determining the fair value less selling costs, an adequate valuation model is utilised. These calculations are made utilising appropriate valuation multipliers, listed equity prices for publicly traded securities and other fair value indicators available.
The losses in value incurred by operating assets are recorded in the income statement in the category of costs relating to those assets.
At each reporting date, the Group also evaluates, in relation to the assets other than goodwill, the existence of indicators of a recovery in the loss of value previously recorded and, where these indicators exist, makes an estimate of the recoverable value. The value of an asset previously written down may be restated only if there have been changes in the estimates used to determine the recoverable value of the asset after the last recording of a loss in value. The recovery of value cannot exceed the book value which would have been calculated, net of amortisation, where no such loss in value was recorded in previous years. This recovery is recorded in the income statement unless the fixed asset is recorded at revalued amount, in which case the recovery is treated as a revaluation gain.
The value of goodwill may not be reversed following an increase in the recoverable value.

The following criteria are utilised for the recording of impairments on specific categories of assets:

Goodwill

The Group undertakes an impairment test on goodwill annually or more frequently if events or changes in circumstances indicate that the carrying amount may have incurred a loss in value.
The loss in value on such intangible assets is determined through a valuation of the recoverable value of the cash-generating unit (or group of units) to which they relate. When the recoverable value of the cash-generating unit (or group of units) is lower than the carrying value of the cash-generating unit (or group of cash-generating units) to which the intangible assets are allocated, a loss in value is recognised.
The decrease in the value of goodwill cannot be restated in future years.
The Group undertakes the annual impairment test on the value of the above-mentioned intangible assets close to the end of the year.
The impairment test compares the carrying amount of the asset or of the cash-generating unit (CGU) with the recoverable value of the asset, arising from the higher between the fair value (net of selling costs) and the value of the net discounted cash flows which are expected to arise from the asset or from the CGU.
Each unit or Group of units to which the intangible asset is allocated represents the lowest level within the Group to which the goodwill is monitored at internal management level.
The conditions and the methods for any write-back of an asset previously written down applied by the Group, excluding in any case any recovery in the value of goodwill, are those as per IAS 36.

Investments in subsidiaries and associates

The Group may hold some investments in subsidiaries or associates which however are not consolidated as not considered operative and/or significant, whose balance sheet and income statement effects from full consolidation or consolidation at equity would substantially be in line with the carrying value in the financial statements of the Group.

Non-current assets held-for-sale and discontinued operations

Non-current assets and discontinued groups classified as held-for-sale are measured at the lower of their carrying value and the fair value less selling costs. Non-current assets and discontinued groups are classified as held-for-sale when the carrying value will be recovered through a sales operation rather than through their continual use. This condition exists only when the sale is highly probable and the asset or discontinued group is available for an immediate sale in its current conditions. Management must be committed to the sale, whose completion must be expected within one year from the date of the classification.
In the consolidated income statement and the previous year comparative period, the gains and losses of discontinued operations must be classified separately from profits and losses from continuing operations, shown after taxes, even when the Group maintains a minority interest in the subsidiary after the sale. The resulting profit or loss, after income taxes, is shown separately in the income statement.
Plant, property and equipment and intangible assets once classified as held-for-sale are no longer amortised or depreciated.

Other financial assets

IAS 39 provides for the following types of financial instruments: financial assets measured at fair value with changes recorded in the Income Statement, loans and receivables, investments held to maturity and assets available-for-sale.
Initially all the financial assets are recorded at fair value. In the case of assets other than those valued at fair value with changes recorded in the Income Statement, the fair value is increased by accessory charges. On subscription, the Group considers if a contract contains embedded derivatives.
The embedded derivatives are separated from the host contract if this is not valued at fair value when the analysis shows that the economic characteristics and the risks of the embedded derivative are not strictly correlated to the host contract.
The Group determines the classification of its financial assets after the initial recording and, where appropriate and permitted, reviews this classification at the end of each year.

Financial assets at fair value with changes recognised to the income statement
This category includes financial assets held-for-trading and assets designated on first recognition as financial assets valued at fair value with changes recorded to the Income Statement.
The assets held-for-trading are all assets acquired to be sold in the short-term. The derivatives, including underlying derivatives, are classified as financial instruments held for trading unless they are designated as effective hedging instruments. Gains or losses on assets held for trading are recognised to the Income Statement.
Where a contract contains one or more incorporated derivatives, the entire hybrid contract can be designated as a financial asset valued at fair value with changes recorded to the Income Statement, with exception for those cases in which the implicit derivative does not significantly change the cash flows or it is evident that the separation of the derivative is not permitted.
On initial recognition, the financial assets can be classified as financial assets valued at fair value with changes recorded in the income statement where the following conditions exist: (i) the designation eliminates or significantly reduces the treatment which would otherwise result from valuing the assets or recording the gains and losses which the assets generate, in accordance with a different criteria; or (ii) the activities are a part of a group of financial assets managed and their return is valued on the basis of their fair value, based on a documented risk management strategy; or (iii) the financial assets contain an embedded derivative which must be separated and recorded separately.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments, which are not listed on an active market. After initial recognition, these assets are measured in accordance with the amortised cost criteria using the effective discount rate method net of all provisions for loss in value.
The amortised cost is calculated taking into consideration all discounts or purchase premiums and includes the commissions which are an integral part of the effective interest rate and of the transaction costs. The gains and losses are recognised to the income statement when the loans and receivables are eliminated or if there is a loss in value, also through the amortisation process.

Available-for-sale financial assets
The financial assets available-for-sale are those financial assets, excluding derivative financial instruments, which were designated as such or are not classified in any of the other preceding categories. After initial recognition, the financial assets held for sale are measured at fair value and the gains and losses are recorded in a separate equity reserve. The fair value is determined with reference to the market value (bid price) at the reporting date; in the case of non-quoted instruments they are determined through technical financial valuation methods commonly used. When the assets are eliminated, the gains or losses accumulated in equity are recognised in the Income Statement. Interest matured or paid on these investments is recorded as interest income or expense, utilising the effective interest rate. Dividends matured on these investments are recognised in the Income Statement as "dividends received" when the right for collection arises.

Fair value
In the case of shares widely traded in regulated markets, the fair value is determined with reference to the stock market prices recorded at the end of trading at the reporting date. For the investments for which no active market exists, the fair value is determined through valuation techniques based on recent transaction prices between independent parties; the current market value of a substantially similar instrument; the analysis of the discounted cash flows; option pricing models.

Loss in value of financial assets

The Group at each reporting date assesses whether a financial asset or group of financial assets has incurred a loss in value.

Assets measured under the amortised cost criteria
If there is any indication that a loan or receivable recorded at amortised cost has incurred a loss in value, the amount of the loss is measured as the difference between the book value of the asset and the present value of the estimated future cash flows (excluding losses on future receivables not yet incurred) discounted at the original effective interest rate of the financial asset (the effective interest rate calculated at date of the initial recognition). The book value of the asset is reduced through the use of a provision and the amount of the loss recognised in the income statement.
The Group evaluates the existence of indications of loss in value at individual level for the financial assets which are individually significant and at individual or collective level for the financial assets which are not. In the absence of indications of loss in value for a financial asset valued individually, whether it is significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and this group is assessed for loss in value collectively. The assets measured at individual level - and for which a loss in value is recorded or continues to be recorded - will not be included in the collective valuation.
If, in a subsequent year, the size of the loss in value is reduced and this reduction can be identified as an event occurring after the recording of the loss in value, the previous value reduced is restated. Any restated value is recorded in the income statement - not greater than the amortised cost of the asset at the restated date.
With reference to trade receivables, a doubtful debt provision is recorded when there are clear indications (such as, for example, the probability of insolvency or significant financial difficulties of the debtor) that the Group will not be able to recover all the amounts due according to the original conditions of the invoice. The carrying value of the receivable is

reduced through an appropriate provision. Receivables which have incurred a loss in value are reversed when it is determined that they are irrecoverable.

Available-for-sale financial assets
When there is a loss in value of a financial asset available-for-sale, the amount is transferred from equity to the income statement equal to the difference between its cost (net of the repayment of the principal and interest) and its present value, net of any loss in value previously recorded in the income statement.
The restatement relating to capital instruments classified as available-for-sale is not recorded in the income statement. The recovery in value of debt instruments is recorded in the income statement if the increase in the fair value of the instrument can be attributable to an event which occurred after the recording of the loss in the income statement.

Treasury shares

Treasury shares acquired are recorded at cost and as a reduction of shareholders' equity. The purchase, sale or cancellation of treasury shares does not give rise to any profit or loss in the income statement. The difference between the carrying value and the payment received is recorded in the share premium reserve. The voting rights related to treasury shares are cancelled, as are the rights to receive dividends. In the case of the exercise of options on shares in the period, such are settled with treasury shares.

Inventories

Inventories, excluding contract work-in-progress, are recorded at the lower of purchase or production cost and realisable value represented by the amount that the Company expects to obtain from their sale in the normal course of operations. The cost of inventories is calculated using the weighted average cost method. Contract work-in-progress is measured on the basis of the payments agreed in relation to the advancement of the work, determined utilising the cost-to-cost method. The payments on account paid by clients are deducted from inventories up to the payments matured; the remaining part is recorded under liabilities. Any losses deriving from the completion of the contracts are recognised fully in the period in which such is ascertained.

Cash and cash equivalents

Cash and cash equivalents include those values which are available on demand at short notice, certain in nature and with no payment expenses.

Employee benefits

The benefits guaranteed to employees paid on the conclusion of employment or other long-term benefits are recognised in the period the right matures.

The liability, net of any plan assets, is calculated on the basis of actuarial assumptions and is recorded by the accrual method consistent with the years of employment necessary to obtain such benefits. The liability is calculated by independent actuaries utilising the projected unit credit method. The amount not only reflects the payables matured at the condensed half-year consolidated balance sheet date (only for companies with less than 50 employees) but also the future salary increases and related statistical data.

Provisions for risks and charges

Provisions for risks and charges relate to costs and expenses of a defined nature and of certain or probable existence whose amount or date of occurrence is uncertain at the present condensed half-year consolidated balance sheet date. The provisions are recorded when:
(i) it is probable the existence of a current obligation, legal or implicit, deriving from a past event;
(ii) it is probable that compliance with the obligation will result in a charge;
(iii) the amount of the obligation can be estimated reliably.
Provisions are recorded at the value representing the best estimate, supported by expert opinion, of the amount that the Company would rationally pay to discharge the obligation or to transfer it to a third party at the balance sheet date. When the financial effect of the time is significant and the payment dates of the obligations can be reliably estimated, the provision shall be discounted at the average cost of debt to the company; the increase of the provision due to the passing of time is recorded in the income statement in the account "Net financial income/(charges)".
Where the liability relates to an intangible asset (infrastructure), it includes the amounts necessary for initial maintenance or replacement of all assets comprising the infrastructure held, necessary for the proper maintenance of the asset conditions until the conclusion of the concession.

Trade payables and other non-financial liabilities

Payables, which mature within the normal commercial terms, are recognised at cost (their nominal value). The payables in foreign currencies are recorded at the transaction exchange rate and, subsequently, translated at the year-end rate. The gains and losses deriving from the conversion are recorded in the income statement.
The other liabilities are recorded at cost (identified as nominal value).

Loans

Other financial liabilities, with the exception of the derivatives, are recognised initially at cost, corresponding to the fair value of the liability plus transaction costs that are directly attributable at the issue of the liability.
After initial recognition, the financial liabilities are measured at amortised cost using the original effective interest rate, which is the rate that renders equal, on the initial recognition, the present cash flow value and the initial recognition value (amortised cost method).
All gains and losses are recognised in the income statement when the liability is settled, in addition through the amortisation process.

Elimination of financial assets and liabilities

Financial assets
Financial assets (or, where applicable, part of a financial asset or part of a group of similar financial assets) are eliminated from the financial statements when:
• the right to receive the financial flows of the asset terminate;

• the Group retains the contractual right to receive the cash flows from the asset, but assumes a contractual obligation to pay the cash flows fully and without delay to a third party;
• the Group has transferred its right to receive the cash flows from the asset and (a) has transferred substantially all of the risks and rewards of ownership of the financial asset or (b) has not transferred or retained substantially all of the risks and rewards of the asset, but has transferred control over same.
Where the Group has transferred all the contractual rights to receive the cash flows from an asset and has not transferred or withheld substantially all of the risks and rewards or has not lost control, the asset is recorded in the financial statements of the Group up to the amount of its residual holding in the asset. Residual involvement that takes the form of a guarantee on the transferred asset is valued at the asset's initial book value or the maximum consideration that the Group could be required to pay, whichever is less.

Financial liabilities
A financial liability is eliminated from the financial statements when the underlying liability is settled or cancelled.

Derivative financial instruments and hedging operations

The Group holds financial derivatives in order to cover its exposure to interest rate risk regarding specific liabilities.
In line with the strategy chosen, the Group does not carry out operations and derivatives for speculative purposes. However, in the case where these operations may not be accounted for as hedging operations, they are recorded as speculative operations.
The derivatives are classified as hedging instruments when the relation between the derivative and the hedged item is formally documented and the effectiveness of the hedge, periodically verified, is high. When the hedged derivatives cover the risk of change of the fair value of the instruments hedged (fair value hedge; e.g. hedge in the variability of the fair value of asset/liabilities at fixed rate), these are recorded at fair value through the income statement; therefore, the hedging instruments are adjusted to reflect the changes in fair value associated to the risk covered. When the derivatives hedge the risk of changes in the cash flows of the hedge instrument (cash flow hedge; e.g. coverage of changes in cash flow of asset/liabilities at variable interest rate due to changes in the interest rates), the changes in the fair value are initially recognised under equity and subsequently through the income statement in line with the economic effects produced from the operation hedged.
The changes in the fair value of the derivatives compared to their initial value, which do not satisfy the conditions for hedge accounting, are recorded through the income statement.

Measurement of income components

Revenues are recognised to the extent that their fair value can be reliably calculated and based on the probability that their economic benefits will be received.
Depending on the type of transaction, revenue is recognised on the basis of the following specific criteria:
- revenues from the sale of goods are recognised when the significant risks and benefits of the ownership of the assets are transferred to the purchaser;
- revenues deriving from services are recognised when the service is rendered;

- revenues from services related to contract work-in-progress are recorded with reference to the stage of completion of the activities on the basis of the same criteria as work-in-progress on orders.

Revenues are recorded net of returns, discounts and premiums and promotional charges directly related to the sales revenue, in addition to direct sales taxes.
Commercial discounts, recorded as a direct deduction of revenues, are measured on the basis of contracts signed with airlines and tour operators.
Royalties are recorded based on the accruals principle in accordance with the contracts in force.
Interest income is recognised in accordance with the accruals principle, which takes into account the effective yield of the assets to which it refers.
Dividends are recorded when the shareholders have the right to receive them.

Measurement of costs and expenses

Costs are recorded when relating to goods and services sold or consumed in the year or when there is no future utility.

Income taxes

Current income taxes
Current income taxes are valued at the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate such amounts are those issued or substantially issued as at the reporting date of the consolidated financial statements. Current income taxes relating to items recorded directly in equity are charged directly to net equity and not to the income statement.

Deferred taxes
Deferred taxes are calculated using the liability method on temporary differences between values used for fiscal purposes and the assets and liabilities reported in the present consolidated financial statements. Deferred tax liabilities derive from all temporary timing differences, except for the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, has no effects on the profit for the year calculated for the financial statements or on the profit or loss calculated for tax purposes.
The reversal of the temporary differences, related to investments in subsidiaries, associates and joint ventures, can be controlled and it is probable that such will not occur in the foreseeable future.
Deferred tax assets are recorded against all temporary deductible differences and fiscal losses carried forward, up to the amount it is probable there exists adequate future assessable profits against the utilisation of the temporary deductible differences and of the assets or liabilities carried forward, except in the case where the deferred tax asset related to the temporary deductible differences derives from the initial recording of an asset or a liability in a transaction that is not a business combination and that, at the time of the transaction, does not impact on the profit of the period calculated for the accounts or on the losses calculated for tax purposes. In the case of temporary differences related to investments in subsidiaries, associates and joint ventures, the deferred tax assets are only recognised to the probable extent that the temporary differences will reverse in the

foreseeable future and there are sufficient assessable amounts to utilise such temporary differences.

The rates utilised for the calculation of deferred taxes, which reflect the expected rates on the basis of national legislation in force, are the following:
IRES 27.50% - 24%
IRAP 4.2% (Airport Companies)
IRAP 3.9%

Translation of accounts in foreign currencies

The present condensed half-year consolidated financial statements are presented in Euro, which is the Company's operational currency. Each Group company decides the operative currency to be used to value the accounts in the financial statements. Transactions in foreign currency are initially recorded at the exchange rate (referred to the operative currency) at the transaction date. Monetary assets and liabilities in foreign currency are translated to the operative currency at the exchange rate at the condensed half-year consolidated balance sheet date. All exchange differences are recognised in the income statement. Non-monetary items valued at historical cost in foreign currency are translated by using the exchange rates in effect on the date the transaction was first recorded. Non-monetary items recorded at fair market value in foreign currency are translated by using the exchange rate on the date the value was calculated.

Earnings per share

The earnings per share is calculated by dividing the net profit for the period attributable to the Group's ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.
In order to calculate the diluted earnings per share, the average weighted number of shares outstanding is adjusted assuming the conversion of all shares with potential dilution effect. The Group's net result is also adjusted to account for the effects of conversion, net of taxes.
There were no share-based payment operations (stock option plans).

Operating Segment information

The Group operating segments in accordance with IFRS 8 – Operating Segments relate to the two locations in which the group operates as airport manager, Venice and Treviso, and the investments in other airports.

The Save Group, in application of IFRS 8, identified its operating segments as the business areas which generate revenues and costs, whose results are periodically reviewed by the highest decision-making level in order to evaluate the outcome of the decisions concerning the allocation of resources and for which separate financial statements are available.
The Group operational segments are as follows:

- Venice (Marco Polo Airport);
- Treviso (Canova Airport);
- Other airports.
- Other: where residually the group assets are allocated and not directly concerning airport management activities.

In relation to the Venice and Treviso operating segments, the Group evaluates their performance based on passenger revenues, separating those concerning the aviation sector from those concerning the non-aviation sector and analysing the figures for the two locations independently.
Non-aviation revenues include parking management revenues at the two locations, which is carried out through Marco Polo Park S.r.l..
The Group in addition evaluates the performance of the operating segments based on the "Operating result", not distinguishing between aviation and non-aviation, but exclusively according to the two locations. Operating costs on the one hand consider costs related to parking management at the two locations and on the other security costs, activities which are carried out at the differing locations through the company Triveneto Sicurezza S.r.l..
The other airports operating segment principally concerns the investment in the company B.S.C.A. s.a. which manages Charleroi airport and is currently not fully consolidated as the holding totals 27.65% and is therefore valued at equity and the investment in the company Valerio Catullo di Verona Villafranca S.p.A., also not fully consolidated as the holding in the company is 40.3%. The result was included in the financial management result.
The account "Other" residually includes those businesses not directly attributable to the identified segments.
In Group operations, financial income and charges and taxes are not allocated to the individual operating segments.

The segment assets are those employed by the segment for operating activities or which may be allocated reasonably for the carrying out of operating activities. The segment Liabilities are those which derive directly from segment operating activities and those reasonably allocated based on operating activities.
The segment assets and liabilities presented are measured utilising the same accounting standards adopted for the presentation of the Group consolidated financial statements.

For a detailed analysis of the income statement and the segments, reference should be made to the Directors' Report. The balance sheet by segment and the key profitability indicators are reported below.

Euro/000 at June 30, 2016	Venice	Treviso	Other Airports	Other	Eliminations / Adjustments	Total Consolidated
Total fixed assets	407,028	46,120	47,975	76,470	(11,192)	566,402
Fixed capital employed	**371,176**	**41,981**	**47,974**	**75,889**	**(11,191)**	**525,830**
Total working capital	(63,926)	(3,844)	147	261		(67,362)
Net working capital - discontinued operations						0
Total capital employed	**307,250**	**38,138**	**48,122**	**76,150**	**(11,191)**	**458,468**
Non-current assets & liabilities held-for-sale					0	0
Total net financial position	207,974	15,926	(3,716)	23,909	(11,192)	232,901
Total financing sources	**307,252**	**38,138**	**48,119**	**76,150**	**(11,191)**	**458,468**
Total assets	520,694	54,396	52,979	84,237	(41,362)	670,944
Total liabilities	421,417	32,184	1,141	31,997	(41,362)	445,377

Euro thousands at December 31, 2015	Venice	Treviso	Other Airports	Other	Eliminations / Adjustments	Total Consolidated
Total fixed assets	372,222	46,588	48,375	79,089	(11,191)	535,082
Fixed capital employed	**338,202**	**42,913**	**48,374**	**78,546**	**(11,191)**	**496,844**
Total working capital	(62,268)	(6,095)	118	591		(67,654)
Net working capital - discontinued operations						0
Total capital employed	**275,934**	**36,818**	**48,492**	**79,137**	**(11,191)**	**429,190**
Non-current assets & liabilities held-for-sale					0	0
Total net financial position	161,390	14,843	(3,762)	27,714	(11,191)	188,995
Total financing sources	**275,933**	**36,818**	**48,492**	**79,137**	**(11,191)**	**429,190**
Total assets	492,678	53,016	53,421	85,449	(37,008)	647,557
Total liabilities	378,135	31,041	1,167	34,027	(37,008)	407,362

	H1 2016					H1 2015						
Euro / 1000	Venice	Treviso	Other	Eliminations/ Adjustments	**Total Consolidated**	Venice	Treviso	Other	Eliminations/ Adjustments	**Total Consolidated**	**Total Change**	**% Total Change**
Aviation Revenues	51,977	6,861	0	0	58,838	43,703	6,379	0	0	50,082	8,756	17.5%
Non-Aviation Revenues	19,414	2,192	0	(48)	21,558	17,988	1,953	0	(44)	19,898	1,661	8.3%
Other Revenues	3,344	170	2,686	(633)	5,568	2,580	153	2,109	(649)	4,193	1,375	32.8%
Total Revenues	**74,735**	**9,223**	**2,686**	**(681)**	**85,964**	**64,272**	**8,485**	**2,109**	**(693)**	**74,173**	**11,791**	**15.9%**
Total Costs	40,582	7,519	1,966	(681)	49,386	35,897	7,498	1,820	(693)	44,522	4,864	10.9%
EBITDA	**34,153**	**1,704**	**721**	**0**	**36,578**	**28,375**	**986**	**289**	**0**	**29,651**	**6,927**	**23.4%**
	45.7%	18.5%	26.8%	0.0%	42.6%	44.1%	11.6%	13.7%	0.0%	40.0%		
EBIT	**24,072**	**579**	**620**	**0**	**25,271**	**20,076**	**(86)**	**240**	**0**	**20,231**	**5,040**	**24.9%**
	32.2%	6.3%	23.1%	0.0%	29.4%	31.2%	-1.0%	11.4%	0.0%	27.3%		
Profit before taxes					**23,881**					**18,148**	**5,733**	**31.6%**
					27.8%					24.5%		
Profit from Continuing Operations					**16,066**					**12,176**	**3,890**	**31.9%**
					18.7%					16.4%		

Regional overview

The Group focus on Airport operations resulted in the *de facto* concentration of the business in Italy, therefore no longer requiring disclosure upon the main geographic areas.

Information concerning the Principal Clients

Approx. 10.5% of the total revenues for the first half of 2016 of the Parent Company SAVE S.p.A. derive from the airline Easyjet; the subsidiary Aer Tre S.p.A. derive however approx. 63% of its revenues for H1 2016 from the airline Ryanair and approx. 9.9% from Wizz Air.

Net Financial Position

The net financial position according to Consob Communication 6064293, which follows Consob Motion 15519 of July 27, 2006, is reported below.

	(Euro thousands)	06/30/2016	12/31/2015	06/30/2015
	Cash and cash equivalents	52,398	69,624	95,259
	Other financial assets	188	185	183
	Financial assets	**52,586**	**69,809**	**95,442**
**	Bank payables	45,993	21,887	19,820
*	Other financial liabilities – current portion	7,069	6,673	6,659
	Current liabilities	**53,062**	**28,560**	**26,479**
**	Bank payables – less current portion	232,338	230,137	238,502
	Other lenders – less current portion	87	107	0
	Non-current liabilities	**232,425**	**230,244**	**238,502**
	Net Financial Position	**(232,901)**	**(188,995)**	**(169,539)**
*	of which net liabilities for derivative contracts carried at fair value	297	225	60
**	Total gross payables to banks	278,331	252,024	258,322

ANALYSIS OF THE MAIN BALANCE SHEET ACCOUNTS

(where not otherwise specified, the amounts are expressed in thousands of Euro)

ASSETS

Current Assets

at		
06.30.2016	€	104,535
12.31.2015	€	112,221
Cge.		(7,686)

The items of the above stated account are as follows:

1. Cash and cash equivalents

at		
06.30.2016	€	52,398
12.31.2015	€	69,624
Cge.		(17,226)

These concern the bank current & deposit accounts readily available and cash and cash equivalents at the reporting date. The principal asset balances are held by the parent company with Euro 51.3 million.
Cash and cash equivalents are reported at their book value, which is considered a reasonable approximation of the fair value at the date of the present condensed half-year consolidated financial statements.

2. Other financial assets

at		
06.30.2016	€	188
12.31.2015	€	185
Cge.		3

The balance at June 30 comprises a financial receivable from a non-consolidated group company.

3. Tax receivables

at		
06.30.2016	€	3,331
12.31.2015	€	4,943
Cge.		(1,612)

4. Other receivables

at		
06.30.2016	€	2,592
12.31.2015	€	2,670
Cge.		(78)

The analysis is as follows:

(Euro thousands)	06.30.16	12.31.15	CGE.
Veneto region for grants	1,643	1,643	-
Suppliers for advances	295	376	(81)
Other receivables	654	651	3
Total other receivables	**2,592**	**2,670**	**(78)**

Receivables from the Region of Veneto for grants approved under Decree No. 59/2009 concern the "Completion of the Rainwater runoff system and the First flush treatment system within the airport" for the part of the works completed at Venice.

5. Trade receivables

at		
06.30.2016	€	44,666
12.31.2015	€	33,514
Cge.		11,152

The breakdown of trade receivables is outlined below:

(Euro thousands)	06.30.16	12.31.15	CGE.
Trade receivables – third parties	39,066	26,752	12,314
Trade receivables - related parties	5,600	6,762	(1,162)
Total trade receivables	**44,666**	**33,514**	**11,152**

This principally concerns receivables from airlines for aviation activities and receivables from sub-agents for commercial spaces.
Trade receivables increased on December 31, 2015 by Euro 11.2 million, principally due to the seasonality of airport operations.

The table below illustrates the trade receivables and the relative doubtful debt provision:

(Euro thousands)	06.30.16	12.31.15	CGE.
Trade receivables	41,078	30,263	10,815
Doubtful debt provision	(2,012)	(3,511)	1,499
Total trade receivables	**39,066**	**26,752**	**12,314**

The Group doubtful provision amounts to Euro 2 million; this considers both the analysis of individual positions, for a number of which a credit recoverability risks exists, and an analysis concerning the aging of the receivable. This is in line with the valuation methods applied over time.

The movements in the doubtful debt provision during the year were as follows:

BALANCE AT 12/31/2015	**(3,511)**
Utilisations and other movements	1,601
Provisions in the half-year	(102)
BALANCE AT 06/30/2016	**(2,012)**

During the period, the conditions were met to deduct receivables fully written down in previous years.

An analysis of the aging of trade receivables of the Group at June 30, 2016 is reported below:

TRADE RECEIVABLES FROM THIRD PARTIES	TOTAL	NOT YET DUE	DUE < 30 DAYS	DUE 30-60 DAYS	DUE 60-90 DAYS	DUE 90-120 DAYS	DUE > 120 DAYS
06/30/2016							
Net receivables	**39,066**	32,314	2,141	1,028	671	589	2,323

TRADE RECEIV. FROM THIRD PARTIES	TOTAL	NOT YET DUE	DUE < 30 DAYS	DUE 30-60 DAYS	DUE 60-90 DAYS	DUE 90-120 DAYS	DUE > 120 DAYS
12/31/2015							
Net receivables	**26,752**	11,498	6,866	2,958	1,673	1,913	1,844

The monitoring and reminder activities continued in order to limit credit risk.
In relation to trade receivables, it is considered that, following the actions, also of a legal nature, undertaken for credit protection and receipt, based on the information currently available, supported by the legal experts handling the relative disputes and in view of the guarantees received, including sureties, the net value indicated above prudently reflects the expected realisable value.
Trade receivables are reported at their book value net of write-downs; it is considered that this value reasonably approximates the fair value of such receivables, as at Group level there are no medium/long-term receivables which require discounting.

Trade receivables from related parties entirely concern investee companies not consolidated line-by-line:

(Euro thousands)	06.30.16	12.31.15	Cge.
Airest Group	4,785	5,379	(594)
2A - Airport Advertising S.r.l.	596	796	(200)
Centostazioni S.p.A.	-	310	(310)
Nicelli S.p.A.	20	19	1
Aeroporto Valerio Catullo S.p.A.	152	251	(99)
Aeroporto Civile di Padova S.p.A. in liquidation	4	4	-
B.S.C.A. SA	34	1	33
Other minor	9	2	7
Total	**5,600**	**6,762**	**(1,162)**

6. Inventories

at		
06.30.2016	€	1,360
12.31.2015	€	1,285
Cge.		75

The value of inventories substantially relates to the Parent Company and concerns material inventories for airport activities.

Non-current assets

at		
06.30.2016	€	566,409
12.31.2015	€	535,336
Cge.		31,073

The account is comprised as follows:

7. Property, plant & equipment

at		
06.30.2016	€	58,232
12.31.2015	€	59,442
Cge.		(1,210)

The balance reduced on December 31, 2015, with depreciation and write-downs of approx. Euro 1.2 million. The composition of these assets is outlined in Attachment "B", which highlights the historic cost, accumulated depreciation and net values, for each asset category.

8. Intangible assets

at		
06.30.2016	€	335,432
12.31.2015	€	299,960
Cge.		35,472

The accounts "Airport Concession rights", "Intangible assets with finite useful life" and "Goodwill - other intangible assets with indefinite useful life" are reported separately.

In particular:

(Euro thousands)	06.30.16	12.31.15	CGE.
Airport Concession rights	324,353	288,887	35,466
Other intangible fixed assets with finite useful life	4,102	4,096	6
Goodwill – other intangible assets with indefinite life	6,977	6,977	-
Total intangible assets	**335,432**	**299,960**	**35,472**

The composition of these intangible assets is outlined in Attachment "A", which highlights the historic cost, accumulated amortisation and net values, for each asset category.
A net increase of Euro 35.5 million was reported in the period, with amortisation of approx. Euro 4.8 million.

The breakdown of the account Goodwill, with reference to the cash-generating units deriving from the acquisition operations which generated the value, is outlined below:

(Euro thousands)	06.30.16	12.31.15	CGE.
Aer Tre S.p.A.	6,937	6,937	-
N-Aitec S.r.l.	40	40	-
Total Goodwill	**6,977**	**6,977**	**-**

No change occurred compared to December 31, 2015; the account reports:

- for Euro 6,937 thousand, the higher value paid compared to net equity, entirely allocated to "Goodwill" on acquisition from minority shareholders of 35% of the investment held by the Group in the company Aertre S.p.A. in 2007. The Group therefore increased its investment in the company to 80%;
- for Euro 40 thousand the higher amount paid in 2006, compared to the relative share of net equity, deriving from the acquisition from minority shareholders of 49% of N-aitec S.r.l.. The Group therefore increased its holding to 100%.

9. Investments

at		
06.30.2016	€	143,166
12.31.2015	€	146,430
Cge.		(3,264)

The "Investments in companies carried at equity" and "Other investments" are reported separately.

(Euro thousands)	06.30.16	12.31.15	CGE.
Investments in companies carried at equity	142,022	145,236	(3,214)
Other investments	1,144	1,194	(50)
Total investments	**143,166**	**146,430**	**(3,264)**

"Investments valued at equity" are outlined below.

(Euro thousands)	% HELD	06.30.16	12.31.15	CGE.
Nicelli S.p.A.	49.23	26	67	(41)
Venezia Terminal Passeggeri S.p.A.	22.18	8,335	8,335	-
GAP S.p.A.	49.87	310	307	3
Centostazioni S.p.A.	40	65,046	68,146	(3,100)
Brussels South Charleroi Airport SA	27.65	17,768	17,338	430
2A – Airport Advertising S.r.l.	50	94	120	(26)
Aeroporto Valerio Catullo di Verona Villafranca S.p.A.	40.3	29,094	29,913	(819)
Airest S.p.A.	50	21,349	21,010	339
Tot. investments carried at equity		**142,022**	**145,236**	**(3,214)**

The valuation at equity of the company Centostazioni S.p.A. resulted in a decrease in the value of the investment for Euro 3.1 million, as the combined effect of the pro-quota revaluation following the net profit in the period and the approval of the dividend on the net profit for the previous year.

10. Other Assets

at		
06.30.2016	€	2,914
12.31.2015	€	3,161
Cge.		(247)

This account principally includes a receivable for guarantees paid to ENAC by Aer Tre S.p.A. under advanced airport occupancy totals approx. Euro 2.9 million, calculated as 10% of the monthly fees. The Directors, despite the delay in the receipt of this deposit from ENAC and supported by the opinion of the legal consultants involved in the case, still consider it collectible.

A breakdown is provided in the following table:

(Euro thousands)	06.30.16	12.31.15	CGE.
Other guarantee deposits	31	31	-
ENAC guarantee deposits	2,876	2,876	-
Other assets	7	254	(247)
Total	**2,914**	**3,161**	**(247)**

11. Deferred tax assets

at		
06.30.2016	€	26,665
12.31.2015	€	26,343
Cge.		322

Deferred tax assets have a total value of Euro 26.7 million and are fully utilisable in the medium/long-term period. The principally temporary differences on which deferred tax assets are recognised concern:

- deferred tax assets on the realignment of the higher tax values of the controlling investments allocated to goodwill and concessions, in application of Article 15, paragraphs 10 *bis* and 10 *ter* of Legislative Decree No. 185/2008 and the Tax Agency provision of November 22, 2011;
- fiscally deductible provisions in subsequent periods such as the assets under concession replacement provision, the risks and charges provision and the doubtful debt provision;
- tax losses carried forward;
- adjustments related to the application of international accounting standards (principally non-capitalised non-current charges);
- other expense items concerning subsequent periods;
- other consolidation adjustments which generate deferred tax assets.

LIABILITIES

Current Liabilities

at		
06.30.2016	€	172,373
12.31.2015	€	138,626
Cge.		33,747

The account is comprised as follows:

12. Trade payables

at		
06.30.2016	€	63,219
12.31.2015	€	66,909
Cge.		(3,690)

Trade payables principally concern Italian suppliers and are reported at their book value, which approximates their reasonable fair value, as at Group level the amount of medium/long-term payables are insignificant and therefore do not require discounting processes.

The breakdown of trade payables is shown below:

(Euro thousands)	06.30.16	12.31.15	CGE.
Trade payables – third parties	62,581	64,217	(1,636)
Trade payables - related parties	638	2,692	(2,054)
Total trade payables	**63,219**	**66,909**	**(3,690)**

The breakdown of trade payables to related parties is as follows:

(Euro thousands)	06.30.16	12.31.15	CGE.
Airest Group	511	255	256
2A - Airport Advertising S.r.l.	3	2,365	(2,363)
Brussels South Charleroi Airport (BSCA) SA	9	21	(12)
Aeroporto Valerio Catullo di Verona Villafranca S.p.A.	43	8	35
Other related parties	72	43	29
Total	**638**	**2,692**	**(2,054)**

13. Other payables

at		
06.30.2016	€	39,343
12.31.2015	€	33,971
Cge.		5,372

The following table provides greater details on the account "Other Payables"

(Euro thousands)	06.30.16	12.31.15	CGE.
Payables to related parties	1,311	1,311	-
Payments on account	199	212	(13)
Personnel for deferred compensation	4,454	4,169	285
Airport concession fee	17,925	16,955	970
Municipal surtax	13,499	7,754	5,745
Other payables	1,955	3,570	(1,615)
Total	**39,343**	**33,971**	**5,372**

14. Tax payables

at		
06.30.2016	€	13,474
12.31.2015	€	6,067
Cge.		7,407

For a breakdown of the account reference should be made to the following table:

(Euro thousands)	06.30.16	12.31.15	CHANGE
Employee withholding taxes	1,079	1,127	(48)
Other tax payables	727	649	78
Payables on direct taxes	11,668	4,291	7,377
Total	**13,474**	**6,067**	**7,407**

15. Payables to social security institutions

at		
06.30.2016	€	3,275
12.31.2015	€	3,119
Cge.		156

16. Bank payables

at		
06.30.2016	€	45,993
12.31.2015	€	21,887
Cge.		24,106

The account is comprised as follows:

(Euro thousands)	06.30.16	12.31.15	CGE.
Ordinary current accounts	3	3	-
Current portion of bank loans	45,990	21,884	24,106
Total	**45,993**	**21,887**	**24,106**

The nominal portion of loans due within 12 months totals Euro 46.8 million.
The following table provides a breakdown of bank credit lines utilised and available at June 30, 2016.

TYPE	GRANTED	USED	RESIDUAL
CASH CREDIT FACILITIES	45,127	0	45,127
ENDORSEMENT CREDIT	11,575	(112)	11,463
CASH AND CREDIT COMMITMENT	22,500	0	22,500
LEASING	127	(127)	0
MORTGAGES / LOANS	279,836	(279,836)	0
TOTAL	**359,165**	**(280,075)**	**79,090**

17. Other financial liabilities – current portion

at		
06.30.2016	€	7,069
12.31.2015	€	6,673
Cge.		396

The account principally includes the shareholder payable of the company Archimede Uno S.p.A. for Euro 6.7 million.

The following table provides a breakdown of the account:

(Euro thousands)	06.30.16	12.31.15	CGE.
Fin. payables fair value deriv. instruments	297	225	72
Fin. payables leasing contracts – current portion	40	36	4
Payables to minority shareholders for loans	6,732	6,412	320
Total	**7,069**	**6,673**	**396**

The Group holds financial derivatives in order to cover its exposure to interest rate risk regarding specific liabilities.
In line with the strategy adopted, the Group does not carry out operations and derivatives for speculative purposes. However, in the case where these operations may not be accounted for as hedging operations, they are recorded as speculative operations.
The accounting policies applied establish that derivative financial instruments are recorded in accordance with the "hedge accounting" method only when at the beginning of the hedge the formal designation and documentation relating to the hedge exists and it is presumed that the hedge is highly effective initially and over the accounting periods. In the absence of these requirements, if the hedge accounting cannot be applied, the profits or losses deriving from the fair value of the derivative financial instruments are immediately recognised in the income statement, as per IAS 39.
For a breakdown of derivative instruments at Group level, reference should be made to Note 38 of the financial statements concerning "Type and management of financial risks".

Non-current liabilities

at		
06.30.2016	€	273,004
12.31.2015	€	268,736
Cge.		4,268

The account is comprised as follows:

18. Bank payables – less current portion

at		
06.30.2016	€	232,338
12.31.2015	€	230,137
Cge.		2,201

Non-current bank payables comprise the medium/long-term portion of loans undertaken by the Group and outstanding at June 30, 2016.
The value of loan instalments due within one year totals Euro 46 million and beyond one year amount to Euro 232.3 million, of which all within five years.
Medium-long-term bank loans, including the portion maturing within 12 months, amounts to Euro 278.3 million, inclusive of Euro 1.5 million for up-front fees paid on the signing of loan contracts and recognised as a reduction in value of such loans, based on the amortised cost criterion.
Medium/long-term loans are subject to hedging against interest rate risk for approx. 10.7% of their overall capital portion value.
In the first half of the year loans were repaid for Euro 13.9 million and new loans issued totalling Euro 40 million. The additional change concerns the transfer from long to short-term of loans with irregular payment schedules.

The breakdown, by calendar year, of medium-long-term loans including the current portion, was as follows:

Maturity	Capital portion	Up-front fees	Interest (*)	Total
06/30/2017	46,817	(827)	3,056	49,046
06/30/2018	209,192	(581)	2,621	211,232
06/30/2019	16,192	(85)	216	16,323
06/30/2020	7,635	(16)	40	7,659
Total medium/long term bank loans	**279,836**	**(1,509)**	**5,933**	**284,260**

(*): the interest indicated is estimated based on the last rate applied to the various loans outstanding.

Medium/long-term loans in place at June 30, 2016 comprise:

• a loan undertaken by Save S.p.A. for an original value of Euro 12.5 million, subscribed in 2005 and issued in December 2006 for the purchase of lands adjacent to the Venice airport for future development. This loan provides for payment in bi-annual instalments between June 2007 until December 2016 and is covered by a mortgage guarantee on land purchased in 2005. The rate applied considers a spread on the Euribor at 6 month rate. The residual value at June 30, 2016 was Euro 0.6 million;

• in July 2012 a loan held by Save S.p.A. was converted from short to medium/long-term for Euro 5 million. The loan was repaid in 8 half-yearly instalments, beginning January 17, 2013 and concluding June 17, 2016. On amendment, an up-front fee was paid calculated according to the amortised cost criterion. At June 30, 2016, the loan had been fully settled, as was the related non-speculative hedge undertaken against interest rate movements (I.R.S.) for 100% of the loan;

• in October 2012 a further loan was drawn down by Save S.p.A. amounting to Euro 35 million. The loan will be repaid in 13 half-yearly instalments, beginning October 9, 2013 and concluding October 9, 2019. An up-front fee was paid upon issue, calculated at amortised cost. The interest rate applied is based on the Euribor increased by a spread. The loan provides for the compliance with financial covenants concerning (i) an NFP and equity ratio lower than or equal to 1 (ii) an NFP and EBITDA ratio lower than or equal to 3 and (iii) an EBITDA and gross financial charges ratio of above or equal to 5. Unsecured or secured guarantees were not issued against this loan. In December 2014 this loan was renegotiated, lowering the spread, with the total residual loan amounting to Euro 30 million, repayment through 10 half-yearly instalments concluding on December 2, 2019 and amendment, finally, also of the first two financial covenants with new parameters for point (i) of 1.2 and point (ii) of 3.5. Against these amendments, a commission was paid. At the reporting date, these restrictions have been complied with. At June 30, 2016, the residual payable amounted to Euro 21 million;

• Aer Tre S.p.A. drew down at the end of 2012 two loans respectively of Euro 6 million and Euro 11.5 million, fully disbursed in the year. Both loans provide for repayment over 7 years through half-yearly instalments and interest calculated at a variable rate based on the Euribor at 6 months increased by a spread; the loan of Euro 6 million issued with support of EIB funds provides however for a lower spread than the other loan. On issue, an up-front fee recognised to the Consolidated Financial Statements in line with the valuation of financial liabilities at amortised cost was paid. In guarantee of these loans, SAVE S.p.A. committed to repay up to 50% of the residual debt. There are no related covenants. The residual value at June 30, 2016 respectively was Euro 2.8 million and Euro 6.2 million;

• on May 28, 2014, Save S.p.A. undertook a new medium-term loan with bullet repayment on May 31, 2018. The loan, totalling Euro 183 million, comprises a number of tranches with various usage periods: in 2015 the loan was partially repaid and therefore at June 30, 2016 Euro 130 million had been disbursed. The interest rate applied is based on the Euribor increased by a spread. The loan provides for financial covenants concerning (i) a Net Debt to Net Equity ratio of equal to or lower than 1.2; (ii) a Net Debt to EBITDA ratio of equal to or below 3.5. The covenants are verified on a rolling half-yearly basis and had been complied with at the reporting date. Unsecured or secured guarantees were not issued against this loan;

• in June 2015, Save S.p.A. undertook a new medium-term loan with bullet repayment on May 31, 2018. The loan, for a total of Euro 53 million, was issued in a single payment in June 2015. The interest rate applied is based on the Euribor increased by a spread. The loan provides for financial covenants concerning (i) a Net Debt to Net Equity ratio of equal to or lower than 1.2; (ii) a Net Debt to EBITDA ratio of equal to or below 3.5. The covenants are verified on a rolling half-yearly basis and had been complied with at the reporting date. Unsecured or secured guarantees were not issued against this loan;

• on December 2, 2014, Save S.p.A. undertook a new loan contract for Euro 30 million, which may be disbursed in a single payment by December 2015 and is repayable in 8 half-yearly instalments beginning 2016, with the final payment in 2019. An up-front fee was paid on undertaking the loan. The interest rate applied is based on the Euribor increased by a spread. The loan provides for the compliance with financial covenants concerning (i) a Net Debt and Net Equity ratio lower than or equal to 1.2 (ii) a Net Debt and EBITDA ratio lower than or equal to 3.5 and (iii) an EBITDA and gross financial charges ratio of above or equal to 5. At the reporting date, these covenants have been complied with. Unsecured or secured guarantees were not issued against this loan. The residual value at June 30, 2016 was Euro 26.2 million;

• on December 22, 2014 Save S.p.A. signed a new loan agreement for a total maximum amount of Euro 40 million, which may be issued in a number of tranches by June 2016 and repayable subsequently in 3 half-yearly instalments, with final maturity in December 2017. An up-front fee was paid on undertaking the loan. The interest rate applied is based on the Euribor increased by a spread. The loan provides for financial covenants concerning (i) a Net Debt to Net Equity ratio of equal to or lower than 1.2; (ii) a Net Debt to EBITDA ratio of equal to or below 3.5. At the reporting date, these covenants have been complied with. Unsecured or secured guarantees were not issued against this loan. At June 30, 2016, the loan has been disbursed for Euro 40 million;

• a loan held by Archimede 1 S.p.A. for an original amount of Euro 36 million to cover the financing of the acquisition of the investment in Centostazioni S.p.A., which establishes for an interest-only period of 2 years from June 30, 2008 and with maturity in 2016. The interest provides for a spread on the reference rate. The loan also includes covenants concerning (i) a net debt and net equity ratio which must remain below 0.80; (ii) balance sheet covenants under which the net equity of the company must not reduce below Euro 51 million. In relation to this latter covenant, in 2015 an amendment to the limit was requested and obtained, reducing it therefore to Euro 35 million. At the reporting date, these restrictions have been complied with. The loan was guaranteed with a pro-quota surety of the shareholders of Archimede 1; at June 30, 2016, the loan had been fully repaid.

19. Other lenders – less current portion

at		
06.30.2016	€	87
12.31.2015	€	107
Cge.		(20)

The change in financial payables to other lenders less the current portion relates to the change in the consolidation scope.

20. Deferred tax liabilities

at		
06.30.2016	€	10,338
12.31.2015	€	10,319
Cge.		19

Deferred tax liabilities amount to Euro 10.3 million.
The principal reasons for recognition of deferred tax liabilities include:

- adjustments to IFRIC 12 - *"Service concession arrangements"*;
- adjustments concerning the measurement of leases according to the finance criterion under IAS 17.

21. Post-employment benefits and other employee provisions

at		
06.30.2016	€	3,597
12.31.2015	€	3,630
Cge.		(33)

The post-employment benefits at June 30, 2016 are reported in the following table. The change is based on the movements reported below:

(Euro thousands)	
Balance at 12/31/2015	**3,630**
Utilisations and other changes	(5)
Advances granted in period and transfers	(85)
Payments to suppl. provision and INPS Treasury	(953)
Provisions and revaluations	1,055
Change due to actuarial calculation	(46)
Balance at 06/30/2016	**3,597**

22. Other provisions for risks and charges

at		
06.30.2016	€	26,644
12.31.2015	€	24,543
Cge.		2,101

The account comprises:

(Euro thousands)	06.30.16	12.31.15	Cge.
Provisions for risks and charges	4,759	4,373	386
Assets under concession replacement provision	21,885	20,170	1,715
Total other provisions for risks and charges	**26,644**	**24,543**	**2,101**

Provision for risks and charges

The movements in the provision during the period were as follows:

Balance at 12/31/2015	**4,373**
Utilisations and other changes	(21)
Provisions for risks and future charges	407
Balance at 06/30/2016	**4,759**

The account comprises provisions to cover the estimated risk undertaken by the Group companies, principally against disputes with suppliers and ex-employees.
The provisions are considered sufficient to cover legal case and dispute risks of a specific nature where the Group is plaintiff or respondent, based on a reasonable estimate according to the available information and having consulted with legal experts.

Assets under concession replacement provision

at		
06.30.2016	€	21,885
12.31.2015	€	20,170
Cge.		1,715

This concerns an estimate for the necessary maintenance and replacement on assets under concession, which require free transfer to the state in optimal working condition on the conclusion of the Group airport concession. The entire provision concerns cyclical restoration and maintenance at the Venice and Treviso airports.
The Replacement Provision is updated based on a technical evaluation of the estimated future charges relating to the maintenance of the assets which will be returned free at the end of the concession and is utilised based on the maintenance undertaken during the period. The provision was increased by Euro 2.2 million in the period for the allocation concerning the period and utilised for Euro 0.4 million.

Shareholders' Equity

23. Shareholders' Equity

at		
06.30.2016	€	225,567
12.31.2015	€	240,195
Cge.		(14,628)

The Shareholders' equity comprises the Group Shareholders' equity of Euro 196.5 million and Minority interest shareholders' equity for Euro 29.1 million.

The Group Shareholders' equity is broken down as follows:

Share capital

at		
06.30.2016	€	35,971
12.31.2015	€	35,971
Cge.		-

The share capital, amounting to Euro 36 million, comprises 55,340,000 shares of a nominal value of Euro 0.65 and is fully paid-in.

Share premium reserve

at		
06.30.2016	€	57,851
12.31.2015	€	57,851
Cge.		-

It comprises the share premium recognised and paid following the initial public offering of 2005, less the costs incurred for the stock market listing and the extraordinary distribution of dividends in 2013.

Legal Reserve

at		
06.30.2016	€	7,194
12.31.2015	€	7,194
Cge.		-

Treasury shares reserve

at		
06.30.2016	€	(5,506)
12.31.2015	€	(4,912)
Cge.		(594)

The Group holds at June 30, 2016, directly through SAVE S.p.A., 632,663 treasury shares for a book value of Euro 5.5 million.
In H1 2016, SAVE S.p.A. purchased 46,836 treasury shares of a nominal value of Euro 30.4 thousand, comprising 0.085% of the share capital for a total amount of Euro 0.595 million.
The table below shows the reconciliation of the number of shares outstanding at the beginning and at the end of the period, as required by IAS 1, paragraph 76 (the nominal values of the shares in circulation are expressed in units of Euro):

	Total number of shares	Treasury shares held	Outstanding shares	Par value per share	Total par value of outstanding shares
	(A)	(B)	(C) = (A - B)	D	E = C*D
At 12/31/2015	55,340,000	585,827	54,754,173	0.65	35,590,212
Shares acquired in the year		46,836	(46,836)	0.65	(30,443)
At 06/30/2016	55,340,000	632,663	54,707,337	0.65	35,559,769

Other reserves and retained earnings

at		
06.30.2016	€	85,321
12.31.2015	€	86,129
Cge.		(808)

The movement in "Other reserves and retained earnings" principally concerns the net profit in 2015 and the distribution of dividends of Euro 30 million.

Minority interest shareholders' equity

at		
06.30.2016	€	29,065
12.31.2015	€	28,733
Cge.		332

The Minority interest shareholders' equity concerns the share of Shareholders' equity and the net result for the period of the subsidiaries not fully held.
The movement in the account relates to the result in the period.

ANALYSIS OF THE PRINCIPAL INCOME STATEMENT ACCOUNTS

(where not otherwise specified, the amounts are expressed in thousands of Euro)

OPERATING REVENUE AND OTHER INCOME

24. Operating revenue and other income

H1 2016	€	85,964
H1 2015	€	74,173
Cge.		11,791

Operating revenue

H1 2016	€	81,008
H1 2015	€	70,464
Cge.		10,544

Other income

H1 2016	€	4,956
H1 2015	€	3,709
Cge.		1,247

For a detailed analysis of revenues and income, reference should be made to the Interim Directors' Report.

COSTS OF PRODUCTION

H1 2016	€	60,693
H1 2015	€	53,942
Cge.		6,751

The costs of production are broken down in the following table:

25. Raw materials and goods

H1 2016	€	835
H1 2015	€	731
Cge.		104

26. Services

H1 2016	€	19,016
H1 2015	€	17,051
Cge.		1,965

The principal factors affecting the result were as follows.

(Euro thousands)	H1 2016	H1 2015	Cge.
Utilities	3,483	3,437	46
Maintenance	3,356	2,936	421
Professional fees	2,411	2,167	244
Cleaning and waste removal	1,933	1,671	261
Develop. charges & traffic promo	1,968	1,499	469
Other general services	1,458	1,284	174
Corporate board fees	767	790	(23)
Other personnel charges	838	739	99
Recovery of expenses	971	622	349
Insurance	591	604	(14)
Operating services	418	515	(97)
IT Systems	387	400	(13)
Other sales expenses	435	386	49
Total	**19,016**	**17,051**	**1,965**

27. Lease and rental costs

H1 2016	€	4,607
H1 2015	€	4,198
Cge.		409

They consist of:

(Euro thousands)	H1 2016	H1 2015	CHANGE
Airport concession fee	4,341	3,939	402
Rentals and other	266	259	7
Tot. Lease and rental costs	**4,607**	**4,198**	**409**

28. Personnel costs

H1 2016	€	24,251
H1 2015	€	21,755
Cge.		2,496

29. Amortisation, depreciation and write-downs

H1 2016	€	8,624
H1 2015	€	7,184
Cge.		1,440

This account is divided as follows:

(Euro thousands)	H1 2016	H1 2015	CGE.
Amortisation & write-down of intangible assets	4,814	3,785	1,029
Depreciation & write-down of tangible assets	3,810	3,399	411
Total amortisation & depreciation	**8,624**	**7,184**	**1,440**

30. Write down of current assets

H1 2016	€	116
H1 2015	€	104
Cge.		12

The account "write-down of current assets" includes the doubtful debt provisions; in calculating the allocation, further account was taken of the provision compared to total overdue receivables.
The provisions cover the risk concerning specific positions for which payment difficulties may arise.

31. Changes in inventories of raw materials and goods

H1 2016	€	(17)
H1 2015	€	39
Cge.		(56)

Change in inventories principally concerns consumable material stores.

32. Provisions for risks

H1 2016	€	407
H1 2015	€	322
Cge.		85

Reference should be made to the note "Other risks and charges provisions" for further comment.

33. Assets under concession replacement provision

H1 2016	€	2,160
H1 2015	€	1,810
Cge.		350

34. Other charges

H1 2016	€	694
H1 2015	€	748
Cge.		(54)

Other charges comprise:

(Euro thousands)	H1 2016	H1 2015	Cge.
Sector association contributions	169	164	5
Taxes	318	290	28
Charitable donations	24	43	(19)
Other costs	183	251	(68)
Total other charges	**694**	**748**	**(54)**

FINANCIAL INCOME AND CHARGES

35. Financial income and charges

H1 2016	€	(1,390)
H1 2015	€	(2,083)
Cge.		693

"Financial income and charges" are broken down as follows:

(Euro thousands)	H1 2016	H1 2015	CGE.
Financial income and revaluation of financial assets	498	801	(303)
Interest, other financial charges and write-down of financial assets	(2,338)	(2,647)	309
Profit/losses from associates carried at equity	450	(237)	687
Total financial income and charges	**(1,390)**	**(2,083)**	**693**

For a further breakdown of the nature of the accounts included in the previous categories, reference should be made to the following tables.

Financial income and revaluation of financial assets

(Euro thousands)	H1 2016	H1 2015	CGE.
Interest income from bank accounts	261	689	(428)
Other interest income (including in arrears)	236	16	220
Interest income from Group companies	1	3	(2)
Gain on sale of securities	-	93	(93)
Total	**498**	**801**	(303)

The principal changes in financial income compared to the same period of the previous year stemmed from a decrease in bank interest income due to lower average liquidity in the first half of 2016 compared to the first half of 2015 and the reduced interest rate. The remaining difference concerns the gain in the first half of 2015 from the sale of shares in portfolio.

Interest, other financial charges and write-down of financial assets

(Euro thousands)	H1 2016	H1 2015	CGE.
Interest charges on bank current accounts	(4)	(24)	20
Other interest charges (including in arrears)	(28)	(3)	(25)
Interest expense on loans	(1,846)	(2,070)	224
Other financial charges	(460)	(550)	90
Total	**(2,338)**	**(2,647)**	**309**

Financial charges decreased overall Euro 0.3 million compared to the first half of 2015. The reduction is principally due to lower interest and bank charges, despite the higher debt, against a reduction in interest rates and the income statement effect of the share of up-front fees concerning the new loans issued.
The change in profit and losses concerning associates carried at equity is provided in the following table:

Profit/losses from associates carried at equity

(Euro thousands)	H1 2016	H1 2015	CGE.
Valuation at equity of GAP S.p.A.	3	(1)	4
Valuation at equity of BSCA SA	430	127	303
Valuation at equity of Centostazioni S.p.A.	563	647	(84)
Valuation at equity of Aeroporto Catullo di Verona Villafranca S.p.A.	(819)	(1,019)	200
Valuation of equity of 2A S.r.l.	(26)	(21)	(5)
Valuation at equity of Airest S.p.A.	339	30	309
Valuation at equity of Nicelli S.p.A.	(41)	-	(41)
Total	**450**	**(237)**	**687**

INCOME TAXES

36. Income taxes

H1 2016	€	7,815
H1 2015	€	5,972
Cge.		1,843

Income taxes for the period are broken down as follows:

(Euro thousands)	H1 2016	H1 2015	CGE.
Current taxes	8,113	6,624	1,489
Deferred tax income & charges	(298)	(652)	354
Total income taxes	**7,815**	**5,972**	**1,843**

The analysis of tax adjustments, resulting in a change in the effective tax rate compared to the notional rate, is outlined in the following table.

Tax rate (Euro thousands)	H1 2016	%	H1 2015	%
Pre-tax result	23,881		18,148	
Notional taxes	6,567	27.50%	4,991	27.50%
Effective taxes	7,815	32.72%	5,972	32.91%
Net result	16,066	67.28%	12,176	67.09%
Difference	**1,248**	5.22%	**981**	**5.41%**
Permanent differences:				
i) IRAP and other local taxes	1,246	5.22%	943	5.20%
ii) exempt dividends	(926)	-3.88%	(531)	-2.93%
iii) other non-deductible costs / exempt income	37	0.15%	(49)	-0.27%
iv) measurement investments at equity	869	3.64%	660	3.64%
vi) gains on sale of equity investments			(9)	-0.05%
vii) remuneration of capital employed (Ace)	(90)	-0.38%	(33)	-0.18%
viii) effect IRES rate to 24% on deferred taxes	112	0.47%		
	1,248	**5.23%**	**981**	**5.41%**

The effective tax rate for the first half of 2016 was 32.72% of the pre-tax profit compared to 32.91% in the first half of 2015.

The difference between the effective and theoretical rate of 5.23% for the first half of 2016 principally concerns the impact of IRAP on the pre-tax profit and the valuation of investments at equity, offset by the exemption on dividends received.

37. Profit/(loss) from Discontinued Operations

H1 2016	€	(60)
H1 2015	€	0
Cge.		(60)

Euro 60 thousand concerns the Parent Company in relation to the execution of the post-closing contractual mechanisms for the disposal to the Lagardére Group of the commercial operations of the Airest Group, excluding those at the airports in which the SAVE Group operates.

NET PROFIT FOR THE PERIOD

H1 2016	€	16,006
H1 2015	€	12,176
Cge.		3,830

The Group and minority interest results are broken down as follows:

(Euro thousands)	H1 2016	H1 2015	CGE.
Net profit for the period	16,006	12,176	3,830
Minority interest loss (profit)	(335)	(126)	(209)
Group Net Profit	**15,671**	**12,050**	**3,621**

38. Types of financial risks and management

The Group strategy for the management of financial risks is based on the Company objectives and focuses on the minimisation of interest rate risk and the relative optimisation of the cost of debt, the credit risk and the liquidity risk.
The management of these risks is undertaken in compliance with the principles of prudence and market best practices, with all risk management operations managed centrally.

Interest rate risk

The pre-fixed Group objectives concern:

- hedging of the interest rate risk and financial liabilities;
- compliance with, in the hedging of risk, the general balance criteria between loans and usages for the Group (variable rate and fixed rate portion, short-term and medium/long-term portion).

The Group, in the pursuit of the above-stated objectives and in consideration of the current continually monitored market conditions, decided to implement hedges in the period, which at the date of the present Report overall accounted for 10.7% of the value of the loans.

The hedging operations are broken down as follows:
- the loan held by SAVE S.p.A. for an original value of Euro 130 million issued by Unicredit SpA, with a residual value at June 30, 2016 of Euro 130 million. In H1 2015 an interest rate swap contract was signed to hedge interest rate risk; at June 30, 2016, the loan had the interest cost blocked for 23.1% of the total amount;

The following table provides a breakdown of the principal derivative instruments in place at Group level at June 30, 2016:

STATEMENT ON THE RECORDING OF HEDGING TRANSACTIONS (IFRS 7.22)
(IN THOUSANDS OF EURO; THE POSITIVE VALUES ARE RECEIVABLES FOR THE COMPANY, WHILE THE NEGATIVE VALUES ARE PAYABLES)

Type of instrument	Group company	Nature of hedged risk	Counterparty bank	Contract date	Maturity	Contract notional amount	Amount outstanding at 06/30/2016	Amount outstanding at 12/31/2015	Fair Value (Mark to Market) at 06/30/2016	Fair Value (Mark to Market) at 12/31/2015
IRS	Save S.p.A.	Change in interest rates	Deutsche Bank SpA	10/01/2012	06/17/2016	5,000	0	1,250	0	(7)
IRS	Save S.p.A.	Change in interest rates	Unicredit SpA	06/25/2015	05/31/2018	30,000	30,000	(30,000)	(297)	(218)
Total						**35,000**	**30,000**	**(28,750)**	**(297)**	**(225)**

Cash flow sensitivity analysis

The Company prepared a cash flow analysis concerning loans in place and the related derivative financial instruments. The analysis begins with the market position at June 30, 2016 and on the basis of interest rate increases/decreases of 0.25% and of 0.50%.

The impact of these changes on future cash flows is Euro +/- 1 million for a 0.25% interest rate change, while Euro +/- 2 million for a change in the interest rate of 0.50%.

Derivative instrument fair value sensitivity analysis

The company prepared an analysis of the changes in the fair value of derivative hedging instruments at June 30, 2016. The analysis begins with the market position at June 30, 2016 and on the basis of interest rate increases/decreases of 0.25% and of 0.50%.
The effect of the fair value changes of derivative instruments in place is approx. Euro + /- 0.1 million for a change in interest rates of 0.25%, while is Euro +/-0.3 million for an increase in interest rates of 0.50%.

Credit risk

This concerns the risk that either of the parties undertaking a contract, which provides for deferred settlement over a period, does not fulfill a payment obligation, resulting therefore in a financial loss for the other party.
This risk may therefore give rise to more strictly technical-commercial or administrative-legal repercussions (disputes on the nature/quantity of supply, on the interpretation of the contractual clauses, on the supporting invoices etc.), in addition to issues of a typically financial nature, i.e. the credit standing of the counterparty.
For the Group, exposure to credit risk is principally related to the commercial activities concerning the sale of aviation services and property activities.
In order to control this risk, the Group has implemented procedures and actions under which the customers may be evaluated according to the assigned level of attention.
The credit risk concerning other financial assets of the Group, which comprise cash and cash equivalents, presents a maximum value equal to the book value of these activities in the case of insolvency of the counterparty.

Liquidity risk

The liquidity risk management policy, i.e. the strategy put in place to avoid cash flow difficulties constituting a problem for the Group is considered prudent. The minimal objective is to ensure at all times access for the company to the funding necessary to repay debt maturing in the coming 12 months. Credit lines (including both cash and endorsement credit commitments) unutilised of the banking system in the parent company totalled Euro 67.5 million, while at Group level amounting to Euro 67.6 million.
The Group financial needs are assured by long-term funding, principally through medium/long-term loans, also related to individual acquisition operations.
For the breakdown of the medium/long-term loans in place at June 30, 2016, reference should be made to the notes to the condensed consolidated financial statements and the paragraph "Bank payables less current portion".

Analysis by maturity of derivative instrument cash flows and medium/long term loans

The following table outlines the cash flows not discounted, broken down by maturity, of hedging instruments in place, which present a negative mark to market value at June 30, 2016.

On the basis of the same maturities, the table also presents a summary of cash flows for medium/long term loans outstanding at the consolidated reporting date, including capital and interest portions.

	Total estimated cash flows		within 1 year		from 1 to 5 years		over 5 years	
	06/30/2016	12/31/2015	06/30/2016	12/31/2015	06/30/2016	12/31/2015	06/30/2016	12/31/2015
Derivative instruments with negative MTM	(278)	(258)	(145)	(111)	(133)	(147)	0	0
Medium/long-term loans	(285,769)	(253,708)	(49,873)	(22,592)	(235,896)	(231,116)	0	0
Total	**(286,047)**	**(253,966)**	**(50,018)**	**(22,703)**	**(236,029)**	**(231,263)**	**0**	**0**

Fair value hierarchy levels

A list of derivative financial instruments at June 30, 2016, measured at fair value, is reported in the table of the "Interest rate risk" paragraph above.

In relation to the financial instruments recorded in the balance sheet at fair value, IFRS 7 requires that these values are classified based on the hierarchy levels which reflects the significance of the input utilised in the determination of fair value. The following levels are used:

- Level 1 - assets or liabilities subject to valuation listed on an active market;
- Level 2 - input based on prices listed at the previous point, which are directly observable (prices) or indirectly (derivatives from the prices) on the market;
- Level 3 - input which is not based on observable market data.

The derivative instruments measured at fair value at June 30, 2016 are classifiable to hierarchy Level 2 of the fair value measurement. During H1 2016, no transfers occurred from Level 1 to Level 2 or Level 3 or vice-versa. As previously outlined, the Group holds derivative financial instruments solely to hedge interest rate risk concerning the individual loans to which they refer (cash flow hedge).

The fair value measurement of the derivatives recognised to the financial statements was made through autonomous valuation models and based on the following market data at June 30, 2016:

- short-term interest rates and swaps based on the Euro;
- prices of three month Euribor future contracts;
- fixing of the Euribor rate to measure current period coupons.

39. Investments in subsidiaries, associates and other companies

The Parent Company controls the following companies, fully consolidated. The figures reported are based on the financial statements at period-end, prepared in accordance with the accounting standards adopted by each company.

• Marco Polo Park S.r.l.
Holding: 100%
The company manages airport parking under sub-concession from SAVE and AerTre.
A value of production of approx. Euro 6.7 million was reported in H1 2016, and a pre-tax profit of Euro 1.7 million.

• Save International Holding SA
Holding: 100%

The company was incorporated in 2009 as a vehicle company for the acquisition of Brussels South Charleroi Airport SA in December 2009. The company holds the investment in Belgian Airport SA, through which the acquisition was made together with minority shareholders.

• Belgian Airport SA
Holding: 65%
The company was incorporated in 2009, also as a vehicle company for the acquisition of Brussels South Charleroi Airport SA in December 2009. The company therefore incorporates the investment in Brussels South Charleroi Airport SA, consolidated in the present condensed half-year financial statements at equity.

• Save Engineering S.p.A.
Holding: 100%
The company is involved in the design and coordination of works concerning the airport development programmes carried out by the Parent Company SAVE as part of the Airport Master Plan. The company utilises know-how acquired in the completion and management of infrastructure development projects related to the passenger transport, such as for example, airports and railway stations.
In H1 2016, the value of production totalled Euro 2.8 million; the company reported a pre-tax profit of Euro 0.3 million in the period.

• Nord Est Airport I.T. S.r.l. (N-AITEC)
Holding: 100%
The company is involved in the implementation of IT projects for airports in the operational and administrative management areas. The company also develops and commercialises software products in this field.
A value of production of Euro 1.4 million was reported for the first half of 2016 and a pre-tax profit of Euro 0.4 million.

• Treviso Airport AERTRE S.p.A.
Holding: 80%
The Company Aer Tre S.p.A. holds the concession for the management of Treviso Antonio Canova airport.
A value of production of Euro 11.4 million was reported for the first half of 2016 and a pre-tax profit of Euro 0.1 million.

• Società Agricola Save a r.l.
Holding: 100%
The company is wholly-owned by the Parent Company and is exclusively involved in the activities established by Article 2135 of the Civil Code. A value of production Euro 151 thousand was reported in H1 2016 and a pre-tax loss of Euro 40 thousand.

• Triveneto Sicurezza S.r.l
Holding: 93%
The Company carries out airport security control in accordance with Ministerial Decree No. 85 of January 29, 1999.
A value of production of Euro 6.9 million was reported for the first half of 2016, and a pre-tax loss of Euro 14 thousand.

• Save Cargo S.p.A.
Holding: 100%
The Extraordinary Shareholders' Meeting of the Company "3A - Advanced Airport Advisory S.r.l." on December 1, 2015 met and approved the conversion of the Company into a joint-stock company and the name change to "Save Cargo S.p.A." and in addition updated its main objects and increased the share capital to Euro 50,000. The notary deed was filed at the Venice Chamber of Commerce on December 28, 2015. On May 31, 2016, SAVE S.p.A. conferred the cargo business unit to the company Save Cargo S.p.A. with effect from June 1, 2016. Therefore, from that date all cargo operations were transferred to this company.

• Archimede 1 S.p.A.
Holding: 60%
The subsidiary was incorporated in 2001, under the By-Laws exclusively operating as a sub-holding of the investment in Centostazioni S.p.A..
The company operates as a vehicle company, holding 40% of Centostazioni S.p.A. (the remaining 60 % is held by Ferrovie dello Stato Italiane S.p.A.).
In H1 2016 a pre-tax profit of Euro 3.4 million was reported, principally due to the combined effect of dividends received from the investee Centostazioni and future charges on loans outstanding.

• Archimede 3 S.p.A.
Holding: 100%
The company was acquired in 2004. It did not report significant costs or revenues in the period.

• Idea 2 S.r.l.
Holding: 100%
The company is a wholly-owned indirect subsidiary of the Parent Company acquired in July 2005, also within the scope of potential investment projects. The company does not have significant costs or revenues.

The associated companies and joint ventures consolidated under the equity method are:

• Airest S.p.A.
Holding: 50%
Airest S.p.A., following the corporate operations undertaken, directly and indirectly controls three companies operating in the Food & Beverage and Retail sectors at Venice, Treviso and Verona airports. The company, operating nationally through the above-stated subsidiaries, manages over 50 sales points.

During the period, the structure of the Group headed by Airest S.p.A., held equally with the Lagardére Group, was simplified through the merger, effective from August 1, 2016, of the holding companies into the operating company Airest Retail Srl, which will therefore become a direct subsidiary of SAVE S.p.A..

• Centostazioni S.p.A.
Holding: 40%
This company is held 40% by Archimede 1 S.p.A., managing assets owned by Rete Ferroviaria Italiana S.p.A. (R.F.I), comprising the property complexes of the 103 Italian mid-size railway stations, based on a forty-year contract concluding in 2042, allocating to

Centostazioni the usage and economic benefit right of the assets and their integrated management, improvement and business development.

• Brussels South Charleroi Airport SA
Holding: 27.65% through Belgian Airport SA.
The company manages Charleroi airport (Belgium).

• Aeroporto Valerio Catullo di Verona Villafranca S.p.A.
Holding: 40.3%
The company manages Verona Villafranca and Brescia Montichiari airports. The parent company in the second half of 2014 acquired a 39.8% investment, which was increased to 40.3% in the first quarter of 2015.

• VTP S.p.A.
Holding: 22.18%
Founded by the Venice Port Authority, the company manages 10 multi-function terminals, 1 ship stores' depot, 5 parking lots and 7 docks, providing services for all vessels (cruise ships, pleasure boats, catamarans) which dock at Venice port.

• 2A – Airport Advertising S.r.l.
The company was incorporated in February 2012 for the management of advertising spaces.

• G.A.P. S.p.A.
Holding: 49.87%
The company, held 49.87%, operates in the airport sector, principally carrying out land assistance activities at Pantelleria Airport.

• Other holdings
The parent company holds further investments, including: Aeroporto Civile di Padova S.p.A. in liquidation (71.74%) and Nicelli S.p.A. (49.23%).

EARNINGS PER SHARE

Information on the data utilised for the calculation of the basic and diluted earnings per share is provided below.
The earnings per share is calculated by dividing the net profit attributable to shareholders of the Company by the number of shares. For the purposes of the calculation of the basic earnings per share, the net profit for the year was utilized, reduced by the minority share. There are no preference shares, privilege share conversions or other similar instruments that would entail the adjustment of the earnings due to shareholders. The diluted earnings per share equals the earnings per share as no potential ordinary shares or other instruments, such as options, warrants and their equivalents, if converted, may have a dilutive effect on the earnings per share. The following table reports the result and the number of ordinary shares used for the calculation of the basic earnings per share, determined in accordance with IAS 33.

	H1 2016	H1 2015
Group net profit	15,671	12,050
Weighted average number of outstanding shares		
- basic	54,738,453	51,864,841
- diluted	54,738,453	51,864,841
Earnings per share	0.286	0.232
Diluted earnings per share	0.286	0.232

The earnings per share, less the discontinued operations result, is reported below.

	H1 2016	H1 2015
Group net profit excluding the result of discontinued operations	15,731	12,050
Weighted average number of outstanding shares		
- basic	54,738,453	51,864,841
- diluted	54,738,453	51,864,841
Earnings per share	0.287	0.232
Diluted earnings per share	0.287	0.232

The average number of ordinary shares in circulation during the period was measured, adjusting the number of ordinary shares in circulation at the beginning of the period by the number of ordinary shares acquired, considering a temporal weighting.

Related party transactions

The consolidated financial statements at June 30, 2016 include the financial statements of SAVE S.p.A. and its subsidiaries, as indicated in the paragraph "Consolidation scope".

The transactions with associated companies and related parties were undertaken at the respective average market values for similar services and of a similar quality.
In relation to transactions in the period with Group Companies, reference should be made to the comments of the Balance Sheet and Income Statement accounts of the Explanatory Notes and attachment C for payable/receivable and cost/revenue transactions.

The Group incurred during the period charges for consultancy services, principally of an organisational nature, for Euro 109 thousand, with respectively Euro 39 thousand concerning the Parent Company, Euro 30 thousand concerning Aertre S.p.A., Euro 28 thousand concerning Triveneto Sicurezza S.r.l. and Euro 11 thousand concerning Idea 2 S.r.l., with companies belonging to the Finanziaria Internazionale Holding S.p.A. Group, a related party of the majority shareholder. Payables for services provided and not yet paid amounted to Euro 31 thousand concerning the parent company, Euro 21 thousand concerning Triveneto Sicurezza S.r.l. and Euro 19 thousand concerning Aertre S.p.A..
Revenues from the recharge of administrative expenses were recognised to the Parent company from Finanziaria Internazionale Holding S.p.A. for Euro 7 thousand, yet to be paid.

Supplementary Statements

Supplementary Statements
Attachment A
Statement of changes in intangible assets and relative amortisation
(In Euro/000)

	Historical cost						Accumulated amortisation					
	Value at 01/01/16	Acquisitions	Decreases	Grants	Reclassifications/Other movements	Value at 06/30/16	Value at 01/01/16	Increases	Utilisations	Reclassifications/Other movements	Value at 06/30/16	Net Intangible assets
Airport concession rights	285,757	1,337	(26)	0	51	287,119	87,464	3,739	(14)	(117)	91,071	196,048
Assets in progress and payments on account	90,593	38,354	0	0	(642)	128,304						128,304
Sub-total airport concession rights	**376,350**	**39,691**	**(26)**	**0**	**(591)**	**415,424**	**87,464**	**3,739**	**(14)**	**(117)**	**91,071**	**324,353**
Other intangible fixed assets with finite useful life	16,573	909	(25)	0	274	17,731	12,804	1,075	(25)	0	13,854	3,877
Assets in progress and payments on account	327	172	0	0	(274)	225	0	0	0	0	0	225
Subtotal other intangible fixed assets with finite useful life	**16,900**	**1,081**	**(25)**	**0**	**0**	**17,956**	**12,804**	**1,075**	**(25)**	**0**	**13,854**	**4,102**
Goodwill & other intangible assets with indefinite useful life	**6,977**	**0**	**0**	**0**	**0**	**6,977**	**0**	0	0	0	0	**6,977**
Total intangible assets	**400,227**	**40,772**	**(51)**	**0**	**(591)**	**440,357**	**100,268**	**4,813**	**(39)**	**(117)**	**104,925**	**335,432**

Supplementary Statements
Attachment B
Statement of changes in tangible assets and relative depreciation
(In Euro/000)

	Historical cost						Accumulated depreciation					
	Value at 01/01/16	Acquisitions	Decreases	Grants	Reclassifications/Other movements	Value at 06/30/16	Value at 01/01/16	Increases	Utilisations	Reclassifications/Other movements	Value at 06/30/16	Net tangible assets
Land and Buildings	43,722	162	(51)		0	43,833	246	235	0	0	481	43,352
Plant and machinery	49,600	754	(52)		362	50,665	37,344	1,596	(63)	117	38,995	11,670
Industrial and commercial equipment	5,750	80	(21)		81	5,891	4,332	192	(25)	0	4,500	1,392
Other assets	18,372	956	(135)		216	19,409	14,943	550	(134)	21	15,380	4,029
Impairment							2,557	1,260	0	0	3,816	(3,816)
Assets in progress and payments on account	1,419	232	0		(45)	1,605						1,605
Total tangible assets	**118,863**	**2,185**	**(259)**	**0**	**614**	**121,404**	**59,422**	**3,834**	**(222)**	**139**	**63,172**	**58,232**

Attachment C1
Balance Sheet accounts concerning transactions with subsidiary and associated companies;
the amounts are reported in thousands of Euro

		N-AITEC S.r.l.	Nicelli S.p.A. Aeroporto del Lido di Venezia	Archimede 3 S.r.l.	Archimede 1 S.p.A.	Società Agricola Save a r.l.	Idea 2 S.r.l.	Very Italian Food S.r.l.	Save Cargo S.p.A.	Save International Holding SA	Brussels South Charleroi Airport (BSCA) SA	Aeroporto Valerio Catullo di Verona Villafranca S.p.A.	2A - Airport Advertising S.r.l.	Venice Gataway S.r.l.	Airest Collezioni Venezia S.r.l.	Save S.p.A.	Marco Polo Park S.r.l.	Aer Tre S.p.A.	Save Engineering S.p.A.	Aeroporto Civile di Padova S.p.A. in liquidation	Airest S.p.A.	Triveneto Sicurezza S.r.l.	Airest Retail S.r.l.	Total
Save S.p.A.	**Receivables**	297	158	367	20,160	393	7				2	84	557	1	503		1,051	7,747	195	355	826	218	2,740	35,661
	Payables	2,117		10	222	56	7	35	500	4,483		18					2,772	143	4,050	17	1,274	4,111	485	20,300
Marco Polo Park S.r.l.	**Receivables**	0														2,772		0				21		2,793
	Payables															1,050		281				24	6	1,362
Aer Tre S.p.A.	**Receivables**	26											39			143	282		1			2	716	1,209
	Payables	36											3			7,747	0		18			538	1	8,342
Triveneto Sicurezza S.r.l.	**Receivables**															4,000	24	538						4,562
	Payables															107	21	2					2	132
Save Engineering S.p.A.	**Receivables**		4													3,964		17		5				3,991
	Payables															178		1					3	182
N-AITEC S.r.l.	**Receivables**										33	68				2,099		36						2,235
	Payables										9	13				279	0	26						326
Idea 2 S.r.l.	**Receivables**															7								7
	Payables			1,143												7								1,150
Società Agricola Save a r.l.	**Receivables**															59								59
	Payables															395								395
Save International Holding SA	**Receivables**															4,483								4,483
Archimede 1 S.p.A.	**Receivables**															222								222
	Payables															20,160								20,160
Archimede 3 S.r.l.	**Receivables**						1,143									10								1,153
	Payables															367								367
Nicelli S.p.A. Aeroporto del Lido di Venezia	**Payables**															158			4					163
Very Italian Food S.r.l.	**Receivables**															35								35
Save Cargo S.p.A.	**Receivables**															500								500
	Payables																							0
Brussels South Charleroi Airport (BSCA) SA	**Receivables**	9																						9
	Payables	33														2								34
Aeroporto Valerio Catullo di Verona Villafranca S.p.A.	**Receivables**	13														18								31
	Payables	68														84								152
2A - Airport Advertising S.r.l.	**Receivables**																	3						3
	Payables															557		39						596
Venice Gataway S.r.l.	**Payables**															1								1
Airest Collezioni Venezia S.r.l.	**Payables**															503								503
Aeroporto Civile di Padova S.p.A. in liquidation	**Receivables**															17								17
	Payables															355			5					360
Airest S.p.A.	**Receivables**															1,274								1,274
	Payables															826								826
Airest Retail S.r.l.	**Receivables**															485	6	1	3			2		497
	Payables															2,740		716						3,456
Other (Inarcassa)																								68
Grand total	**Receivables**	**345**	**163**	**367**	**20,160**	**393**	**1,150**	**0**	**0**	**0**	**34**	**152**	**596**	**1**	**503**	**20,087**	**1,363**	**8,341**	**198**	**360**	**826**	**244**	**3,456**	**58,808**
	Payables	**2,253**	**0**	**1,153**	**222**	**56**	**7**	**35**	**500**	**4,483**	**9**	**31**	**3**	**0**	**0**	**35,517**	**2,793**	**1,208**	**4,077**	**17**	**1,274**	**4,673**	**497**	**58,808**

Attachment C2

Income Statement accounts concerning transactions with subsidiary and associated companies;

the amounts are reported in thousands of Euro

		N-AITEC S.r.l.	Nicelli S.p.A. Aeroporto del Lido di Venezia	Archimede 3 S.r.l.	Archimede 1 S.p.A.	Venezia Terminal Passeggeri (VTP) S.p.A.	Centostazioni S.p.A.	Società Agricola Save a r.l.	Idea 2 S.r.l.	Save Cargo S.p.A.	Save International Holding SA	Brussels South Charleroi Airport (BSCA) SA	Aeroporto Valerio Catullo di Verona Villafranca S.p.A.	2A - Airport Advertising S.r.l.	Airest Collezioni Venezia S.r.l.	Save S.p.A.	Marco Polo Park S.r.l.	Aer Tre S.p.A.	Save Engineering S.p.A.	Aeroporto Civile di Padova S.p.A. in liquidation	Airest S.p.A.	Triveneto Sicurezza S.r.l.	Airest Retail S.r.l.	Total
Save S.p.A.	Revenues	30	9	5	134	14	0	31	2	145		8	84	938	738		2,821	321	172	4	956	329	2,874	9,615
	Costs	94			0	4		3		23	29		15	0			2	0	4			5,841	718	6,733
Marco Polo Park S.r.l.	Revenues															2						28	8	38
	Costs															2,821		558				6		3,385
Aer Tre S.p.A.	Revenues													56		0	559		1			3	692	1,310
	Costs	26												2		321			0			1,034	1	1,384
Triveneto Sicurezza S.r.l.	Revenues															5,841	6	1,034						6,881
	Costs															331	28	3					5	367
Save Engineering S.p.A.	Revenues															2,871		5						2,876
	Costs															173		1					5	179
N-AITEC S.r.l.	Revenues											45	55			697		55						851
	Costs															31								31
Idea 2 S.r.l.	Costs															2								2
Società Agricola Save a r.l.	Revenues															3								3
	Costs															31								31
Save International Holding SA	Revenues															29								29
Archimede 1 S.p.A.	Revenues						5																	5
	Costs															135								135
Archimede 3 S.r.l.	Costs															5								5
Nicelli S.p.A. Aeroporto del Lido di Venezia	Costs															9								9
Venezia Terminal Passeggeri (VTP) S.p.A.	Revenues															4								4
	Costs															14								14
Centostazioni S.p.A.	Costs				5																			5
Save Cargo S.p.A.	Revenues															23								23
	Costs															145								145
Brussels South Charleroi Airport (BSCA) SA	Costs	45														8								53
Aeroporto Valerio Catullo di Verona Villafranca S.p.A.	Revenues															15								15
	Costs	55														84								139
2A - Airport Advertising S.r.l.	Revenues															6		12						18
	Costs															938		56						994
Airest Collezioni Venezia S.r.l.	Costs															738								738
Aeroporto Civile di Padova S.p.A. in liquidation	Costs															4								4
Airest S.p.A.	Costs															956								956
Airest Retail S.r.l.	Revenues															718		1	5			5		729
	Costs															2,874	8	692						3,574
Other (non-deductible VAT)																								(4)
Capitalisations (*)	Costs															3,476		44						3,520
Grand total	Revenues	**30**	**9**	**5**	**134**	**14**	**5**	**31**	**2**	**145**	**0**	**53**	**139**	**994**	**738**	**10,210**	**3,385**	**1,428**	**179**	**4**	**956**	**366**	**3,574**	**22,398**
	Costs	**219**	**0**	**0**	**5**	**4**	**0**	**3**	**0**	**23**	**29**	**0**	**15**	**2**	**0**	**13,096**	**38**	**1,354**	**4**	**0**	**0**	**6,881**	**729**	**22,398**

(*) Capitalisations, of which:

- in Save S.p.A. Euro 2,867 thousand concerning Save Engineering S.p.A.; Euro 603 thousand concerning N-Aitec S.r.l. and Euro 6 thousand concerning 2A - Airport Advertising S.r.l..
- in Aertre S.p.A. Euro 5 thousand concerning Save Engineering S.p.A.; Euro 10 thousand concerning 2A - Airport Advertising S.r.l. and Euro 29 thousand concerning N-Aitec S.r.l..

Declaration of the Condensed Consolidated Half-Year Financial Statements as per Article 154- bis of Legs. Decree 58/98

1. The undersigned Monica Scarpa, as Chief Executive Officer, and Giovanni Curtolo, Executive responsible for the preparation of the corporate accounting documents of Save S.p.A., affirm, and also in consideration of Article 154-*bis*, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:

- the adequacy in relation to the characteristics of the company and
- the effective application of the administrative and accounting procedures for the compilation of the condensed consolidated half-year financial statements in the first half-year of 2016.

2. The valuation of the adequacy of the accounting and administrative procedures for the preparation of the condensed consolidated half-year financial statements at June 30, 2016 is based on a process defined by Save in accordance with the Internal Control - Integrated Framework defined by the Committee of the Sponsoring Organisations of the Treadway Commission, which represents a benchmark framework generally accepted at international level.

3. We also declare that:

3.1 The condensed consolidated half-year financial statements:
- were prepared in accordance with international accounting standards, recognised in the European Union pursuant to EU Regulation No. 1606/2002 of the European Parliament and Council, of July 19, 2002;
- correspond to the underlying accounting documents and records;
- provides a true and correct representation of the capital, economic and financial situation of the issuer and of the other companies in the consolidation scope.

3.2 The Interim Report on operations includes a reliable analysis of the significant events in the first six months of the year and their impact on the condensed consolidated half-year financial statements, with a description of the principal risks and uncertainties for the remaining six months. This interim report also contains a reliable analysis of the significant transactions with related parties.

Venice Tessera, July 28, 2016

Chief Executive Officer	**Executive Officer for Financial Reporting**
Monica Scarpa	Giovanni Curtolo

Deloitte.

Deloitte & Touche S.p.A.
Via Fratelli Bandiera, 3
31100 Treviso
Italia

Tel: +39 0422 587.5
Fax: +39 0422 587812
www.deloitte.it

REPORT ON REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
SAVE S.p.A.

Introduction

We have reviewed the half-yearly condensed consolidated financial statements of SAVE S.p.A. and subsidiaries (the "SAVE Group"), which comprise the consolidated balance sheet as of June 30, 2016, the consolidated income statement, the consolidated comprehensive income statement, the consolidated cash flow statement and the statement of changes in consolidated shareholders' equity for the six month period then ended, and a summary of significant accounting policies and other explanatory notes. The Directors are responsible for the preparation of this interim financial information in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly interim financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of the SAVE Group as at June 30, 2016 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Giorgio Moretto
Partner

Treviso, Italy
July 29, 2016

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

SAVE S.p.A.
Viale G. Galilei, 30/1 - 30173 Tessera-Venezia (Ve)
Tel. (+39) 041.2606111
Fax (+39) 041.2606260