Half-year financial report as of June 30, 2013

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Synthetic data and general information

Half-year review

On December 21, 2012 the Prime Minister approved the new Planning Agreement, signed between Aeroporti di Roma S.p.A. ("ADR") and ENAC (Italian Civil Aviation Authority) on October 25, 2012. The new tariff plan that came into force on March 9, 2013 with an average tariff of about 25 euros per outbound passenger considerably narrows the gap with the European references – which remain higher on average – and allows the investment plan to be started to modernize and expand Fiumicino airport.

This tariff adjustment takes into account the objectives of productivity, efficiency and quality of the service as well as environmental protection to ensure sustainable value creation for all the stakeholders.

In the first half of 2013 the traffic trend continues to record a decrease compared to the previous year (down 2.8%), being heavily affected by the negative economic performance, reflected especially on Domestic (down 9.9%) and European (down 2.0%) traffic, while Non-EU traffic confirms the growth trend (up +5.4%), driven mainly by countries with a growing economy.

The economic results of the first half of 2013 cannot be directly compared with those of the corresponding period of 2012, mainly due to the increased fees recently applied and the changed scope in 2012, for which the sale of ADR Retail S.r.l., effective from September 30, 2012, is particularly important.

Despite the decreasing traffic, revenues are up by 3.2% at 302.2 million euros. The performance achieved proved positive, with EBITDA improving by 33.1 million euros, mainly due to the increased fees and the different passenger mix (higher component of Non-EU passengers, which feature a higher average unit revenue in both the aeronautical and non-aeronautical segment). Consolidated EBIT came to 95.8 million euros.

Consolidated net financial indebtedness as of June 30, 2013 is equal to 809.8 million euros, decreasing further compared to 873.4 million at the end of 2012.

In 2013 the development plan was started as envisaged by the new Agreement (about 3.1 billion euros in the first ten years and more than 12 billion euros in the entire Concession period), with investments for 51.6 million euros in the first half of the year, up by 146% compared to the first half of 2012, focusing on optimization and development works at terminals and departure areas, maintenance works on the runway and apron system as well as airport systems upgrades.

On June 28, 2013 the documents were delivered to ENAC concerning the 2044 Airport Development Plan of the Roman airport system, containing, among others, the Fiumicino Sud Completion Project and the Fiumicino Nord Master Plan, drawn up with the support of international leading airport designing companies. However ADR is still awaiting the issue of the

Interministerial Decree MATTM-MIBAC for environmental impact assessment and the finalization of the services conference for the urban approval on the Fiumicino Sud completion project, for which any delay may affect the project schedules.

In addition, there are still serious concerns about the possible development of Alitalia in the short term and its medium/long term prospects, in relation to the company's current financial situation: the continuous presence of a hub carrier is actually an essential element for the implementation of the Fiumicino infrastructural development project as currently devised.

Finally, the validity of the commitments assumed by ADR is in any case subject to the effectiveness of the Planning Agreement and consequently to the outcome of the appeals put forward by some carriers and associations still pending at the competent legal authorities.

In these circumstances, the Group will pursue its strategic growth route, committed to offering the market the best assurance of efficient corporate management focused on the development of infrastructure while continuing constructive communication with the expanded community of stakeholders with a view to creating sustainable value while contributing to the revival of Italy's economy.

Financial and operating highlights of the Group

Consolidated economic and financial results (Italian GAAP)		
(Euros/000)	**1° half 2013**	**1° half 2012**
Revenues	302,150	292,896
EBITDA	167,420	134,308
% EBITDA	55.4%	45.9%
EBIT	95,788	67,501
% EBIT	31.7%	23.0%
Net profit (loss)	43,934	13,789
Group Net profit (loss)	44,133	13,552
Investments	51,552	20,993
	06/30/2013	**12/31/2012**
Net Capital Invested	1,909,381	1,929,094
Shareholders' Equity (including third party interests)	1,099,585	1,055,651
Group Shareholders' Equity	1,098,957	1,054,824
Net financial indebtedness	809,796	873,443
Net financial indebtedness / Shareholders' equity	0.7x	0.8x
	1° half 2013	**1° half 2012**
Net financial indebtedness/EBITDA (*)	2.4x	3.6x
ROI (EBIT/Net Capital Invested) (*)	9.9%	8.4%

Rating		
	06/30/2013	**12/31/2012**
Standard & Poor's	BBB- outlook positive	BB outlook positive
Moody's	Baa3 outlook stable	Ba2 outlook positive

Traffic volumes		
	1° half 2013	**1° half 2012**
Movements (no.000)	168	177
Total passengers (no.000)	19,103	19,659
Total cargo (tonnes)	74,320	74,060

Group Human resources		
	1° half 2013	**1° half 2012**
Average headcount (no. of people)	2,090.9	2,329.7
	06/30/2013	**12/31/2012**
Headcount (no. of people)	2,504	2,227

(*) ratios balanced w ith the last 12 months

Corporate bodies

Board of Directors (1)

In office until the Meeting to approve the Financial Statements 2015

Fabrizio Palenzona	Chairman
Carlo Bertazzo	Deputy Executive Chairman
Lorenzo Lo Presti	Managing Director
Giuseppe Angiolini	Director
Pier Luigi Celli	Director
Stefano Cao	Director
Beng Huat Ho (2)	Director
Gianni Mion	Director
Pierluigi Toti	Director
Antonio Sanna	Secretary

Board of Statutory Auditors

In office until the Meeting to approve the Financial Statements 2015

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

Independent Auditors

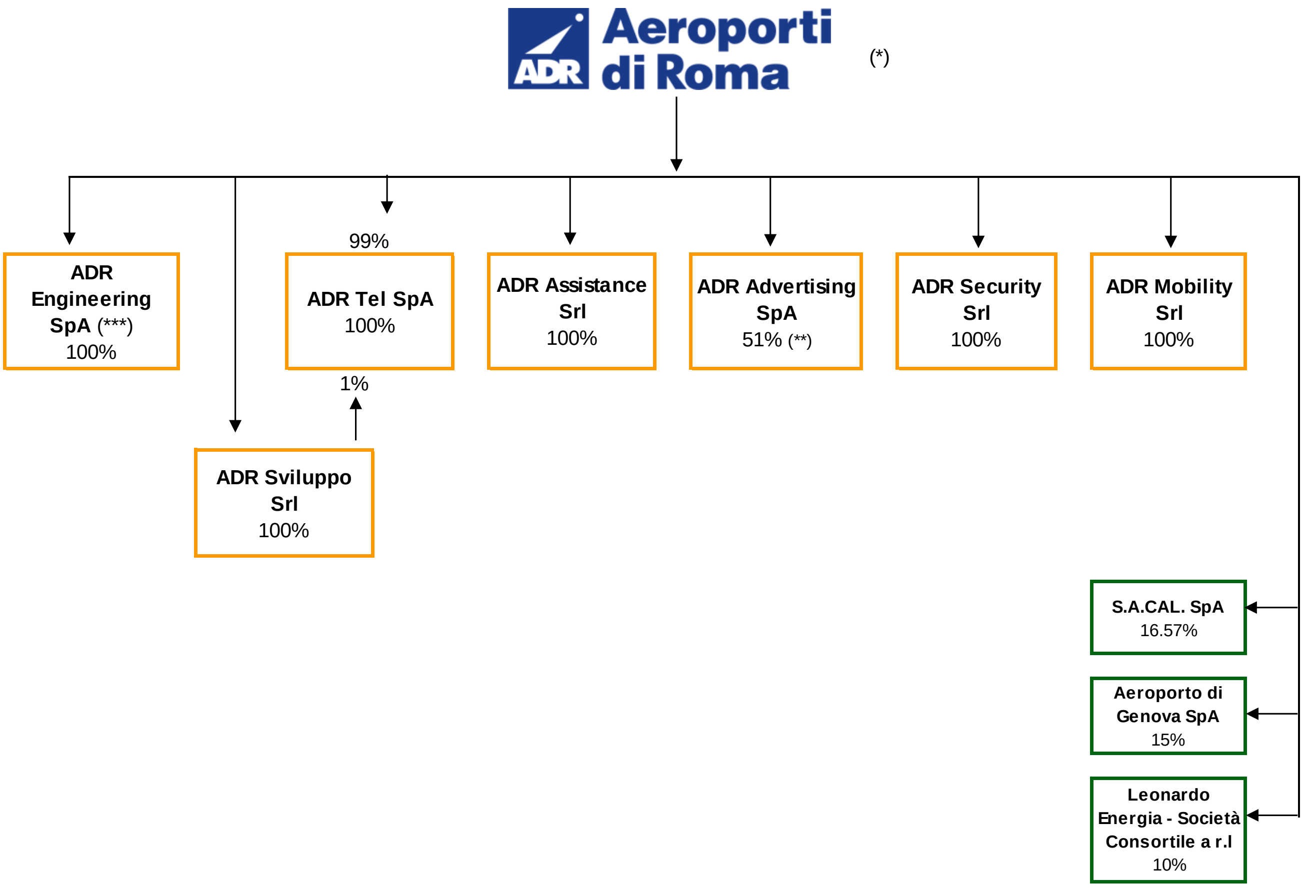
period 2013-2021

Reconta Ernst & Young S.p.A.

(1) Another member of the BOD will be appointed by the representatives of Public Authorities

(2) in office until May 30, 2013

The Group's structure as of June 30, 2013



SUBSIDIARY UNDERTAKINGS

Investments in OTHER COMPANIES

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

Interim report on operations

CORE BUSINESS

Reference scenario

The Roman Airport System

In the first five months of 2013 world air traffic recorded a total of more than 1.6 billion passengers, with a 3.0% increase compared to the same period of 2012. The growth of passenger traffic was driven by the trend of international traffic (up 4.7%), where the increase was mainly recorded in the Middle East (up 12.0%) and in Asia (up 7.4%), which confirm their position as the markets that are expanding the most. Growth in the domestic market was more contained (up 1.6%)[1].

The air traffic market in Europe was negatively affected by the weak macro-economic situation, more than any other geographic area. Compared to 2012 a moderate rise in passengers was recorded (+1,3%), also in this case driven by the increase recorded at international level (up 2.8%), which more than offset the decrease in Domestic traffic (down 3.6%)[2] .

In the first five months of the year, air transport in Italy saw passenger volumes decrease by 4.4%, up 0.02% at international level against a 10.3% drop at Domestic level[3].

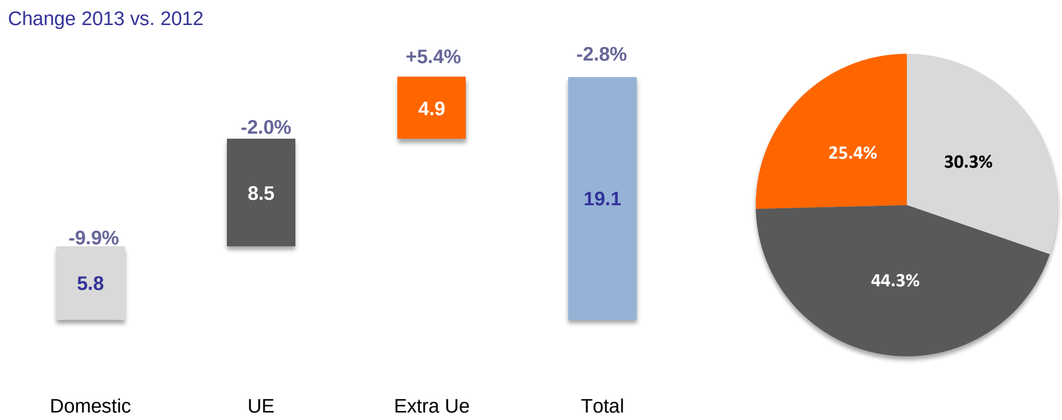
More than 19 million passengers used the Roman airport system in the first half of 2013, down 2.8% overall compared to the previous year. In terms of capacity offered, a drop was also recorded, of 5.3% in movements, 4.4% in aircraft tonnage and 5.8% in seats.

TABLE 1. Main traffic data of the Roman airport system

	1ST HALF 2013	1ST HALF 2012	Δ%
Movements (no.)	**167,799**	**177,198**	(5.3%)
Fiumicino	144,510	150,806	(4.2%)
Ciampino	23,289	26,392	(11.8%)
Passengers (no.)	**19,102,912**	**19,659,145**	(2.8%)
Fiumicino	16,971,572	17.363.547	(2.3%)
Ciampino	2,131,340	2,295,598	(7.2%)
of which: ***departing pax***	**9,450,402**	**9,717,085**	(2.7%)
Fiumicino	8,389,977	8,573,784	(2.1%)
Ciampino	1,060,425	1,143,301	(7.2%)
Cargo (tons)	**74,320**	**74,060**	0.4%
Fiumicino	65,684	65,327	0.5%
Ciampino	8,636	8,733	(1.1%)

[1] Source: ACI Pax Flash May-13
[2] Source: ACI Pax Flash May-13
[3] Source: Assaeroporti

GRAPH 1. Traffic composition at Roman airport system in the first half of 2013 (millions of passengers)

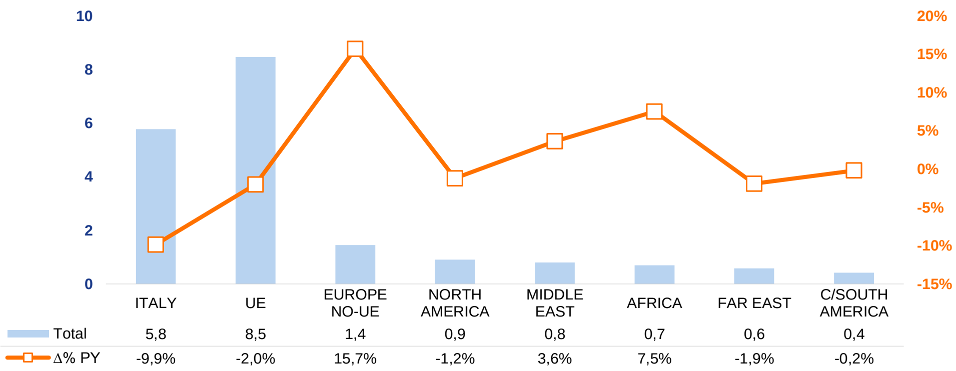


The negative result is mainly attributable to a reduction in passenger volumes at domestic level (down 9.9%) and in EU Europe (down 2.0%).

A rise in passengers from/to Non-EU Europe (up 15.7%), Africa (7.5%) and the Middle East (up 3.6%) was recorded internationally; traffic towards the other areas, on the other hand, recorded a slight decrease (Far East down 1.9%, North America down 1.2% and Central and South America down 0.2%).

The greater decrease in capacity compared to passengers has caused the load factor to rise to 72.1%, up 2.2%.

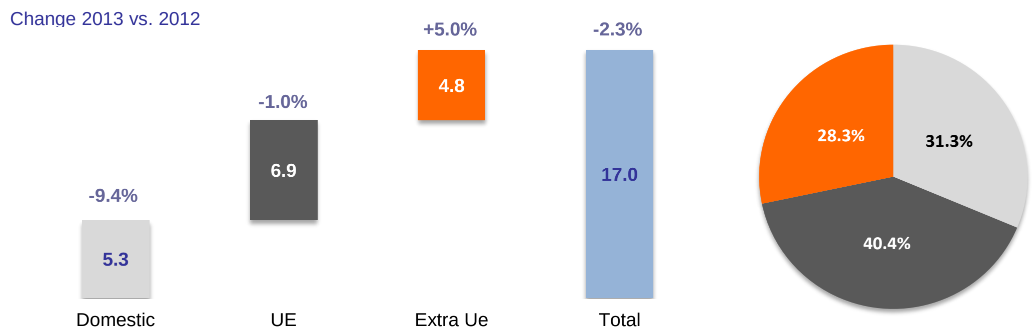
GRAPH 2. Passenger traffic distribution at the Roman airport system by Geographic Area



Fiumicino

Within the airport system, Fiumicino showed a 2.3% reduction in passenger traffic, compared to a greater drop in the capacity offered (movements down 4.2%, aircraft tonnage down 3.8% and seats down 5.1%).

GRAPH 2. Traffic composition for Fiumicino airport in the first half of 2013 (millions of passengers)



The airport performance continued to be conditioned, as in 2012, by the negative trend of Domestic traffic (down 9.4%), with all the main destinations showing a general drop in volumes as a consequence of both the difficulties being faced by the main Italian carriers and, more generally, the persisting negative macro-economic context. The decrease in the domestic segment was common to both the Alitalia component and the other airlines, which ended the first half of the year with a drop of 4.6% and 24.7%, respectively. The latter refers in particular to the insolvency of WindJet in August 2012 and to the significant capacity reduction recorded by Blue Panorama.

Passenger volumes at international level, on the other hand, grew by 1.4% and, also in this first half of the year, growth is being driven by the traffic from/to non-EU destinations (up 5.0%), against the drop recorded within the EU (down 1.0%), which in the second half of the year showed an improved performance.

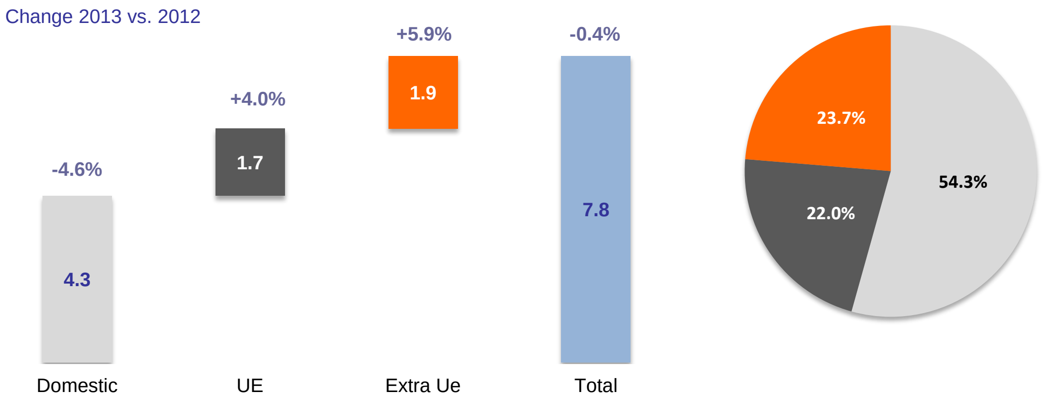
In terms of network development, the first six months of 2013 saw an increased frequency of already existing connections (such as China Eastern to Shanghai, Turkish Airlines to Istanbul, Egyptair to Cairo, easyJet to Paris, SAS to Oslo and Stockholm) and the start of new flights to/from Fiumicino, which are added to the already active network at the airport. These include: Alitalia to Prague, Fortaleza (seasonal), Bilbao, Copenhagen, Ekaterinburg, Cracow, Montpellier, Oran; easyJet to Copenhagen and Hamburg; Blue panorama to Moscow; Transavia France to Lille; Monarch Airlines to Leeds, Iran Air to Teheran, Minoair for Lugano.

The domestic market saw the start of new connections to Milan (Linate) operated by easyJet, as a novelty for the most important domestic route. In the Domestic segment worth mentioning is also the development of Darwin Airlines to Bolzano, Trapani and Ancona.

In the first half of 2013 Alitalia, the reference carrier for Fiumicino airport, substantially confirmed the passengers transported in the same period of the previous year (-0.4%), with a decrease in seats (down 3.6%), while mostly confirming the movements (down 0.5%). The slight decrease in passengers was due to the drop in the Domestic component (down 4.6%), while the international component rose by 5.0% (EU up 4.0% and non-EU up 5.9%). Also for Alitalia, the greater decrease in seats compared to passengers resulted in an increase in the load factor (69.7% with +2.2%).

Serious concerns persist as to the possible developments of Alitalia with regard to both short-term traffic and medium/long-term prospects: the continuous presence of a hub carrier is actually an essential element for the implementation of the Fiumicino infrastructural development project as currently devised.

GRAPH 3. Traffic composition for the carrier Alitalia in the first half of 2013 (millions of passengers)

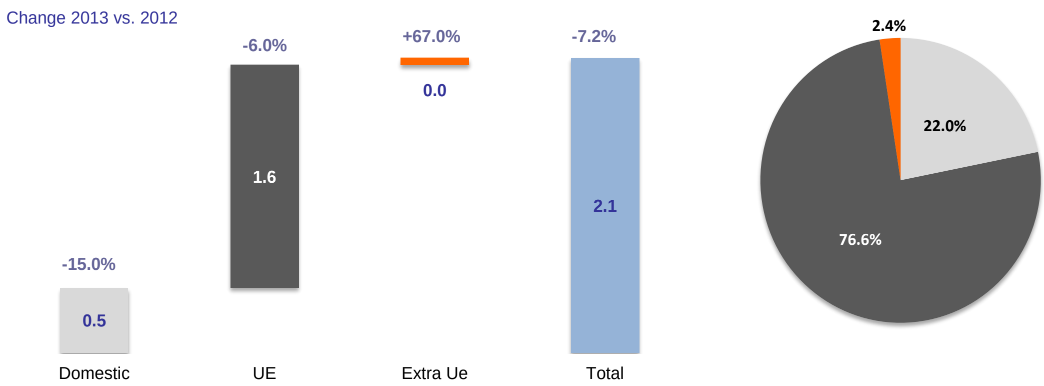


Ciampino

Ciampino airport, on the other hand, recorded a reduction in both passengers (down 7.2%) and capacity offered (movements decreased by 11.8%, while seats by 11.3%) in the first half of 2013. The negative performance was the direct consequence of the reduced capacity of Ryanair and Wizz Air on the network for winter. Traffic volumes went back to growing in the second quarter, with the start of the summer (up 3.8% compared to the previous year).

Ryanair, with about 2 million passengers, recorded an 8.4% decrease, while Wizz Air, after diverting some flights to Fiumicino airport, for a total of about 130 thousand passengers, grew by 18.0%.

GRAPH 4. Traffic composition for Ciampino airport in the first half of 2013 (millions of passengers)



The airport Management Agreement and the Planning agreement

ADR manages the Roman airport system on an exclusive basis under the concession granted to the Company with law no. 755 of November 10, 1973, and Single Deed - Planning Agreement entered into on October 25, 2012, which superseded the Management Agreement no. 2820 of June 26, 1974. This Single Deed, expiring on June 30, 2044, governs the relationships between the concessionaire and the Italian Civil Aviation Authority (ENAC).

On December 21, 2012 the Prime Minister - on the proposal of the Ministry of Infrastructure, in agreement with the Minister of the Economy - had approved the Planning Agreement with some amendments and integrations, which were adopted with a specific Additional Deed, signed by ENAC and ADR on December 27, 2012. On December 28, 2012 the notice of the Prime Minister's office regarding the approval of the Single Deed was published in the Official Gazette. The notice also specified that the unabridged text of the Council of Ministers Presidential Decree and the attachments regarding the Single Deed could be consulted on the website of ENAC and the Ministry of Infrastructure and Transport. The publication took place on January 8, 2013. On March 8 the Council of Ministers Presidential Decree and the Planning Agreement were recorded by the Court of Auditors.

On January 8, 2013, ENAC formally informed IATA, in accordance with the practice in force, that March 9, 2013 was the term when the collectability by ADR of the new fees valid for the year 2013 becomes effective. This refers to the necessary adjustment of the ticket systems of the carriers. On January 23, 2013 ADR made sure, with a communication of its own, that the same communication was given to all the airlines concerned. The new fees came into force on March 9, 2013.

Therefore ADR commenced the investment plan envisaged by the Agreement, in line with the updated time schedule of the actions regarding the first regulatory sub-period (2012-2016) for Fiumicino and Ciampino airports, sent to ENAC on February 26, 2013.

ADR fulfilled all the obligations scheduled in the short term by the Single Deed, and namely: the payment of the deposit for an amount equal to a one-year installment of the concession fee; the waiver of the disputes pending with ENAC linked to airport fees related to the Planning Agreement; the transmission to ENAC, by June 30, of the Airport Development Plan for 2044; the sending of the reconnaissance of the assets for use free of charge by the Government Authorities operating at the airport.

The Group's consolidated results for the period

The comparison of the results of the first half of 2013 with those of the same period of the previous year is affected by the following factors:

- sale of the subsidiary undertaking ADR Retail to third parties, effective from September 30, 2012;
- sale of the "vehicle maintenance" company branch, effective from November 1, 2012;
- divestiture of the canteen management business from July 1, 2012;
- fee increase from March 9, 2013.

Consolidated economic management

The Group's result in the first half of the year was affected by the initial effects of the fee increase applied from March 9, 2013 and connected to the new Planning Agreement, and of the related start of the investment plan, though in an economic context which still negatively influences the traffic trend.

TABLE 1. Consolidated income statement

2012	*(Euros/thousand)*	I Half 2013	I Half 2012	CHANGE	CHANGE %
321,676	Aeronautical Revenues	202,997	151,128	51,869	34.3%
280,480	Non-aeronautical Revenues	99,153	141,768	(42,615)	(30.1%)
602,156	**A.- REVENUES**	**302,150**	**292,896**	**9,254**	**3.2%**
3,677	Capitalized costs and expenses	3,554	1,684	1,870	111.0%
605,833	**B.- REVENUES FROM ORDINARY ACTIVITIES**	**305,704**	**294,580**	**11,124**	**3.8%**
(185,861)	Cost of materials and external services	(80,806)	(96,924)	16,118	(16.6%)
419,972	**C.- GROSS MARGIN**	**224,898**	**197,656**	**27,242**	**13.8%**
(122,022)	Payroll costs	(57,478)	(63,348)	5,870	(9.3%)
297,950	**D.- GROSS OPERATING INCOME**	**167,420**	**134,308**	**33,112**	**24.7%**
(118,905)	Amortization and depreciation	(60,697)	(58,466)	(2,231)	3.8%
(20,905)	Other provisions	(6,389)	(4,444)	(1,945)	43.8%
(2,687)	Provisions for risks and charges	(4,103)	(3,832)	(271)	7.1%
6,241	Other income (expense), net	(443)	(65)	(378)	581.5%
161,694	**E.- OPERATING INCOME**	**95,788**	**67,501**	**28,287**	**41.9%**
(67,739)	Financial income (expense), net	(22,741)	(33,433)	10,692	(32.0%)
(10)	Adjustments to financial assests	0	(6)	6	(100.0%)
93,945	**F.- INCOME BEFORE EXTRAORDINARY ITEMS AND TAXES**	**73,047**	**34,062**	**38,985**	**114.5%**
216,579	Extraordinary income (expense), net	55	(2,560)	2,615	(102.1%)
310,524	**G.- INCOME BEFORE TAXES**	**73,102**	**31,502**	**41,600**	**132.1%**
(52,864)	Income taxes for the period	(32,630)	(20,183)	(12,447)	61.7%
5,443	Deferred tax assets	3,462	2,470	992	40.2%
263,103	**H.- NET INCOME FOR THE PERIOD**	**43,934**	**13,789**	**30,145**	**218.6%**
	including:				
224	- Minority interest	(199)	237	(436)	(184.0%)
262,879	**- Group interest**	**44,133**	**13,552**	**30,581**	**225.7%**

Revenues

Consolidated revenues equal to 302.2 million euros increased by 3.2% overall compared to the reference period, due to the combined effect of:

- a 34.3% growth in revenues from aeronautical activities, in connection to the fee increase deriving from the Planning Agreement;
- the 30.1% drop in the non-aeronautical segment, mainly as a consequence of the ceased revenues from direct sales (replaced by the royalties charged to the sub-concessionaire Ls Travel Retail), revenues regarding canteens and vehicle maintenance in relation to the corporate transactions mentioned at the beginning of this paragraph.

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

Costs

- The cost of raw materials and external services amounts to 80.8 million euros, down 16.6% compared to the reference six-month period. The following was recorded:
  - the decrease in raw materials and goods for resale of 21.7 million euros attributable to the elimination, following the sale of ADR Retail, of the purchases of goods for resale (equal to about 19 million euros in the first half of 2012), decrease in charges for the purchase of electricity (due to reduction in both consumption and prices);
  - the overall increase in external service costs for 5.6 million euros attributable mainly to the rise in concession fees (up 9.4 million euros) expected at the time of the enforcement of the Planning Agreement, partly offset by the elimination of canteen management costs (2.4 million euros in the first half of 2012) and the lower costs (down 1.2 million euros) for contract work regarding the state-financed portion of the works in departure area F. As regards other service costs, an increase was recorded in costs for professional services for the projects regarding service quality and safety improvement, counterbalanced by the reduction in costs consequently to the actions aimed at greater efficiency.
- Payroll costs equal to 57.5 million euros decreased by 9.3% in comparison to the first half of 2012 due to the fewer resources employed (down 238.8 people), mainly related to the sale of ADR Retail and the vehicle maintenance company branch occurred towards the end of 2012.

Gross operating income (EBITDA)

The gross operating income, equal to 167.4 million euros, rose compared to the first half of 2012 by 24.7%, with an impact on revenues growing from 45.9% in 2012 to 55.4%.

Amortization, depreciation, provisions and other net income

- Amortization and depreciation rose by 2.2 million euros compared to the reference period.
- The load of provisions for doubtful accounts and allowances for risks and charges, equal to 10.5 million euros, is higher overall by 2.2 million euros compared to 2012, mainly as a consequence of the greater provisions to the doubtful accounts (up 1.9 million euros).
- Other income (expense) net shows a negative balance of 0.4 million euros.

Operating income (EBIT)

The operating income reached 95.8 million euros compared to 67.5 million euros of the first half of 2012, up by 28.3 million euros.

Net financial expense

Net financial expense amounts to 22.7 million euros, decreasing by 10.7 million euros compared to the comparison period, due to the progressive decrease in debt, the favorable performance of interest rates and ADR’s improved rating.

Net income (loss) for the Group

Net of fiscal charges, in the first half of 2013 the Group reported a net profit of 44.1 million euros.

Consolidated financial management

TABLE 2. Consolidated financial position

06/30/2012	*(Euros/thousand)*		06/30/2013	12/31/2012	CHANGE
	A. - NET FIXED ASSETS				
1,841,071	Intangible fixed assets *		1,806,428	1,814,844	(8,416)
183,813	Tangible fixed assets		174,824	177,039	(2,215)
2,771	Non-current financial assets		2,784	2,791	(7)
2,027,655			**1,984,036**	**1,994,674**	**(10,638)**
	B. - WORKING CAPITAL				
20,339	Inventory		7,947	10,480	(2,533)
172,873	Trade receivables		200,441	163,757	36,684
83,152	Other assets		96,120	95,392	728
(129,047)	Trade payables		(129,183)	(108,267)	(20,916)
(87,034)	Allowances for risks and charges		(73,242)	(71,069)	(2,173)
(172,493)	Other liabilities		(155,176)	(133,782)	(21,394)
(112,210)			**(53,093)**	**(43,489)**	**(9,604)**
1,915,445	C. - INVESTED CAPITAL, minus short-term liabilities	(A+B)	**1,930,943**	**1,951,185**	**(20,242)**
24,981	D. - EMPLOYEE SEVERANCE INDEMNITIES (ESI)		**21,562**	**22,091**	**(529)**
1,890,464	**E. - INVESTED CAPITAL, minus short-term liabilities and ESI**	(C-D)	**1,909,381**	**1,929,094**	**(19,713)**
	financed by:				
	F. - SHAREHOLDERS' EQUITY				
805,497	Group interest		1,098,957	1,054,824	44,133
840	Minority interest		628	827	(199)
806,337			**1,099,585**	**1,055,651**	**43,934**
790,861	**G. - MEDIUM/LONG-TERM NET BORROWING**		**938,361**	**786,611**	**151,750**
	H. - SHORT-TERM NET BORROWING (NET CASH AND CASH EQUIVALENTS)				
511,453	Short-term borrowing		10,314	523,899	(513,585)
(218,187)	Cash and current receivables		(138,879)	(437,067)	298,188
293,266			**(128,565)**	**86,832**	**(215,397)**
1,084,127		(G+H)	**809,796**	**873,443**	**(63,647)**
1,890,464	**I. - TOTAL AS IN "E"**	(F+G+H)	**1,909,381**	**1,929,094**	**(19,713)**
1,577,075	(*) of which: value of concession		*1,527,791*	*1,552,433*	*(24,642)*

Fixed assets

Fixed assets reduced by 10.6 million euros compared to December 31, 2012 due to the amortization and depreciation of the six months, only partly offset by the investments in the period.

Working capital

Compared to December 31, 2012, the working capital decreased by 9.6 million euros overall due to the combined effect of the following:

- "trade receivables" rose by 36.7 million euros due to the prevailing expansive effects deriving from applying the new fees – which increased from March 9, 2013 – in addition to the seasonal trend;
- "trade payables" increased by 20.9 million euros mainly in connection with the greater investments of the period compared to the last portion of the previous year;
- "other liabilities" recorded an overall increase of 21.4 million euros due to the above mentioned concession fees and the accrued expense for advance billing of sub-concession fees..

Net invested capital

The consolidated net invested capital, equal to 1,909.4 million euros at the end of the first half of 2013, decreased by 19.7 million euros compared to December 31, 2012.

Shareholders' equity

The shareholders' equity increased by 43.9 million euros compared to the end of the previous year due to the net profit for the first half of the year.

Net debt

The net debt amounts to 809.8 million euros as of June 30, 2013, recording a decrease of 63.6 million euros compared to the end of 2012.

TABLE 3. Consolidated net debt

06/30/2012	*(Euros/thousand)*	06/30/2013	12/31/2012	CHANGE
(2,758)	Titles - Bonds	(2,758)	(2,758)	0
93,600	Due to banks	241,100	89,350	151,750
700,019	Due to other financial institutions	700,019	700,019	0
790,861	**A- MEDIUM/LONG-TERM BORROWING**	**938,361**	**786,611**	**151,750**
9,895	Due to banks	9,551	9,910	(359)
501,558	Due to other financial institutions	763	513,989	(513,226)
511,453	Short-Term Borrowing	**10,314**	**523,899**	**(513,585)**
(50,390)	Receivables due from others	(25,434)	(43,650)	18,216
(167,797)	Cash on hand and in banks	(113,445)	(393,417)	279,972
(218,187)	Cash and current receivables	**(138,879)**	**(437,067)**	**298,188**
293,266	**B- NET SHORT-TERM BORROWING (NET CASH AND CASH EQUIVALENTS)**	**(128,565)**	**86,832**	**(215,397)**
1,084,127	**NET DEBT (A+B)**	**809,796**	**873,443**	**(63,647)**

Medium/long-term net borrowing

Medium/long-term borrowing rose by 151.8 million euros in relation to:

- the disbursement, in February 2013, of 156.0 million euros valid on the Term Loan granted in May 2012 and falling due in February 2015;
- reclassification to short-term debt of the portion of the Banca BIIS loan falling due in the short term for 4.2 million euros.

Short-term net borrowing

The short-term component of debt is down 215.4 million euros, reflecting the combined effect of:

- decrease in amounts due to other financial institutions for the repayment, as of the expiry date of February 2013, of Tranche A1, equal to 500.0 million euros, of the payable to Romulus Finance S.r.l. ("Romulus Finance");
- lower cash on hand and in banks and current receivables of 298.2 million euros used, together with the Term Loan facility mentioned above, to repay the debt falling due.

TABLE 4. Statement of consolidated cash flows

2012	*(Euros/thousand)*	I Half 2013	I Half 2012
141,072	**A.- NET CASH AND CASH EQUIVALENTS - opening balance**	**(86,832)**	**141,072**
	B.- CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
263,103	Net income (loss) for the period	43,934	13,789
118,905	Amortization and depreciation	60,697	58,466
(213,305)	(Gains) losses on disposal of fixed assets	(3)	(10)
(39,219)	Net change in working capital	9,602	27,121
(50)	Net change in employee severance indemnities	(529)	189
129,434		**113,701**	**99,555**
	C.- CASH FLOW FROM (FOR) INVESTMENT ACTIVITIES		
	Investment in fixed assets:		
(50,287)	.intagible	(44,364)	(24,415)
(9,743)	.tangible	(6,394)	(5,449)
(24)	.financial	0	0
211,216	Proceeds from disposal, or redemption value of fixed assets	704	221
151,162		**(50,054)**	**(29,643)**
	D.- CASH FLOW FROM (FOR) FINANCING ACTIVITIES		
0	New loans	156,000	0
(508,500)	Current portion of m/l term financial debt	(4,250)	(504,250)
(508,500)		**151,750**	**(504,250)**
(227,904)	E.- CASH FLOW FOR THE PERIOD (B+C+D)	**215,397**	**(434,338)**
(86,832)	**F.- NET CASH AND CASH EQUIVALENTS - closing balance (A+E)**	**128,565**	**(293,266)**

During the first half of 2013 the operating activities carried out by the Group generated an operating cash flow equal to 113.7 million euros, up by 14.1 million euros compared to the reference period, mainly due to the growing profit for the period, partly offset by the trend of the working capital.

The internally generated financial resources were partly absorbed by the coverage of the net self-financed investments equaling 50.1 million euros (29.6 million euros in the reference period), also including the investment regarding the ancillary charges of the loans.

Due to the flows described above, the disbursement of the Term Loan for 156.0 million euros and the reclassification of 4.2 million euros among short-term debt, the net cash flow in the first half of the year was positive for 215.4 million euros.

The Group closed the first half of the year 2013 with net cash and cash equivalents of 128.6 million euros compared to short-term borrowing of 293.3 million euros as of June 30, 2012.

TABLE 5. Analysis of net debt

2012	*(Euros/thousand)*	I Half 2013	I Half 2012
(1,154,039)	A.- NET FINANCIAL BORROWING - opening balance	**(873,443)**	**(1,154,039)**
297,950	EBITDA	167,420	134,308
(16,103)	Net change in operating working capital	(19,624)	(41)
(50)	Net change in employee severance indemnities	(529)	189
(10)	Other income (exp.), net	(446)	(75)
(4,383)	Extraordinary income (exp.), net	(156)	104
(68,295)	Current taxes paid	(20,416)	(3,485)
(13,284)	Other assets/liabilities (included allowances for risks and charges)	9,260	2,807
195,824	B.- OPERATING CASH-FLOW	**135,509**	**133,807**
(60,054)	Capex (tangibles, intangibles and financial)	(50,758)	(29,864)
211,216	Proceeds from disposal, or redemption value of fixed asset	704	221
346,986	C.- FREE CASH-FLOW	**85,455**	**104,164**
(66,390)	Financial income (exp.), net	(21,808)	(34,252)
280,596	D.- NET CASH-FLOW	**63,647**	**69,912**
(873,443)	E.- NET BORROWING - closing balance (A+D)	**(809,796)**	**(1,084,127)**

ADR Group's activities

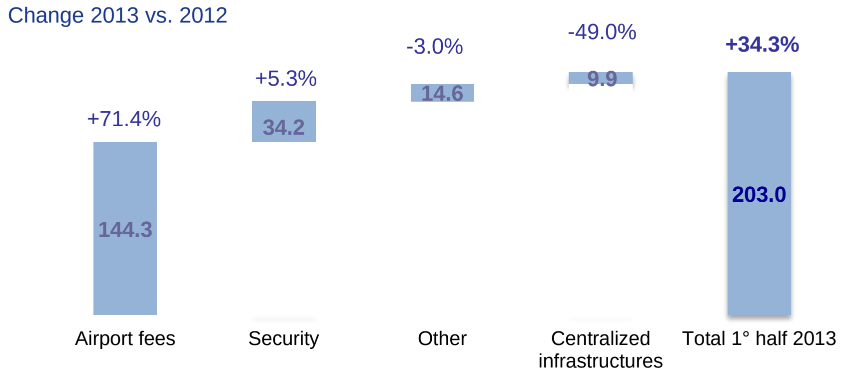
Aeronautical activities

The aeronautical activities directly connected to airport sector, which include airport fees, centralized infrastructures, security services etc., generated revenues for 203.0 million euros, up by 34.3% compared to the reference period.

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

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

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



Airport fees

Revenues from airport fees, equal to 144.3 million euro, increased by 71.4% compared to the first half of 2012, deriving from:

- landing, take-off and parking fees: equal to 42.5 million euro, up by 56.1% as a consequence of two opposing phenomena: the reduced number of movements (down 5.3%) and the higher unit fee. The increase derived from both the rise in fees from December 12, 2012 (correction of the previous adjustment to target inflation from 1.5% to 2.0%) and the greater unit fees deriving from the application of the Planning Agreement from March 9, 2013, which included in the landing and take-off fees the relevant costs previously applied to the use of common assets, catering, fuelling, supply systems in remote aprons and safety;

- passenger boarding fees: amount to 100.4 million euros and recorded an increase compared to the first half of 2012 (up 80.7%). The reduction in passenger traffic was offset by the positive effects of bringing fees in line with inflation and especially by the adjustment of the fees that took place with the application of the Planning Agreement, which included in the passenger boarding fees some fees, and related costs, regarding centralized infrastructures for services attributable directly to passengers (such as baggage handling systems, passenger check-in computerized systems, public announcement and information);
- cargo revenues: the revenues stand at 1.4 million euros, up by 0.9% consequently to the increased goods transported compared to the previous year (up 0.4%). In consideration of the situation of the reference market, despite the Planning Agreement allowing higher fees to be applied, ADR temporarily established to confirm the previous fees for 2013.

Security

Security activities (security checks on passengers and carry-on and checked baggage, explosive detection checks, other security checks requested) generated revenues of 34.2 million euros in the first half of 2013, up 5.3% compared to the same period of the previous year. This result is related to the increased unit fees set by the Planning Agreement, which more than offset the lower passenger traffic.

Centralized infrastructures

The management of centralized infrastructures, in consideration of the mentioned amalgamation of some fees for centralized infrastructures within airport fees, recorded a turnover of 9.9 million euros, decreasing by 49.0% compared to the previous year, due to:

- revenues deriving from the baggage handling systems: down by 69.9% (service not separately charged since March 9, 2013);
- revenues from loading bridges: 23.9% decrease due to both the fewer movements and the new fee defined in the Planning Agreement, which is lower than the value applied previously.

Other revenues

Revenues from aeronautical activities reached 14.6 million euros, down 3.0% compared to the previous year:

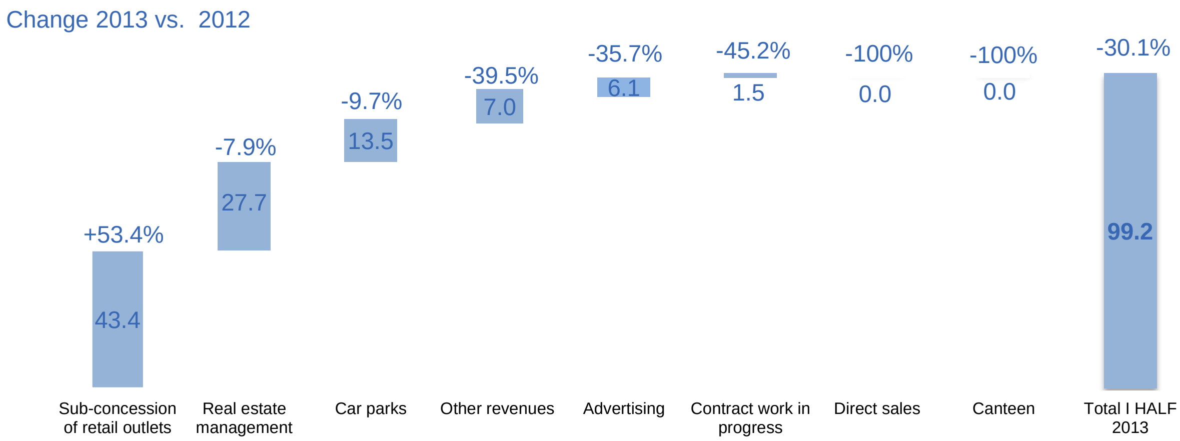
- assistance to passengers with reduced mobility (“PRM”), provided by ADR via a service agreement entrusted to the subsidiary undertaking ADR Assistance: revenues of about 7.7 million euros, up by 8.2% compared to the previous year, due to the different unit fees applied in 2012 (mainly the increase in the euro unit fee from May 1, 2012 Fiumicino from 0.74 euros to 0.91); this effect is partly mitigated by the reduction in passenger traffic;
- passenger check-in desks: revenues, equaling 5.6 million euros, are rather unchanged (up 1.3%) compared to last year due to the combined effect of the reduction in outgoing flights and the new methods of use which, being based on a maximum number of passengers to be accepted per flight on the individual desks, encourage a more intense use of the infrastructure. This effect was compounded from March 9, 2013 by the increase in the unit fees established by the Planning Agreement;

- other aeronautical revenues: equal to 1.3 million euros, consisting of revenues for the use of common assets, luggage porters and left luggage, self-service trolleys, etc.. These revenues decreased compared to 2012 (down 46.4%) consequently to the cancelled application, from March 9, 2013, of the fees to use common assets that, as mentioned above, were included in landing and take-off fees.

Non-aeronautical activities

Non-aeronautical activities include real estate activities, commercial activities (sub-concessions and utilities, car parks, advertising and refreshment outlets) and other.

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



Non-aeronautical revenues dropped from 141.8 million euros to 99.2 million euros in the first half of 2013 (down 30.1%). Below is an analysis of the various business areas:

Sub-concession of retail outlets

These recorded revenues of 43.4 million euros, with a 53.4% increase compared to the first half of 2012 (up 7.2% given the same scope, excluding the royalties from core categories). Commercial activities benefited from a favorable traffic mix linked to the growing Non-EU component - typically with higher spending - compared to the domestic component. The improved security times recorded from in the first half of the year compared to the previous year also significantly contributed to this growth by shortening lines and lengthening the time available for shopping. The market factors and the more efficient control operations were combined with business and marketing actions that have allowed an increase in the value of the offer portfolio in terms of product segments and a rise in the average yield of the commercial surfaces, to achieve sales results that are more than proportional to the traffic trend, despite the unfavorable macroeconomic scenario. In detail:

- Core Categories: the royalties generated by the retail outlets under sub-concession in favor of LS Travel Retail Roma, a company of the Aelia group, amounted to 13.1 million euros. These royalties were impacted by the restructuring and extension works regarding the sales surfaces, which are expected to be completed at the end of July 2013;
- Specialist Retail: recorded revenues from royalties equal to 15.5 million euros, up by 6.1% in absolute terms and 9.1% in terms of average revenue per passenger, thanks to the very positive performance of the "Luxury", "Clothing" and "Electronics" segments (up 11.1%, 29.2% and 48%, respectively, in terms of average revenue per passenger, despite the loss of surface in favor of the Core Categories);
- Food & Beverage: revenues equaled 10.9 million euros, growing by 5.4%, despite the numerous restructuring activities conducted in the first half (up 8.4% for revenue per passenger). The business benefitted from new openings and the new price list applied from March 1;
- Other commercial activities: the passenger service activities recorded revenues equal to 3.9 million euros, rising by 17.8% compared to 2012 and by 21.2% in terms of unit revenues, attributable essentially to the renewed current exchange activities and related contractual conditions.

Real estate management

The revenues from real estate activities amount to 27.7 million euros (down 7.9% compared to the same period of the previous year), broken down as follows:

- retail and other sub-concessions, deriving from fees and utilities: the turnover equaled 23.4 million euros, up 0.6% compared to the reference period This trend is mainly attributable to the greater spaces supplied to Ls Travel Retail Roma (formerly ADR Retail) and Simav, which at the end of 2012 acquired the "vehicle maintenance" company branch, as well as the adjustment of the fees paid by sub-concessionaires to inflation. A negative change in the item "utilities" was recorded as a consequence of applying the mentioned Planning Agreement according to which, from January 1, 2013, the charges incurred by Government Authorities for utilities and for the services related to the premises used for tasks related to the movement of aircraft, passengers and goods, are no longer refunded by such Authorities to ADR, but are considered as costs admitted for tariff purposes;
- other fees charged at Fiumicino and Ciampino, calculated on the volume of activities carried out (consideration on jet fuel, catering activities, hotels, car hire, car wash, fuel stations, etc.): revenues equaled 4.3 million euro, decreasing by 37% compared to the first six months of the previous year. This decrease is substantially attributable to the fact that these services are no longer debited separately from March 9, 2013, owing to the new fees under the Planning Agreement coming into force. The costs related to these activities have been channeled to the new measurement of the landing and take-off fees.

Car parks

Revenues from the management of car parks (13.5 million euros) decreased by 9.7% compared to the reference period. The reduction was higher than the trend of the potential customer market, consisting of "outgoing" passengers, which dropped by -3.8%, thus determining a negative value in terms of expenditure per passenger. In detail:

- passenger car parking: revenues of 11.2 million euros (down 11.9%) influenced by the mix of outbound passengers, which saw a considerable decrease in domestic outbound passengers (down 14.0%);
- airport operator car parking: revenues equal to 2.3 million euros (up 2.9%).

Retail outlets directly managed

These outlets were managed by the Group until September 30, 2012, when the subsidiary undertaking ADR Retail was transferred to third parties. In the first half of 2012 the turnover from the direct management of sales (core categories) amounted to 41.0 million euros.

Advertising

The management of advertising spaces generated revenues of 6.1 million euros, down by 35.7% overall compared to 2012, attributable to the persisting crisis in the sector, the reduction of some areas available at Terminals for this activity and the termination of advertising activities at the outlets managed by ADR Retail, sold on September 28, 2012, which had recorded revenues of 1.5 million euros in the first half of 2012.

Other revenues

- Since July 1, 2012, the management of canteens for airport operators is no longer carried out by ADR but directly by the service supplier ADR provided spaces and equipment to by sub-concession. In the first half of 2012 ADR had reported revenues from **refreshments** of 3.8 million euros.
- **Contract work in progress**, substantially comprising the revenues to repay the works financed by the State, relating to departure area F (formerly Pier C), net of the change in works in progress of the same nature, equaled 1.5 million euros compared to 2.7 million euros in the reference half-year.
- Revenues from **other activities** amounted to 7.0 million euros; the most significant items showed the following trends:
  - revenues regarding maintenance services provided to third parties, equal to 0.3 million euros compared to 4.8 million in the reference period, decreased as a result of the transfer, effective from November 1, 2012, of the “vehicle maintenance” company branch;
  - revenues for cleaning fees and biological wastewater treatment for 1.6 million euros (down 17.9%);
  - revenues for other sales (fuel, consumable materials, etc.), equal to 1.4 million euros (down 6.6%).

ADR Group capital investment

After the approval of the Planning Agreement, the investments included in the time schedule started to be planned and created. The schedule takes into account the acceleration set by the Decree of Approval of December 21, 2012. In the first half of 2013 investments amounted to:

TABLE 1. Detail of ADR Group capital investment in the first half of 2013

(MILLIONS OF EUROS)	1ST HALF 2013	1ST HALF 2012	CHANGE
Runway 2	16.3	0.0	16.3
Maintenance works and terminal optimization	8.2	0.9	7.3
Departure area E/F (Pier C and 3° Bhs)	4.3	5.6	(1.3)
Fiumicino – electrical system maintenance	4.0	0.9	3.1
Fiumicino - maintenance, electrical network and air-conditioning	3.7	1.9	1.8
Works on baggage systems and new x-ray machines	3.5	1.1	2.4
Works on runways and aprons	2.2	2.7	(0.5)
Fiumicino - sewer and water network maintenance works	2.1	0.4	1.7
Ciampino - infrastructure adaptation works	1.2	0.5	0.7
Runway 3	0.7	0.0	0.7
Fiumicino – civil engineering works maintenance (various buildings)	0.6	0.5	0.1
Fiumicino - electromechanical system maintenance works	0.6	0.4	0.2
Works on airport access	0.5	0.9	(0.4)
Departure area A (Pier AA / Ter. - Pzz.li conn.)	0.4	0.0	0.4
Vehicle and equipment purchases	0.2	0.3	(0.1)
Works on commercial areas and car parks	0.2	0.2	0.0
Fiumicino Nord: long-term development program	0.0	0.7	(0.7)
Maintenance works on buildings managed by sub-concessionaires	0.0	0.1	(0.1)
HBS/BHS former Alitalia cargo	0.0	0.1	(0.1)
Other	2.9	3.8	(0.9)
TOTAL INVESTMENTS	**51.6**	**21.0**	**30.6**
of which:			
- self-financed	50.1	18.3	31.8
- State-funded	1.5	2.7	(1.2)

On June 28, 2013, in compliance with the Planning Agreement, ENAC was sent the Airport Development Plan (“PSA”), containing the Fiumicino Sud completion project, the Ciampino extension plan (including the transformation into City Airport) and the Master Plan for Fiumicino Nord, devised according to the methods of the international designing companies URS, featuring optimized design choices.

The following important points were highlighted in the letter about the mentioned PSA addressed to ENAC:

- failure to issue the Interministerial Decree MATTM-MIBAC for environmental impact assessment and failure to finalize the services conference for the urban approval on the Fiumicino Sud completion project, with consequent delays on the subsequent activities and uncertainties as to the overall timing of the project;

- need to adjust the mechanism, set in the Planning Agreements, for the attribution to ADR of the design costs, the various methods used in the procedure to approve the works introduced by the Decree of December 21, 2012 on the approval of the CDP;
- possible need to review the PSA in case of changing traffic volumes;
- the validity of the commitments assumed by ADR subject to the effectiveness of the Planning Agreement and consequently to the outcome of the appeals put forward by some carriers and associations still pending at the competent legal authorities.

Illustrated below are the main investments for the various categories.

Runways and aprons

At the end of January the works started for the upgrade of Runway 2. They were completed on June 12, 2013, ahead of schedule, and the flight infrastructure was restored accordingly; works on some taxiways will continue until November.

The works to replace the rain water collection grilles have continued. The works were completed for the creation of a fuelling apron in the operating area for the means dedicated to de-icing activities with the aim of increasing the time capacity of the service.

The apron upgrading works at the 700/800 quadrant and the Alfa taxiway were completed. The projects to expand the 200 aprons and upgrade runway 3 were completed.

Terminals

Preliminary works were completed for the inclusion to the site of the new front building of T3.

Concerning departure area F (Pier "C"), the underground area that connects Pier C with the front of the building was completed; the works to complete the structure and the boarding towers continued; works were started at the front of the building (demolitions, excavations and temporary works).

The definitive design of the East Hub was started, which also includes the front building of T1, the new pier at Departure Area A, the restructuring and extension of Departure Area C.

The works to repaint the exposed internal metallic ribs of the covering of Terminal 3 were contracted.

The activities related to the "Smart Action" program started in September 2012 to improve the image and the service rendered to passengers were continued at existing terminals. In particular:

- at the Terminal 3 departures, the works were completed to upgrade the security control area and reorganize the passport control area;
- the restructuring of 5 toilet facilities was completed, according to the latest standards adopted (prior to the new Concept);
- restructuring works are in progress concerning two "sample" toilet facilities, based on the new concept adopted through international tender and to be completed by July; the restoration works for the remaining 16 toilet facilities to be completed by the end of the year were contracted;
- the works relating to the organization of the arrival area at Terminal 3 were started in February and continue as planned, which envisage the decongestion of the hall of the Terminal by expanding the spaces for operating activities and the circulation of passengers, making them

easier to use, through the movement and reconfiguration of the customs entry points, the relevant offices and commercial spaces and the upgrading and renovation of restrooms both land side and air side;

- the granite paving of the departure hall and the mezzanine floor of Terminal 3 was upgraded;
- the overall arrangement of the security points at terminal 1 was upgraded by increasing the total number of x-ray machines available (20% rise from 17 x-ray machines used previously to the current 20);
- the security point at Terminal 5 was upgraded to increase by 40% (from 7 to 10) the number of the x-ray devices available to passengers;
- more than 500 seats were added at the terminals and some deck chairs were included to improve the level of comfort of waiting passengers;
- near the check-in and security areas, 4 repacking areas were created, available to those passengers who need to rearrange their luggage to respect the weight and dimension limits;
- 50% of the landing bridges at pier B (formerly national pier) were upgraded.

As part of ADR-RFI-Trenitalia project groups aimed at improving the service to passengers and favoring train-airplane exchanges:

- actions are being completed to improve, at Terminals 1 and 3, the signs to direct passengers, with particular reference to the exit route, baggage reclaim and transit halls, transportation and external services such as trains, taxis, buses, rent a car and multilevel signs;
- preliminary activities are being completed and the works to install Trenitalia automatic ticket machines at Terminals 1 and 3 and a Trenitalia info desk at Terminal 3 with annexed ticket office and train information monitors will be completed by July.

Systems

The design was completed of the definitive High Voltage / Medium Voltage transformation electric sub-station.

A tender notice was published to purchase analyzers for baggage liquid control in order to comply with the obligations of partial liberalization of liquid transport on board, starting from January 2014.

The works were continued to draw water from the Tiber river for industrial use.

An order was issued and the supply of the components was started to replace a sorter at the BHS baggage treatment system at Terminal 3.

Projects and supplies are in progress to replace and update some medium voltage electric switch boxes and to repair/replace some generators to increase the overall reliability of the Fiumicino electric power supply system.

The complete restructuring of the piers for departure area B was started.

The preliminary project for the People Mover was started and is being updated to connect the terminal system with the Cargo City for the exact definition of the layout and the stations.

Infrastructure and buildings

The preliminary design for the air side urbanization of the Western Area was created, concerning the re-protection of the SERAM area (dedicated to the suppliers of fuel for aircraft) and the relocation of customs entry point no. 1.

The preliminary project was devised for the new parking area for airport operators at the East area (landside) aimed at decongesting the central areas.

The areas for the works to upgrade the Bus Hub located the end of the Terminal 3 arrival road were completed, with the aim of improving the usability of the area and the service to passengers.

As part of ADR-RFI-Trenitalia project groups aimed at improving the service to passengers and favoring train-airplane exchanges:

- on the “Leonardo Express” (Roma Termini – Fiumicino) trains, information panels were installed that show information on the Terminals used by the various airlines;
- monitors were installed at the Roma Termini and Roma Ostiense stations that show information on the flights; the monitors will be operational by July.

Research and development

The Group did not carry out any research and development activities during the first half of 2013.

Human resources

As of June 30, 2013 the ADR Group employed 2,504 people, recording an increase of 12.4% compared to December 31, 2012. The change is due mainly to the increase in seasonal personnel that is typical of the summer and the actions aimed at attaining the objectives stated in the Service Charter (ADR Security up 63 people and ADR Assistance up 17 people).

Payroll costs in the first half of 2013 equaled 57.5 million euro, down 9.3% compared to the reference period. The ADR Group headcount on open-ended contracts in the first half of 2013 equaled 1,880 people, with a change of 10 people compared to December 31, 2012 (up 0.5%).

The Group's average headcount equals 2,090.9 fte employees in the first half of 2013, down by 238.8 people compared to the first half of 2012. This decrease is mainly due to the sale of ADR Retail and the Vehicle Maintenance company branch (down 267.3 FTE employees), partly offset (up 28.5 FTE employees) by the increase in seasonal personnel that is typical of the summer, and the actions aimed at attaining the objectives stated in the Service Charter (ADR Security and ADR Assistance).

TABLE 1. Headcount data

	UNIT	06/30/2013	12/31/2012
Group headcount by qualification	no.	**2,504**	**2,227**
Managers	no.	45	45
Administrative staff	no.	182	180
White-collar	no.	1,697	1,551
Blue-collar	no.	580	451
Group headcount by company	no.	**2,504**	**2,227**
ADR S.p.A.	no.	1,086	1,039
ADR Engineering	no.	36	33
ADR Tel	no.	15	15
ADR Advertising	no.	8	8
ADR Assistance	no.	389	281
ADR Security	no.	912	793
ADR Mobility	no.	58	58
Group headcount by contract type	no.	**2,504**	**2,227**
Open-ended contract	no.	1,880	1,870
Fixed-term contract	no.	624	357
	UNIT	1ST HALF 2013	1ST HALF 2012
Group headcount by qualification (average	FTE	**2,090.9**	**2,329.7**
Managers	FTE	44.9	42.1
Administrative staff	FTE	180.1	183.8
White-collar	FTE	1,459.3	1,595.4
Blue-collar	FTE	406.6	508.5
Group headcount by company (average headcount)		**2,090.9**	**2,329.7**
ADR S.p.A.	FTE	1,014.3	1,682.8
ADR Engineering	FTE	31.3	33.1
ADR Tel	FTE	15.0	16.0
ADR Advertising	FTE	8.0	9.0
ADR Assistance	FTE	246.5	247.8
ADR Security	FTE	718.7	224.9
ADR Mobility	FTE	57.1	18.4
ADR Retail	FTE	0.0	97.7
Passengers/FTE employees	**no.**	**9,136.2**	**8,438.5**

Training

In the first half of 2013, in order to ensure the development of skills and define professional routes that are in line with the requirements of the airport business, the Human Resources and Quality Office managed the processes aimed at assessing managerial resources and supported the development of the professional skills that are mostly connected with the service quality objectives.

19 training and refresher courses were held, 10 of which entirely funded by Fondimpresa plans, for 1,020 participants overall and a total of 11,790 hours of courses provided. Two training courses in particular were held, which are dedicated to the personnel in charge of the Fiumicino Terminal Services and ADR Security check operators, with the aim of improving the relations with customers within the customer experience framework.

Service quality

"Copernico" project

To effectively and continuously meet the needs and expectations of customers and passengers, in the first half of 2013, the programs defined within the "Copernico" project were implemented. The project, started in the second part of 2012, envisages improvements in infrastructure and the main operating processes.

In the first half of the year, the main actions mainly focused on:

- the optimization of check-in and baggage reclaim services, with the publication of the carrier/handler performance and the creation of baggage re-packaging zones in the check-in area;
- public information by activating a specific Airport Helper program at Fiumicino and improving the signs for both the access along the road to the airport and inside the Terminal to make the passenger route clearer, with special reference to the transport from and to the city;
- the cleaning of terminals and restrooms, with the introduction of the best concepts for restrooms and the upgrade of the containers for the sorting of waste;
- security activities by improving the dedicated instruments (e.g. lengthening of roller units) and publishing information on the performance at security points and new customer-satisfaction oriented personnel training programs.

In terms of infrastructure in particular, worth mentioning are the works to restructure the security control area at T3, the requalification of the sidewalk near the departure area, the polishing of the floor at Terminals 1 and 3 and departure area B. Switching to the LED technology for the lighting of Terminal T3 is also to be mentioned. Comfort at the airport was improved by increasing the number of seats and providing internet free of charge at the airport for 30 minutes. Special areas dedicated to children were created at the baggage reclaim area and, to make the route easier to cover for families with children at the air side, 150 baggage carts fitted with crib/baby chair were also provided. A great deal of attention was also devoted to improving cleaning at airports with a program that, among other things, also included the washing of the windows at the airports.

Service Charter

To guarantee the compliance with the service standards set for Roman airports, in the first half of 2013 the service levels provided to passengers continued to be monitored according to the Quality Plan by carrying out about 20,000 objective checks. Passenger satisfaction levels and the quality of the main services provided in particular were checked on a daily basis: check-in, carry-on baggage checks, baggage reclaim and punctuality of departing flights.

At Fiumicino airport, the analysis of the overall performance of the quality levels highlights, compared to 2012, a general improvement, except for the punctuality of departing flights. This trend is the result of a large-scale program that started with the improvement of the service standards set by the Service Charter of ADR for all of the main services supplied to passengers. Improvement actions were taken on two fronts:

- the control and stimulation action carried out towards the handlers was strengthened in terms of compliance with the standards regarding baggage reclaim wait time and check-in procedures. In the first half of 2013, 77 requests for fines were submitted to ENAC for non respecting the airport standards, compared to 22 of the first half of 2012;
- the processes related to the management of carry-on baggage security checks and clearing contracts were further reviewed and improved.

At Ciampino airport, the analysis of the trend of the quality levels shows general compliance with the indicators of the Service Charter.

TABLE 1. Main indicators Service Quality

	UNIT	1ST HALF 2013	1ST HALF 2012[4]	STANDARD
Fiumicino				
Lines at national check-in desk, within 7 minutes	%	95.5	94.8	90
Lines at international check-in desk, within 16 minutes	%	89.7	83.9	90
Waiting time for carry-on baggage security checks, within 7 minutes	%	90.2	65.5	90
Delivery of first bag from block-on by set time	%	86.9	83.7	90
Delivery of last bag from block-on by set time	%	90.9	87.4	90
Punctuality of departing flights (flights leaving with less than 15 minutes of delay)	%	74.6	83.1	75
Ciampino				
Lines at check-in desk, within 17 minutes	%	89.7	98.4	90
Waiting time for carry-on baggage security checks, within 10 minutes	%	98.4	92.3	90
Delivery of first bag from block-on by set time	%	97.1	97.6	90
Delivery of last bag from block-on by set time	%	98.6	99.3	90
Punctuality of departing flights (flights leaving with less than 15 minutes of delay)	%	85.9	85.1	85

At both airports a constant improvement is recorded in particular as regards carry-on baggage security checks, following the spin-off process.

[4] Fiumicino and Ciampino: compared to the data published in the half-year report as of June 30, 2012, the data of the 1st half of 2012 for check-in, security and baggage reclaim was recalculated based on the standards in force (Service Charter) in 2013 to ensure data comparability.

Environment

In the period in question the maintenance and development of the Environmental Management System ("EMS") at Fiumicino and Ciampino airports continued according to plan.

In June, the certifying body Bureau Veritas, carried out checks on the system, confirming its compliance with the reference UNI EN ISO 14001 standards.

Energy consumption

The first half of 2013 featured energy savings of about 0.9%. Actions continued in the first half of the year to adjust the set points and temperature of air conditioning systems and manage billboards and lights as in 2012.

CO2 emissions

At Fiumicino airport ACI Europe issued the ACA - Airport Carbon Accredited (optimization) certificate for the two-year period 2013-2014. At Ciampino airport ACI Europe issued the ACA (mapping) accreditation certificate or the two-year period 2013-2014. As usual ADR had its CO2 rights checked and certified according to the ETS scheme and returned 3,075 tons of CO2.

Production of waste

The program for the sorting of recyclable waste continued. At Fiumicino in particular the percentage of waste to be recycled was higher than 40%. At Ciampino airport the percentage of sorted waste was about 5%.

Noise pollution

ADR continued airport noise monitoring activities at both airports in compliance with the specific legal provisions. At Ciampino airport, compared to the limits defined for acoustic zoning, due to a change introduced by ENAV to the take-off procedure, the areas where the limits are exceeded were increased. Activities are being carried out to verify the additional actions to be taken to reduce the acoustic impact. On part of the areas where the excesses were estimated (for both Ciampino and Fiumicino), preliminary activities were carried out to identify the properties falling within the critical area and which may be subject to acoustic redevelopment by ADR.

Risk factors of the ADR Group

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

The Group's risk management system is divided over three levels of responsibility:

- the Board of Directors outlines the guidelines of the risk management system, assesses their suitability and identifies the key corporate figures;
- the Internal Audit manager, appointed by the Board of Director, is responsible for checking the suitability and effectiveness of the internal control and risk management system;
- Board of Statutory Auditors.

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

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

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

During 2012, through various initiatives, a process was started to strengthen the internal control and risk management system to emphasize the integration role of the mechanisms and figures involved in risk identification and mitigation and envisage methods of coordination among these subjects, with the aim of maximizing the efficiency and reducing any redundancies. The system strengthening project is also aimed at:

- conveying an overall view of the company risks to analyze and compare risks of various nature, progressively and with a view to updating the reference framework;

- strengthen the risk management culture in the company processes by spreading a common "language" and uniform tools/methodologies for the representation and management of risks.

As part of the first phase of the process, a general risk assessment activity was started, which is aimed at assisting the organization to enhance the ability to identify and assess the risks that may jeopardize the effectiveness and efficiency of the company processes while identifying actions to be implemented to strengthen the internal control system. In addition, this phase of the process provided the management with a tool to evolve the risk and control culture in the organization, encouraging the empowerment of staff.

As part of the second phase of the process, started in the first half of 2013, the actions already undertaken were continued and numerous and important initiatives were started, which translated into a set of organizational and resource-enhancement measures as well as actions on infrastructure and information systems.

These initiatives concerned various frameworks and areas of activity of the ADR Group and were aimed at managing and mitigating the identified risks, which can be subdivided into the four following categories: (i) strategic, (ii) operational, (iii) financial and (iv) compliance risks.

Summarized below are the risks broken down by categories as well as the main initiatives started in the first half of 2013 to manage and mitigate the risks.

Strategic risks

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

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

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

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

In particular, Alitalia plays the role of hub carrier at Fiumicino airport. Although the market share of Alitalia on Fiumicino (equal to about 45%) is lower than the incidence of the hub carriers in some of the main European airports (Frankfurt 65%, Amsterdam 55%, London Heathrow 53%, Paris CDG 50% and Madrid 47%), in case of reduced or interrupted operation of Alitalia, the identification is uncertain – or the necessary time for the identification is unforeseeable – of carriers that adopt the hub&spoke model to restore the transiting passenger volumes, with repercussions on the overall traffic and economic performance of the ADR Group.

Finally, based on the indications by the press, Alitalia would be in a particular tense financial situation, particularly in terms of liquidity. Should the difficult situation faced by Alitalia be confirmed and even persist or worsen, repercussions on ADR's activity and results of operations and financial position could not be excluded.

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

With reference to the main strategic risks, the initiatives taken concerned the analysis of the possible scenarios and the business outlook of the carrier Alitalia. An external consultant was commissioned to carry out a sensitivity analysis on the possible impact of these scenarios on the traffic at Fiumicino airport, also by examining comparable situations at European level where the discontinuity of the hub carrier was experienced. Internal initiatives included the review of the organization and structure in charge of developing aeronautical customers, with the implementation of a Route Development Management model and the creation of a specific structure arranged into four geographic areas for customer development: Asia, the Americas, Middle East, Europe and Africa, with the addition of the cargo business.

Operational risks

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

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

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

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

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

The main activities started in the first half of the year include:

- the completion of an important risk assessment project concerning the safety of operations both air side and in the terminal area. As part of the project, a gap analysis was carried out that targeted the excellence standards adopted at the "best in class" airports around the world and the international regulations that guide the new regulatory provisions that will be soon introduced in Italy. The analyses carried out highlighted the areas to be improved to achieve the best international practices with a view to adjusting to the new national regulations coming into force while contributing to mitigating the residual risk. In the improvement areas that have been identified, upgrading actions and interventions have already been started by management with regard to procedures and infrastructure;
- several infrastructural works were also carried out at the terminals, the maneuvering areas and the aprons to improve the safety of those subjects and operators who use them, including fire prevention/reporting interventions;
- several initiatives were also taken to improve the service quality, putting passengers and their satisfaction at the core of the corporate activities (i.e. Copernico, Occhiometro, ADR Welcome, Info Desk, automatic ticket machines, monitors with information on trains and flights); such initiatives have shortened the waiting times for passengers and the time needed for the operators to pass the security points by improving the personnel structure and the dedicated infrastructure.

Financial risks

Credit risk

This is the risk that a customer or the counterparty in a financial instrument fails to meet its obligations, thereby causing a loss. As of June 30, 2013, the ADR Group's maximum exposure to this risk is the nominal value of the guarantees provided for third parties' debt or commitments, the carrying value of the financial assets shown in the financial statements and especially trade receivables to customers.

For an analysis of the policies in place to control the investment in credit as well as the particular situation of concentration deriving from the relationship with the main carrier Alitalia, please see the paragraph on Information on financial risk in the Notes to the condensed consolidated half-year financial statements.

Liquidity risk

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

The financial structure of the ADR Group is distinguished by a moderate incidence of the net financial leverage component, since net debt is about 2.4 times the EBITDA at the end of the first half of 2013. Nevertheless, a substantial portion of the cash generated from operating activities is used to pay loan interest and, in future, the principal.

The loan agreements in place provide for costs that change according to the rating issued by Moody’s and Standard & Poor’s; the rating level also affects the application of stricter clauses included in the “Security Package”, which assists the agreements to guarantee the priority allocation of the generated cash to service the debt. These additional measures are activated in connection with the rating, but also in the case certain financial ratios do not exceed the minimum levels previously agreed.

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

After the repayment, as of the expiry date of February 20, 2013, of line A1 Romulus (500 million euros), having used only 156 million euros of the new bank facility for 400 million euros made available after signing the agreements in May 2012, and the consequent conversion of part of the unused loan to increase to 150 million euros the pre-existing revolving line, there were no additional deadlines for the repayment of the existing loans. Nevertheless, ADR has already started, in the second half of the year, the activities needed to ensure the refinancing of the tranches of debt falling due in February 2015 (tranche A2 and A3 of the Romulus loan, in addition to the bank loan of 2012 for a total of 530 million euros) with the aim of finalizing this process at least one year before the set deadlines. At the same time the process was started to refinance the revolving bank facility of 2012 to be finalized at the same time as the refinancing of the facilities mentioned above.

Interest rate risk

The Group uses external financial resources. Changes in interest rates affect the cost of the funds borrowed, with their effects on the amount of interest expense. To face these risks, the Group uses interest rate swap to manage its exposure to unfavorable fluctuations in interest rates.

Exchange rate risk

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

Risks related to outstanding loan agreements

Rating

ADR and its debt are subject to assessment by Standard & Poor's and Moody's.

ADR's rating was as follows in the 1st half of 2013:

- Moody's: on January 8, 2013, following the approval of the new Planning Agreement, the agency placed ADR's rating under review for upgrade. On March 11, 2013 the agency Moody's restored the rating on ADR debt in the Investment Grade bracket ("Baa3"), assigning a stable outlook. The considerable improvement - by two notches - refers, as expressed by the agency in its release, to the approval of the Planning Agreement, which finally gave the Company a clear and stable regulatory framework as a fundamental prerequisite to implement the investment plan and finalize the debt refinancing project ADR is committed to in the near future;
- Standard & Poor's: on March 7, 2013 the agency, having positively assessed the stronger credit profile of the company, owing to the considerable improvement of the financial situation and the definitive approval of the Planning Agreement, increased ADR's long-term rating from "BB+" to "BBB-", placing the company back in the "Investment Grade" bracket and assigning a positive outlook.

The conditions that maintain the Trigger Event into force persist, which could be contractually eliminated with an upgrade by another notch by both agencies. This regime imposes more restrictive constraints for the company to manage the cash flows and investments. These include: a) the obligation, as debt service dates approach, to allocate the residual cash available to the repayment/collateralization of repayable/non-repayable debt (so-called Cash Sweep), b) prohibition to distribute dividends and c) obligation to identify, with the support of an external consultant entrusted by lenders, the remedy measure to recover the minimum required rating.

However, on March 18, 2013, the financial creditors of ADR, in addition to qualifying the new Planning Agreement as "Material Contract" according to the financial documentation in force, excluding the application of the Cash Sweep in the Application Date of March 2013 and approving the new investment plan attached to the Planning Agreement, allowed the elimination, effective until March 2014, of any constraint to the implementation of the investment plan set by the mentioned financial documentation.

Security Package: covenants

The structure of the current loan agreements reflects the need to guarantee a “pari passu” regime for various loans. ADR owes 700 million euros to a vehicle - Romulus Finance Srl - established pursuant to Law no. 130/99, which securitized a pre-existing bank loan to ADR via a bond issue that, when issued, boasted the highest rating (AAA), thanks to the guarantee on the insolvency risk provided by a specialized company (Ambac Assurance UK Ltd). At the end of June 2013 ADR also owes 249.6 million euros to banks through agreements with guarantees aligned to the same “Security Package” of the Romulus Finance bonds.

The Security Package consists of a set of guarantees and requires compliance to the principal control covenants (defined on the basis of final and forecast data) which include: (i) Debt Service Coverage Ratio (DSCR), measuring the ratio between available cash flow and debt servicing; (ii) Concession Life Cover Ratio (CLCR), measuring the ratio between discounted future cash flows and net debt; and (iii) Leverage Ratio, that is the ratio between net debt and gross operating income. These ratios are checked twice a year, on two of the four dates available to make the payments regarding the debt service (application dates) of March 20 and September 20, by applying the calculation methods of the respective ratios to the relative data at December 31 and June 30.

If the above ratios are exceeded, dividends can be distributed (if any surplus cash is available) and if the ratios are exceeded by higher margins, further borrowing may be undertaken. On the other hand, if the ratios fall below specific thresholds, a trigger event or an event of default may occur.

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

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

The closing data at June 30, 2013 confirms, based on the simulations carried out, the respect of the financial ratios set in the loan agreements that will be finalized with the lenders on the next application date of September 2013.

Moreover, the loan agreements call for acceleration, termination and withdrawal conditions typical for loans with similar characteristics.

Compliance risks

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

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

This compliance risk must be managed even more carefully at the time of disruption represented by the approval of the new Planning Agreement.

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

Finally, it is worth mentioning that various areas concerned by environmental pollution risks were reclaimed, a prevention program was started through infrastructural interventions (fencing of the areas concerned, where possible, installation of surveillance cameras) and periodic and regular inspections of the grounds were commenced.

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

The financial position and income statement items of ADR S.p.A. were influenced by the following factors:

- contribution in kind of the "direct sales" company branch to ADR Retail on April 2, 2012,
- contribution in kind of the "security" company branch to ADR Security on May 2, 2012,
- contribution in kind of the "car parks" company branch to ADR Mobility on May 3, 2012,
- sale of the "vehicle maintenance" company branch, effective from November 1, 2012, in addition to the divestiture of the canteen management activity since July 1, 2012
- fee increase from March 9, 2013.

Economic management

TABLE 1. Income statement

2012	*(in thousand of euros)*	I HALF 2013	I HALF 2012	CHANGE	CHANGE %
321,676	Aviation Revenues	202,997	151,128	51,869	34.3%
231,070	Non Aviation Revenues	90,652	121,227	(30,575)	(25.2%)
552,746	**A.- REVENUES FROM ORDINARY ACTIVITIES**	**293,649**	**272,355**	**21,294**	**7.8%**
(198,573)	Cost of materials and external services	(104,063)	(98,309)	(5,754)	5.9%
354,173	**B.- GROSS MARGIN**	**189,586**	**174,046**	**15,540**	**8.9%**
(79,731)	Payroll costs	(33,339)	(47,416)	14,077	(29.7%)
274,442	**C.- GROSS OPERATING INCOME**	**156,247**	**126,630**	**29,617**	**23.4%**
(118,413)	Amortization and depreciation	(60,508)	(58,286)	(2,222)	3.8%
(20,057)	Other provisions	(5,942)	(4,407)	(1,535)	34.8%
(2,111)	Provisions for risks and charges	(2,958)	(3,603)	645	(17.9%)
6,953	Other income (expense), net	(277)	561	(838)	(149.4%)
140,814	**D.- OPERATING INCOME**	**86,562**	**60,895**	**25,667**	**42.1%**
(61,841)	Financial income (expense), net	(22,732)	(33,455)	10,723	(32.1%)
(10)	Adjustments to financial assests	0	(6)	6	(100.0%)
78,963	**E.- INCOME BEFORE EXTRAORDINARY ITEMS AND TAXES**	**63,830**	**27,434**	**36,396**	**132.7%**
219,644	Extraordinary income (expense), net	468	(2,561)	3,029	(118.3%)
298,607	**F.- INCOME BEFORE TAXES**	**64,298**	**24,873**	**39,425**	**158.5%**
	Income taxes for the period:				
(44,313)	current taxes	(27,947)	(17,521)	(10,426)	59.5%
4,880	deferred tax assets (liabilities)	2,576	2,347	229	9.8%
(39,433)		**(25,371)**	**(15,174)**	**(10,197)**	**67.2%**
259,174	**G.- NET INCOME (LOSS) FOR THE PERIOD**	**38,927**	**9,699**	**29,228**	**301.4%**

Revenues of 293.6 million euros recorded a 7.8% increase compared to the reference period due to the combined effect of the increased activities in the aeronautical segment (up 34.3%), due to the new Planning Agreement, and the reduced non-aeronautical activities (down 25.2%) consequently to the extraordinary transactions mentioned above.

The cost of raw materials and external services (104.1 million euros) rose by 5.9% compared to the reference period, while staff costs (33.3 million euros) decreased by 29.7% compared to the reference period due to the fewer resources employed (down 668.5 people) consequently to the corporate transactions of the previous year, which caused the transfer of a part of the employees.

EBITDA stood at 156.2 million euros, up 29.6 million euros compared to the reference period (up 23.4%), with the incidence on revenues rising from 46.5%, in the first half of 2012, to 53.2%.

The period in question ends with a net profit of 38.9 million euro, up 29.2 million euros compared to the reference six months.

Financial management

TABLE 2.

Financial position

06/30/2012	*(in thousand of euros)*		06/30/2013	12/31/2012	CHANGE
	A. - NET FIXED ASSETS				
1,873,663	Intangible fixed assets *		1,842,416	1,849,556	(7,140)
185,653	Tangible fixed assets		178,849	179,152	(303)
12,689	Non current - financial assets		12,218	12,225	(7)
2,072,005			**2,033,483**	**2,040,933**	**(7,450)**
	B. - WORKING CAPITAL				
10,769	Inventory		7,759	10,297	(2,538)
178,520	Trade receivables		199,451	161,598	37,853
73,888	Other assets		86,728	92,163	(5,435)
(135,027)	Trade payables		(153,932)	(129,006)	(24,926)
(85,983)	Allowances for risks and charges		(70,856)	(69,792)	(1064)
(158,217)	Other liabilities		(141,676)	(119,660)	(22,016)
(116,050)			**(72,526)**	**(54,400)**	**(18,126)**
1,955,955	C. - INVESTED CAPITAL, minus short-term liabilities	(A+B)	1,960,957	1,986,533	(25,576)
17,046	D. - EMPLOYEE SEVERANCE INDEMNITIES		**15,208**	**15,542**	**(334)**
1,938,909	**E. - INVESTED CAPITAL, minus short-term liabilities and ESI**	**(C - D)**	**1,945,749**	**1,970,991**	**(25,242)**
	financed by:				
	F. - SHAREHOLDERS' EQUITY				
62,225	- Paid-up share capital		62,225	62,225	0
763,346	- Reserves and retained earnings (accumuled losses)		1,022,520	763,346	259,174
9,699	- Net income (loss) for the period		38,927	259,174	(220,247)
835,270			**1,123,672**	**1,084,745**	**38,927**
790,861	G. - MEDIUM/LONG-TERM BORROWING		**938,361**	**786,611**	**151,750**
	H. - SHORT-TERM NET BORROWING (NET CASH AND CASH EQUIVALENTS)				
513,500	.Short-term borrowing		11,606	524,802	(513,196)
(200,722)	.Cash and current receivables		(127,890)	(425,167)	297,277
312,778			**(116,284)**	**99,635**	**(215,919)**
1,103,639		(G+H)	**822,077**	**886,246**	**(64,169)**
1,938,909	**I. - TOTALE AS IN "E"**	**(F+G+H)**	**1,945,749**	**1,970,991**	**(25,242)**
1,603,061	*(*) including the value of the concession totaling*		*1,552,965*	*1,578,013*	*(25,048)*

Net fixed assets reduced by 7.5 million euros compared to December 31, 2012 due to the amortization and depreciation of the first half of the year, partly offset by the investments.

The working capital decreased by 18.1 million euros as a whole in the period in question, mainly as a consequence of the increased trade payables (24.9 million euros) and the other liabilities (22.0 million euros), partly offset by the rising trade receivables (37.9 million euros).

The net invested capital, equal to 1,945.7 million euros at the end of the first half of 2013, decreased by 25.2 million euros compared to December 31, 2012, and is financed by the shareholders' equity for 1,123.7 million euros, up compared to the reference period in terms of profit for the period, and by net debt for 822.1 million euros, decreasing by 64.2 million euros compared to the end of 2012.

TABLE 3. Net debt

06/30/2012	*(in thousand of euros)*	06/30/2013	12/31/2012	CHANGE
(2,758)	Titles - Bonds	(2,758)	(2,758)	0
93,600	Due to banks	241,100	89,350	151,750
700,019	Due to other financial institutions	700,019	700,019	0
790,861	**A- MEDIUM/LONG-TERM BORROWING**	**938,361**	**786,611**	**151,750**
9,043	Due to banks	8,881	8,914	(33)
501,558	Due to other financial institutions	763	513,989	(513,226)
2,899	Due to subsidiary undertakings	1,962	1,899	63
513,500	Short-Term Borrowing	**11,606**	**524,802**	**(513,196)**
0	Receivables due from subsidiary undertakings	(425)	0	(425)
(50,390)	Receivables due from others	(25,434)	(43,649)	18,215
(150,332)	Cash on hand and in banks	(102,031)	(381,518)	279,487
(200,722)	Cash and current receivables	**(127,890)**	**(425,167)**	**297,277**
312,778	**B- NET SHORT-TERM BORROWING (NET CASH AND CASH EQUIVALENTS)**	**(116,284)**	**99,635**	**(215,919)**
1,103,639	**NET DEBT (A+B)**	**822,077**	**886,246**	**(64,169)**

For a description of the main changes in net debt and the financial events, reference is made to what is illustrated for the ADR Group.

TABLE 4. Statement of cash flows

2012	*(Euros/thousand)*	I HALF 2013	I HALF 2012
140,686	A.- NET CASH AND CASH EQUIVALENTS - opening balance	**(99,635)**	**140,686**
	B.- CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
259,174	Net income (loss) for the period	38,927	9,699
118,413	Ammortization and depreciation	60,508	58,286
(216,742)	(Gains) losses on disposal of fixed assets	(3)	(6)
0	(Revaluations) write-downs of fixed assets	0	6
(50,398)	Net change in working capital	18,126	17,816
(116)	Net change in employee severance indemnities	(333)	(6,416)
110,331		**117,225**	**79,385**
	C.- CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
	Investment in fixed assets:		
(51,681)	intagible	(45,940)	(23,973)
(9,271)	tangible	(7,220)	(5,358)
(21)	financial	0	(2,686)
219,293	Proceeds from disposal, or redemption value of fixed assets	104	171
(472)		0	3,247
157,848		**(53,056)**	**(28,599)**
	D.- CASH FLOW FROM (FOR) FINANCING ACTIVITIES		
0	New loans	156,000	0
(508,500)	Current portion of m/l term financial debt	(4,250)	(504,250)
(508,500)		**151,750**	**(504,250)**
0	E.- DIVIDENDS PAID	**0**	**0**
(240,321)	F.- CASH FLOW FOR THE YEAR (B+C+D+E)	**215,919**	**(453,464)**
(99,635)	**G.- Net cash closing balance (A+F)**	**116,284**	**(312,778)**

TABLE 5. Analysis of net debt

2012		I HALF 2013	I HALF 2012
(1,154,425)	A.- NET BORROWING - opening balance	**(886,246)**	**(1,154,425)**
274,442	EBITDA	156,247	126,630
(15,569)	Net change in operating working capital	(16,331)	(273)
(116)	Net change in employee severance indemnities	(334)	(6,415)
706	Other income (exp), net	(280)	555
(4,156)	Extraordinary income (exp.), net	245	(2,561)
(65,790)	Current taxes paid	(15,490)	(3,333)
(12,774)	Other assets/liabilities (included allowances for risks and charges)	9,046	(944)
176,743	B.- OPERATING CASH-FLOW	**133,103**	**113,659**
(60,973)	Capex (tangibles, intangibles and financial)	(53,160)	(32,017)
219,293	Proceeds from disposal, or redemption value of fixed asset	104	171
(472)	Other changes	0	3,247
0	Dividends received	5,920	0
334,591	C.- FREE CASH-FLOW	**85,967**	**85,060**
(66,412)	Financial income (exp.), net	(21,799)	(34,274)
268,179	D.- NET CASH-FLOW OF THE YEAR	**64,168**	**50,786**
(886,246)	**E.- NET BORROWING DEBT - closing balance (A+D)**	**(822,078)**	**(1,103,639)**

The main Group companies

ADR Engineering S.p.A.

The company (100% ADR), which provides airport engineering services (design, work supervision and technical consultancy), in the first half of 2013 reported a net profit of 1.0 million euros, compared to the loss of 0.2 million euros in the reference period. Revenues, substantially relating to the Parent Company ADR, equaled 5.1 million euros, rising by 3.1 million euros compared to the first half of 2012. The consumption of external materials and services, increasing by 1.4 million euros, equaled 2.3 million euros; staff costs rose slightly (up 2%) and reached 1.3 million euros. Positive EBITDA of 1.5 million euros was recorded, compared to 0.2 million euros of the reference period; EBIT reached 1.6 million euros (down 0.2 million euros in the first half of 2012).

ADR Assistance S.r.l.

Since 2008 ADR Assistance (100% ADR) has provided assistance services to passengers with reduced mobility (PRM) at Fiumicino and Ciampino airports, based on a service contract signed with ADR.

Revenues reached 7.7 million euros, increasing by 6.8% as a consequence of the higher fees paid by the Parent Company to the subsidiary undertaking in the two periods being compared; this effect was partly offset by the reduction in passenger traffic.

Operating costs equal to 6.7 million euros were down overall by 2.0%, affected mostly by the payroll costs (down 4.3%).

The expansion of revenues affected the gross operating income which grew by 0.6 million euros to reach 1.0 million euros.

Consequently the company reported a net profit of 0.1 million euros, compared to a net loss of 0.3 million euros in the reference six-month period.

ADR Tel S.p.A.

The company, which builds and manages the telecommunication systems on the Roman airport system, reported in the first half of 2013 a net profit of 0.8 million euros, up by 0.3 million euros compared to the previous half of the year. The company generated revenues for 5.6 million euros, recording an increase of 9.1% mostly due to the greater activities towards the Parent company. Operating costs equaled 3.8 million euros, with a 2.5% increase compared to 2012, allowing a gross operating income of 1.9 million euros to be achieved, up 0.4 million euros compared to 2012.

ADR Security S.r.l.

The company was established on May 2, 2012 through the transfer by ADR of the company branch concerning the airport security services business at the two main Roman airports. The company operates in accordance with a long-term tender contract (2012-2016) stipulated with ADR, as specialized corporate organization of the airport operator to perform: passenger control services, carry-on luggage, checked baggage, goods and express courier parcels, as well as on-demand services such as surveillance of the airport perimeter.

In the first half of 2013 (the data cannot be compared with the same period of 2012) the company reported a net profit of 0.6 million euros over a turnover of 20.1 million euros, generated almost completely towards ADR. The gross operating income equaled 2.4 million euros, with an incidence on the revenues of 12.1%, after recording operating costs for 17.7 million euros, of which 14.7 million euros as payroll costs.

ADR Mobility S.r.l.

The company was established on May 3, 2012 through the contribution in kind by ADR of the "car park" company branch, consisting of the assets and liabilities relating to the management of the car parks within the airports of Fiumicino and Ciampino and the relations with the car hire companies, with the exclusion of the activities carried out by ADR as the owner of airport concession (e.g. the management of the parking of taxies, buses and/or minibuses of public and private services, etc.). Under an agreement stipulated with ADR, the company manages the parking areas of Ciampino and Fiumicino airports for a duration of 14 years by sub-concession. In the first half of 2013 the company reported a net profit of 3.3 million euros, with revenues of 17.6 million euros (the data cannot be compared with the first half of 2012).

After having attributed ADR a royalty of 7.2 million euros, as the main cost item of the company (61% of the operating costs), the gross operating income equaled 5.8 million euros, while EBIT is estimated at 5.0 million euros.

ADR Advertising S.p.A.

ADR owns 51% of the share capital and 25.5% of the total share capital of ADR Advertising S.p.A. (“ADR Advertising”); the remaining share is held by IGPDecaux S.p.A. On the basis of a lease agreement for the advertising company branch entered into with ADR in 2003, the company carries out the management activity of the advertising spaces on the Roman airport system. This agreement, extended until December 31, 2013, envisages the payment of an amount based on the company's turnover in favor of ADR. In the first half of 2013, consequently to the persisting crisis affecting the reference market, revenues, equal to 6.4 million euros, decreased by 21.0**%;** the consideration paid to ADR was 5.0 million euros (down 1.4 million euros). In the first half of 2013 the company reported a loss of 0.3 million euros compared to the profit of 0.3 million in the first half of 2012.

The loss was a consequence of the decision, taken at the time of approving the six-month data of the company, to prudentially reverse 0.4 million euros of deferred tax assets allocated during the previous years due to the uncertainty as to the continuation of the business unit lease agreement expiring on December 31.

OTHER INFORMATION

Updates and changes to the reference regulatory framework

Some provisions were issued during the first half of 2013 that concerned the regulatory framework of the airport sector in general and ADR in particular.

- On January 29, 2013 the Ministry of Infrastructure and Transport issued the "Guidelines to define the national airport development plan", which includes a proposal to identify the airports of national interest. This deed will be forwarded to the Permanent State-Region Conference for the necessary agreement and will be subsequently adopted with a special decree by the President of the Republic. The Plan places Fiumicino airport within the Core Network-Ten-T, i.e. the airports considered of "strategic importance at EU level", while the Ciampino airport is included in the Comprehensive Network, i.e. the airports that are "indispensable to ensure territorial continuity". The guidelines do not envisage the creation of new airports, thus including Viterbo airport. The set investments will be allocated to upgrading the infrastructure at Fiumicino.
- As regards the completion of the procedure to approve the Investment Plan 2012-2021 for Fiumicino Sud (about 2 billion euros), on January 31, 2013 a positive opinion was expressed with regulations by the VIA commission and on March 13, 2013 a positive opinion was expressed with regulations by the Ministry for Cultural Assets; the interministerial decree for the final authorization by the ministers for the Environment and Cultural Assets has not been signed yet. On July 17, 2013, ADR urged the competent ministers to rapidly approve this decree, which is fundamental for the investments in the current airport site.
- In February and March three Community Regulations were published, which amend the Regulations in force on security checks for the liquids, aerosols and gels to take onboard aircraft. The changes made introduce the obligation for the competent authorities, airlines and airports, to provide passengers with suitable information concerning the screening of LAGS at their airport. By June 30, 2013 the airports or the entity in charge of screening must inform the competent authorities about the state of implementation of the provisions regarding the adoption and use of equipment for checks on liquids, and by September 1, 2013 the member states shall inform the Commission. The Regulation came into force on March 21, 2013.
- With reference to the new Planning Agreement, 4 ordinary appeals and 4 extraordinary appeals were notified to the President of the Republic in February 2013: all the appeals are expected to be united, together with the ordinary ones, in the hearing scheduled for December 18, 2013. The company is currently following up these appeals through its lawyers, as its involvement could jeopardize the validity of the Planning Agreement approved on December 21, 2012 with Prime Ministerial Decree and thus the plans to modernize and expand the Roman airport system.
- Following the enforcement of Italian legislative decree no. 192 of November 9, 2012, regarding the prevention of delayed payments in commercial transactions, and following the joint clarifications given by the Ministries of Economic Development and Infrastructure and Transport, with note of January 23, 2013, ADR shall set the term for the payment to 60 days in the contracts stipulated in application of the Contract Code.

- On April 29, 2013, the Lazio Regional Board approved the regional finance law for the year in progress, which contains provisions regarding IRESA (Regional tax on aircraft noise) that, effective from May 1, 2013 establish a tax to be borne by carriers at airports in the Lazio region, to be paid to the airport management companies, which will periodically transfer it to the Region. The tax levy expected for 2013 is 37 million euros; for 2014, the first year of full application, 55 million euros; according to the regulation, 10% of this income shall be transferred to the capital and/or current expenditure account of the municipalities in the areas affected by airport noise, as compensation to the resident population in order to curb acoustic and environmental pollution. ADR is assessing the legitimacy of this measure in light of the various applications in the Italian context. On June 25, 2013 it filed a report with the Antitrust Authority outlining the anti-competitiveness aspects under art. 21 of law 287 of 1990 of the institution, on a regional basis, of IRESA. A similar report was filed by Assaeroporti on the same day.
- On June 28, 2013, ENAC informed ADR and other airport operators about an infraction procedure started on May 30, 2013 towards Italy by the European Commission with reference to the differentiation of landing and take-off fees between flights with EU and non-EU origin / destination. On this point the Commission maintains that the Italian government did not fulfill the obligations established by European Directive 12/2009/EC on airport fees as well as the agreement on air transport reached with the European Union and the United States. Thus ENAC informed the companies involved about the necessary actions that will be taken in order to interrupt the infraction procedure and unify the abovementioned fees, subject to the principle of economic neutrality for airport operators.
- In consideration of the reminders formally served by ENAC, also after the start of infraction procedure no. 4115/2013 by the European Commission, ADR, based on the outcome of the board meeting held on June 26, 2013, will bill, starting from July 1, 2013, the airport fees for the flights to and from the territory of the Swiss Confederation according to the amounts set for EU flights.
- Ministerial Decree of March 20, 2013, published in the Official Gazette (no. 92) of April 19, 2013, reports the new operating methods of the Waste tracking system (“SISTRI”). The deadline of October 1, 2013 was set in particular for the obligation to adhere to the SISTRI for the producers of hazardous waste with more than 10 employees as well as waste transport, treatment, intermediation and trade companies. Until the expiry of the term of thirty days from the date of the SISTRI coming to force according to the abovementioned Decree, the provisions and obligations of articles 190 (waste loading and unloading registers) and 193 (compilation of the form accompanying the waste for its transport) of Legislative Decree 152/2006 will continue to apply.
- Legislative Decree no. 69 of June 21, 2013 (so-called Decree “of doing”), applied from June 22, 2013, repealed the joint and several fiscal responsibility for contracts and the joint and several responsibility of the contractor for the payment to the tax authorities of the withholding tax on the income from employment and the valued added tax due by the subcontractor in connection with the services provided as part of the subcontracting agreement.

- With Decree of March 14, 2013 of the Ministry of Defense, published in the Official Gazette of June 10, 2013, a measure was adopted that envisages the disposal and transfer of assets that form part of government land used for military aviation located at Ciampino airport (Rome), pursuant to article 693, third paragraph of the Navigation Code and acquisition by the same airport of the legal status of civil airport open to civil traffic. The assets were conferred to ENAC for use free of charge to be then transferred to ADR. The activities carried out by the technical panel comprising ENAC, the Air Force, ADR and ENAV are aimed at identifying the elements to be transferred to ADR in the cadastral register.

Inter-company relations and relations with related parties

Notice regarding management and coordination of the company

From August 2, 2007, ADR is subject to “management and coordination” by Gemina. In turn, ADR manages and coordinates” its subsidiary undertakings, ADR Engineering, ADR Tel S.p.A. (“ADR Tel”), ADR Sviluppo S.r.l. (“ADR Sviluppo”), ADR Assistance, ADR Security and ADR Mobility. The notice regarding management and coordination required by art. 2497 bis of the Italian Civil Code is available in a specific section of the Notes.

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

Relations with the parent company

Relations of a different nature with Gemina refer to the tax consolidation. Participation in the tax consolidation regime by ADR and some Group companies (ADR Engineering, ADR Tel, ADR Assistance and ADR Sviluppo), as consolidated companies, and the parent company Gemina, as consolidating company, for the three-year period 2010-2012 took place in June 2010. The contract was renewed in 2013.

TABLE 1. Other relations of the ADR Group to Gemina

	06-30-2013	1ST HALF 2013		
	RECEIVABLES (PAYABLES)	TAX CONSOLIDATION		
		EXTRAORDINARY INCOME (EXPENSE)	INCOME	EXPENSE
ADR	8,001	0	0	0
	8,001	**0**	**0**	**0**
Subsidiary undertakings subject to management and coordination				
ADR Engineering	184	0	0	0
ADR Tel	(120)	0	0	0
ADR Assistance	260	0	0	0
	323	**0**	**0**	**0**
TOTAL	**8,324**	**0**	**0**	**0**

Trading relations with the Parent Company break down as follows:

TABLE 2. Trading relations of the ADR Group to Gemina

	06-30-2013		1ST HALF 2013	
	RECEIVABLES	PAYABLES	REVENUES	COSTS
ADR	466	245	555	375
TOTAL	**466**	**245**	**555**	**375**

The revenues of ADR towards Gemina refer to the debiting of payroll cost and the full-service contract between ADR and Gemina in force since August 1, 2011, through which the subsidiary company provides the holding company with all the services required to carry out its corporate functions. The costs incurred with regard to Gemina include the debiting of payroll costs and insurance for Directors.

Inter-company relations

Transactions carried out by ADR with subsidiary undertakings in the first half of 2013 refer primarily to the supply of goods, trade and centralized treasury services.

TABLE 3. Trading relations of ADR towards subsidiary undertakings and associated undertakings

	06-30-2013				1ST HALF 2013				
	RECEIVABLES	PAYABLES	GUARANTEES	COMMITMENTS	REVENUES			COSTS	INVESTMENTS
					ASSETS	SERVICES	OTHER	SERVICES	
Subsidiary undertakings subject to management and coordination									
ADR Engineering	165	11,521	250	10,268	5	146	58	242	6,201
ADR Tel	270	1,149	257	475	0	390	100	2,693	607
ADR Assistance	499	3,408	0	0	159	493	173	7,730	0
ADR Mobility	1,063	25	0	0	30	9,563	580	590	0
ADR Security	1,084	15,189	0	0	143	807	402	19,766	0
	3,081	**31,292**	**507**	**10,743**	**337**	**11,399**	**1,313**	**31,021**	**6,808**
Other subsidiary undertakings									
ADR Advertising	8,991	3,238	0	0	0	5,207	21	186	0
	8,991	**3,238**	**0**	**0**	**0**	**5,207**	**21**	**186**	**0**
Associated undertakings									
Ligabue Gate Gourmet S.p.A. (insolvent)	0	968	0	0	0	0	0	0	0
	0	**968**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

The revenues of ADR Engineering towards ADR refer to work commissioned by ADR for design and project management services. ADR charged the company royalties, utilities, staff services, etc.

ADR Tel posted revenues from telephony services provided to ADR and carried out upgrading works on the telephone network; ADR's charges to the company refer to royalties and rentals on the lease of telecommunications assets and premises, and for utilities and staff services.

The revenues of ADR Assistance, generated exclusively from relations with the Parent Company, refer to the provision of assistance services to passengers with reduced mobility; ADR charged the company royalties, utilities, administrative services, etc.

The revenues posted by ADR from ADR Advertising refer to the consideration for the lease of the advertising business unit and the lease of premises, utilities and various services.

ADR's revenues from ADR Mobility mainly relate to the royalties on the areas and buildings used as car parks as well as utilities, administrative and general services, etc.

ADR Security's revenues from ADR concern airport security services and on demand services at Fiumicino and Ciampino airports; ADR charged the company royalties, utilities, administrative and general services, etc.

TABLE 4. Financial relations of ADR towards subsidiary undertakings

	06-30-2013		1ST HALF 2013	
	RECEIVABLES	PAYABLES	INCOME	EXPENSE
Subsidiary undertakings subject to management and coordination				
ADR Engineering	425	0	2	0
ADR Tel	0	982	0	1
ADR Assistance	0	980	0	1
ADR Security	0	0	5	0
	425	**1,962**	**7**	**2**

Financial relations with the subsidiary undertakings, ADR Engineering, ADR Tel and ADR Assistance regard the use of the centralized treasury system, which is conducted on an arm's length basis. The system has been put into place in order to optimize the management of financial resources and facilitate the settlement of inter-company trading relations.

Relations with related parties

During the first half of the year no significant transactions or transactions that significantly affected the Group's financial position or results took place. The transactions listed below did not undergo any change or development that had a significant effect on the Group's financial position or results.

TABLE 5. Trading relations of the ADR Group towards related parties

	06-30-2013			1ST HALF 2013		
	RECEIVABLES	PAYABLES	GUARANTEES RECEIVED	REVENUES	COSTS	INVESTMENTS
(Direct or indirect) subsidiary undertakings of Gemina						
Fiumicino Energia	26	0	0	81	0	0
Leonardo Energia	201	4,263	0	144	11,790	0
Companies that have a significant influence on Gemina (directly or indirectly)						
Autogrill	1,321	36	6,196	4,651	166	0
Gruppo Unicredit	1	0	0	626	35	0
Mediobanca	0	0	0	0	143	0
Pavimental	0	6	896	0	0	0
Telepass	129	66	0	0	88	0
WDFG Italia	0	0	0	85	0	0
	1,678	**4,371**	**7,092**	**5,587**	**12,222**	**0**

TABLE 6. Financial relations of the ADR Group towards related parties

	06-30-2013			1ST HALF 2013	
	CASH ON HAND AND IN BANKS	RECEIVABLES	PAYABLES	FINANCE INCOME	FINANCE COSTS
Mediobanca	0	24,877	73	36	27
Unicredit	85,556	0	486	425	38
	85,556	**24,877**	**559**	**461**	**65**

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

- Fiumicino Energia S.r.l.: a company owned by Gemina that manages the gas-fired co-generation plant at Fiumicino airport for the production of electricity. Via a business unit lease contract, operation of the co-generation plant was entrusted to Leonardo Energia - Società consortile a r.l., which is owned by ADR and Fiumicino Energia S.r.l., with respective shareholdings of 10% and 90%. Based on the agreements existing between ADR and Fiumicino Energia in 2023 the co-generation plant will be transferred free of charge to the Parent Company. The limited liability consortium, which also operates the thermal energy plant at Fiumicino, under a sub-concession from ADR S.p.A., provides electric and thermal energy to ADR;
- Autogrill S.p.A. (indirect subsidiary undertaking of Edizione S.r.l. which, indirectly, holds an interest in Gemina) and WDFG Italia S.r.l (a subsidiary undertaking of Autogrill S.p.A.): revenues from retail sub-concessions, royalties, utilities, car parks and sundry services;
- Telepass (indirectly owned by Edizione S.r.l. which, indirectly, holds a sufficient interest in Gemina): costs related to the Telepass system used in the car parks managed by ADR Mobility;
- Mediobanca: several relations exist in connection with the role played by the latter in existing loan agreements. The role of Security Agent representing all of ADR's creditors and of Administrative Agent must be highlighted, in addition to being the holder of an escrow account called the Debt Service Reserve Account. Moreover the bank is part of the syndicate of eight lending banks that have granted the Term Loan facility (156 million euros)[5] and the Revolving facility (150 million euros) to ADR, and has entered into an interest rate swap contract with ADR for a notional capital of 25.3 million euros. ADR incurred towards the bank costs regarding interest, bank commissions, reimbursement of expenses, etc.;
- UniCredit S.p.A.: several relations exist in connection with the role played by Unicredit S.p.A. in existing loan agreements. Worth mentioning in particular is the role played by Unicredit Group as holding bank (Account bank) for the current accounts of ADR (“Debt Service Account”, “Interim Proceeds Account”, “Recoveries Account” and “Loan Collateral Account”), regulated by the loan agreements, and some companies in the ADR Group. Moreover the bank is part of the syndicate of eight lending banks that have granted the Term Loan facility (156 million euros)[6] and the Revolving facility (150 million euros) to ADR, and has entered into an interest rate swap contract with ADR for a notional capital of 25.3 million euros. ADR reported revenues per retail sub-concessions and mainly incurred bank charges.

[5] It is specified that the financial statements of ADR report the debt to the syndicate of banks as a whole; thus there is no indication of the participation of the individual banks to the syndicate.

[6] It is specified that the financial statements of ADR report the debt to the syndicate of banks as a whole; thus there is no indication of the participation of the individual banks to the syndicate.

Subsequent events

Traffic trends in the first seven months of 2013

In the period **January 1 – July 31, 2013** the Roman airport system recorded a 2.7% decrease in passengers due to the drop in the domestic segment (down 9.0%); international passenger volumes, on the other hand, were substantially confirmed (up 0.3% with EU down 0.8% and Non-EU up 2.3%; EU down 1.6% and Non-EU up 3,9%, respectively, thus neutralizing the effect of the passage of Switzerland and Croatia from Non-EU to EU countries on July 1, 2013).

TABLE 1. Main traffic data of the Roman airport system

	JAN-JULY 2013[7]	JAN- JULY 2012	Δ%
Movements (no.)	**202,134**	**213,070**	**(5.1%)**
Fiumicino	174,181	181,346	(4.0%)
Ciampino	27,953	31,724	(11.9%)
Passengers (no.)	**23,329,992**	**23,968,600**	**(2.7%)**
Fiumicino	20,734,025	21,231,231	(2.3%)
Ciampino	2,595,967	2,737,369	(5.2%)
of which: ***departing pax***	**11,600,432**	**11,906,712**	**(2.6%)**
Fiumicino	10,305,357	10,541,620	(2.2%)
Ciampino	1,295,075	1,365,092	(5.1%)
Cargo (tons)	**88,613**	**88,340**	**0.3%**
Fiumicino	78,654	78,059	0.8%
Ciampino	9,959	10,281	(3.1%)

Fiumicino

In the period **January 1 – July 31** the drop in passengers (down 2.3%) was also combined with a drop in the capacity offered in terms of aircraft movements (down 4.0%), tonnage (down 3.8%) and seats (down 5.0%). This trend consequently led to an increase in the load factor (up 1.9%), which stood at 72.5%. The decreasing passenger traffic is attributable to the losses of the Domestic segment (down 8.8%), which continues to negatively affect the overall performance of the airport; international traffic, on the contrary, recorded an increase in passengers (up 0.9%), with a 1.9% rise in the non-EU component and a substantially unchanged EU traffic (up 0.2%) in the same period of 2012.

Passenger traffic dropped by 2.7% in **July** 2013, consequently to the decrease recorded in both the “Other carriers” component (down 4.3%) and the Alitalia component (down 0.8%). A drop was recorded in Domestic (down 5.8%) and Non-EU (down 11.0%) volumes, compared to the 5.5% rise in EU traffic; both the EU and Non-EU performance was partly affected by Switzerland and Croatia changing their status from Non-EU to EU countries (from July 1, 2013): when sterilizing the comparison from this effect, the results would have been down 0.3% for the EU segment and down 2.8% for Non-EU segment.

[7] Provisional data

In terms of network development, worth mentioning at Fiumicino, also in July, is the departure of the new Darwin Airlines flight to Bolzano (reopening the route interrupted in November 2012 and operated by Air Alps) and Alitalia flight to Djerba (seasonal flight) as well as the increased frequency operated by Aerolineas Argentinas to Buenos Aires, by China Airlines to Taipei and Alitalia to Rio de Janeiro.

Ciampino

The progressive traffic **as of July 31, 2013** resulted in a 5.2% loss in passengers and an 11.9% drop in movements; the sharpest drop in the number of the movements is mainly due to the negative performance of the “non-commercial” segment (down 16.9%), which includes the general aviation flights, ferry flights and anything that is “unscheduled”.

In July, as in the previous summer months, the airport recorded a growth of passenger traffic (up 5.2%), which was also accompanied by an increase in seats (up 2.2%), against a reduction in aircraft movements (down 12.5%).

Other significant events

- On July 1, 2013, ADR started a public tender procedure to entrust the management of the advertising activities at the Roman airport system. The procedure, open to the specialized operators of a suitable size and with a significant presence in the international airport market, is aimed at selecting a subject to entrust with the design, development, operating and commercial management of the advertising spaces located in the international airports “Leonardo da Vinci” in Fiumicino and “Giovan Battista Pastine” in Ciampino, on a long-term sub-concession basis starting from January 1, 2014.
- On July 19, 2013, ADR sent a note to the European Commission against the application of the regional tax on aircraft noise (IRESA) by the Lazio regional board, asking the Italian authorities to intervene to obtain the abolition of, or at least a drastic cut to, the tax; in the hypothesis of the Italian authorities not confirming their firm commitment to the repeal of the tax in question, the Commission was also requested to promptly start an infraction procedure pursuant to art. 258 of the EU treaty. ADR in particular highlighted the “operating restriction” nature of the IRESA pursuant to Directive 2002/30/EC and its incompatibility at various levels with other community legislation, possibly resulting in discriminatory and restrictive effects on aircraft circulation, airport operators and passengers.
- Relating to the appeals put forward by Lufthansa (and others), Consorzio Airport Cargo (and others), Consulta (and others) against the ADR / ENAC planning agreement and the related Prime Ministerial Decree of approval, and following the objection of ADR to the extraordinary appeals to the Head of State promoted previously by the same appellants, Sect. III Ter of Lazio Regional Administrative Court has scheduled the council meeting to deal with the suspension claim for August 28, 2013. For the appeal put forward by AICAI (and others), also referred to Sect. III Ter, the council meeting was set for August 29, 2013. The administrative judge is expected to join also these appeals with the related hearing set for December 18, 2013, to deal with the other appeals with the same subject.

- On July 3, 2013, Alitalia presented the new strategic plan that also focuses on redefining Alitalia and AirOne as part of the supply of short-medium distance flights, the development of intercontinental flights and the greater operating integration with the airports and with the rail transport offer. The envisaged actions include the Re-Hubbing process at Fiumicino, with a significant increase in the aircraft based at the airport, to be implemented starting from next October with the 2013-2014 winter timetable. The prerequisites of a financial nature to implement the plan are confirmed, highlighting the need to increase by 55 million euros the convertible shareholder loans and an additional increase of 300 million euros in the financial resources by December 2013.

Business Outlook

All the official sources confirm a situation of economic weakness for Italy, persisting throughout 2013 and a slowdown in the main European markets. This economic scenario is expected to affect traffic volumes in 2013, which are in any case constantly monitored by the Group in order to undertake even more significant reactive measures in case of even more drastic drops in activity levels or a worsening of the situations of specific carriers. The short-term evolution of Alitalia in particular will be monitored, for which great concerns persist in relation to the financial situation shown by the same company.

ADR will continue to pursue its strategy of development of its relationships with intercontinental carriers and destinations, particularly for the geographic areas with greater growth potential; it will also proceed with the parallel consolidation of the current supply of short-medium distance flights to premium destinations and the start of new routes currently not serviced.

After the approval of the Planning Agreement, the Group is increasingly focused on the implementation of the Investment Plan and the improvement of the service quality while paying the utmost attention to monitoring the results and optimizing costs.

Alongside the development of the new Infrastructural Plan, the ADR Group will continue its search for maximum efficiency in managing its core business, trying to develop activities that are currently only limited valorized.

For 2013, notwithstanding additional worsening of the traffic trend or operating discontinuity of the main carriers, compared to 2012, EBITDA is expected to improve mainly due to the fee increases applied from March 9, 2013, the greater financial commitments relating to the growing investments as well as the effects of the new legislation concerning payment terms coming into force.

THE BOARD OF DIRECTORS

Condensed consolidated half-year financial statements as of June 30, 2013

CONSOLIDATED BALANCE SHEET AND INCOME STATEMENT

Consolidated balance sheet for the year ended June 30, 2013 (€000)

ASSETS	06/30/2013			12/31/2012		
AMOUNTS DUE FROM SHAREHOLDERS FOR SHARE CAPITAL SUBSCRIPTION			**0**			**0**
FIXED ASSETS						
INTANGIBLE FIXED ASSETS						
Incorporation and development costs		75			86	
Industrial patent and intellectual property rights		485			734	
Concessions, licenses, trademarks and similar rights		1,530,457			1,555,424	
Leasehold improvements in process and advances		44,811			22,541	
Other		230,600			236,059	
			1,806,428			1,814,844
TANGIBLE FIXED ASSETS						
Assets to be handed over:						
Land and buildings		66,902			70,291	
Plant and machinery		51,321			54,331	
Industrial and commercial equipment		887			1,034	
Other assets		1,755			1,864	
Fixed assets in progress and advances		53,959			49,519	
			174,824			177,039
NON-CURRENT FINANCIAL ASSETS						
Investments:						
unconsolidated subsidiary undertakings	100			100		
associated undertakings	13			13		
other companies	2,203			2,203		
		2,316			2,316	
Amounts due from others:						
beyond 12 months	466			475		
		466			475	
Other securities:						
bonds	2,758			2,758		
		2,758			2,758	
			5,540			5,549
Total Fixed Assets			**1,986,792**			**1,997,432**
CURRENT ASSETS						
INVENTORIES						
Raw, ancillary and consumable materials		2,458			2,363	
Contract work in progress		5,489			8,117	
			7,947			10,480
RECEIVABLES						
Due from clients		199,974			163,331	
Due from associated undertakings		483			483	
Due from Parent companies		8,790			8,644	
Due from tax authorities:						
within 12 months	5,981			8,593		
beyond 12 months	26,097			26,097		
		32,078			34,690	
Deferred tax assets		48,707			45,613	
Due from others:						
sundry						
within 12 months	28,800			46,750		
advances to suppliers for services	4			150		
		28,804			46,900	
			318,836			299,661
CURRENT FINANCIAL ASSETS			0			0
CASH ON HAND AND IN BANKS						
Bank and post office deposits		113,027			393,060	
Cash and notes in hand		418			358	
			113,445			393,418
Total current assets			**440,228**			**703,559**
ACCRUALS AND DEFERRALS						
Accrued income and prepaid expenses			3,160			3,137
TOTAL ASSETS			**2,430,180**			**2,704,128**

Consolidated balance sheet for the year ended June 30, 2013 (€000)

SHAREHOLDERS' EQUITY AND LIABILITIES		06/30/2013			12/31/2012	
GROUP SHAREHOLDERS' EQUITY						
SHARE CAPITAL:						
ordinary shares		62,225			62,225	
SHARE PREMIUM RESERVE		667,389			667,389	
REVALUATION RESERVES		0			0	
LEGAL RESERVE		12,462			12,462	
STATUTORY RESERVE		0			0	
RESERVE FOR OWN SHARES OR STAKES		0			0	
OTHER RESERVES		85			85	
RETAINED EARNINGS (LOSSES)		312,663			49,784	
GROUP INCOME (LOSS) FOR THE PERIOD		44,133			262,879	
			1,098,957			1,054,824
MINORITY INTEREST IN SHAREHOLDERS' EQUITY						
Capital, reserves and profit (loss) for the period		628			827	
			628			827
Total consolidated shareholders' equity			**1,099,585**			**1,055,651**
ALLOWANCES FOR RISKS AND CHARGES						
Taxation, including deferred taxes		26,097			26,097	
Other		47,145			44,972	
Total allowances for risks and charges			**73,242**			**71,069**
EMPLOYEE SEVERANCE INDEMNITIES (ESI)			**21,562**			**22,091**
PAYABLES						
Due to banks:						
within 12 months	9,551			9,910		
beyond 12 months	241,100			89,350		
		250,651			99,260	
Due to other financial institutions						
within 12 months	763			513,989		
beyond 12 months	700,019			700,019		
		700,782			1,214,008	
Advances:						
from clients:						
beyond 12 months	2,502			2,873		
other	11,299			5,404		
		13,801			8,277	
Due to suppliers						
within 12 months	111,886			95,982		
beyond 12 months	2,314			2,718		
		114,200			98,700	
Due to associated undertakings						
within 12 months	971			971		
		971			971	
Due to parent companies						
within 12 months	245			353		
		245			353	
Taxes due						
within 12 months	47,897			48,315		
		47,897			48,315	
Due to social security agencies		6,840			6,778	
Other payables: Sundry creditors						
within 12 months	80,871			67,372		
beyond 12 months	8,479			8,988		
		89,350			76,360	
Total payables			**1,224,737**			**1,553,022**
ACCRUALS AND DEFERRALS						
Accrued expenses and deferred income			**11,054**			**2,295**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES			**2,430,180**			**2,704,128**

Memorandum accounts for the year ended June 30, 2013 (€000)

MEMORANDUM ACCOUNTS (in Euros)	06/30/2013		12/31/2012	
GENERAL GUARANTEES				
Sureties	111		111	
Other	328		328	
		439		439
SECURED GUARANTEES		0		0
COMMITMENTS ON PURCHASES AND SALES		83,099		73,527
OTHERS		1,007,025		1,007,050
TOTAL		1,090,563		1,081,016

Consolidated income statement for the period January-June 2013 (€000)

	I HALF 2013			I HALF 2012		
TOTAL REVENUES						
Revenues from sales and services:						
revenues from sales	1,429			42,513		
revenues from services	299,163			247,632		
revenues from contract work	4,123	304,715		2,258	292,403	
Changes in contract work in progress		(2,628)			470	
Capitalized costs and expenses		3,554			1,684	
Other income and revenues:						
revenue grants	63			23		
gains on disposals	3			10		
other	4,124			3,780		
		4,190			3,813	
			309,831			**298,370**
OPERATING COSTS						
for raw, ancillary and consumable materials, finished goods and goods for resale		17,614			40,604	
for services		49,047			52,727	
for leased assets		14,760			5,432	
for staff:						
salaries and wages	42,228			45,961		
social security costs	12,027			13,587		
employee severance indemnities	2,776			3,399		
other costs	505			453		
		57,536			63,400	
Amortization, depreciation and write-downs:						
amortization of intangible fixed asset	50,280			47,873		
amortization of tangible fixed assets	10,417			10,593		
provisions for doubtful accounts and cash on hand and in banks	6,389			4,444		
		67,086			62,910	
Changes in raw, ancillary and consumable materials, finished goods and goods for resale		(95)			(1,374)	
Provisions for risks		4,103			3,692	
Other provisions		0			140	
Other operating costs:						
concession fees	26			11		
other	3,967			3,328		
		3,993			3,339	
			(214,044)			**(230,870)**
Difference between revenues and operating costs			**95,787**			**67,500**
FINANCE INCOME (COSTS)						
Income from equity investments:						
from securities recorded in non-current financial assets that do not qualify as equity investments	189			197		
other						
interest and commissions received from others	704			916		
		893			1,113	
Interest expense and other financial charges:						
interest and commissions due to others and sundry charges	23,633			34,561		
		(23,633)			(34,561)	
Foreign exchange gains/(losses)						
foreign exchange gains	1			18		
foreign exchange losses	2			3		
		(1)			15	
TOTAL FINANCE INCOME (COSTS)			**(22,741)**			**(33,433)**

ADJUSTMENTS TO FINANCIAL ASSETS						
Write-downs:						
of equity investments		0			(6)	
TOTAL ADJUSTMENTS			**0**			**(6)**
EXTRAORDINARY INCOME (EXPENSE)						
Income:						
other	744			743		
		744			743	
Expense:						
Taxes relating to previous years	11			7		
other	677			3,295		
		(688)			(3,302)	
TOTAL EXTRAORDINARY ITEMS			**56**			**(2,559)**
Pre-tax income (loss)			**73,102**			**31,502**
Income tax for the period, current, deferred and prepaid:						
current taxes		(32,630)			(20,183)	
deferred tax assets (liabilities) for the period		3,462			2,470	
			(29,168)			**(17,713)**
Income (loss) for the period			**43,934**			**13,789**
of which:						
minority interest			(199)			237
Group interest			**44,133**			**13,552**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

General principles

The Condensed consolidated half-year financial statements at June 30, 2013 have been prepared in accordance with the relevant legislation applicable to interim financial statements, interpreted and integrated by the accounting standards issued by the Italian Accounting Standards Setter (OIC), with special reference to accounting standard OIC 30.

Considering that the Parent Company is obliged to prepare the consolidated financial statements, the Condensed half-year financial statements were drafted on a consolidated basis and comprise the consolidated financial statements and these notes.

The reconciliation of shareholders' equity as of June 30, 2013 and the net income for the first half of 2013, as reported in the financial statements of the Parent Company, ADR, and the results of the consolidated financial statements are shown in the note to consolidated shareholders' equity.

For the subsidiary undertakings, the data at June 30, 2013 approved by the relevant Boards of Directors was used for consolidation purposes.

The financial statements are expressed in thousands of euros. The income statement and balance sheet items, preceded by Arabic numerals, showing zero balances across the periods used for comparison are not shown.

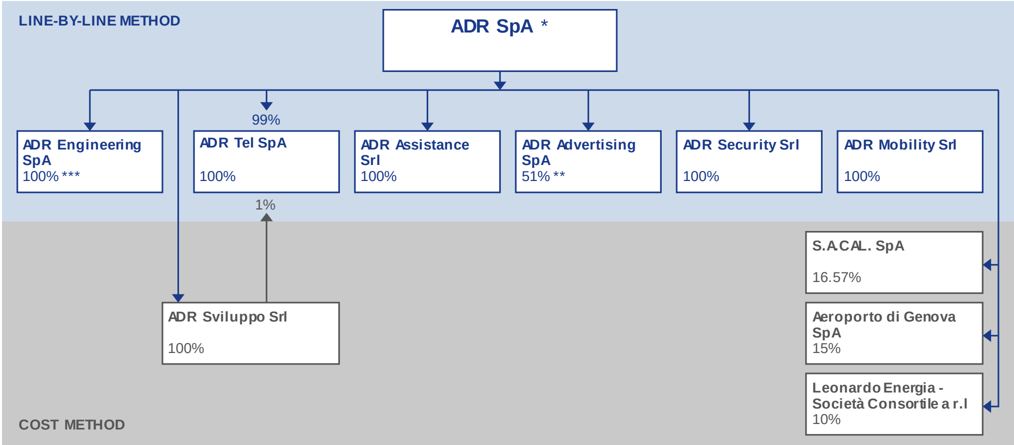
The income statement data for the first half of 2013 is compared to the data of the same period of the previous year; the balance sheet data as of June 30, 2013 is compared to the data as of December 31, 2012.

The financial statements have been translated into English from the original version in Italian.

The condensed financial statements at June 30, 2013 are subject to limited audit by the company Reconta Ernst&Young S.p.A..

Basis of consolidation

The consolidated financial statements for the year ended June 30, 2013 include the financial statements for the same period, consolidated on a line-by-line basis, of the Parent Company, ADR, and the subsidiary undertakings in which the Parent Company holds, either directly or indirectly, the majority of the voting shares.



* ADR SpA also holds a 25% interest in Consorzio E.T.L. - European Transport Law in liquidation
** of the share capital
*** ADR Engineering SpA also holds a 33.33% interest in Consorzio Agere

As of June 30, 2013, the basis of consolidation includes the following companies:

COMPANIES CONSOLIDATED ON A LINE-BY-LINE BASIS	REGISTERED OFFICE	CURRENCY	SHARE CAPITAL	GROUP'S %	VIA: COMPANY	%
ADR S.p.A.	Fiumicino (Rome)	Eur	62,224,743.00	Parent Company		
ADR Engineering S.p.A. Unipersonale	Fiumicino (Rome)	Eur	774,690.00	100%	ADR	100%
ADR Assistance S.r.l. Unipersonale	Fiumicino (Rome)	Eur	6,000,000.00	100%	ADR	100%
ADR Mobility S.r.l. Unipersonale	Fiumicino (Rome)	Eur	1,500,000.00	100%	ADR	100%
ADR Security S.r.l. Unipersonale	Fiumicino (Rome)	Eur	400,000.00	100%	ADR	100%
ADR Tel S.p.A.	Fiumicino (Rome)	Eur	600,000.00	99%	ADR	99%[1]
ADR Advertising S.p.A.	Fiumicino (Roma)	Eur	1,000,000.00	25.5%	ADR	25.5%[2]

No changes are noted for the basis of consolidation compared to December 31, 2012; instead, compared to the first half of 2012, the exclusion of the subsidiary undertaking ADR Retail S.r.l. ("ADR Retail") from the basis of consolidation, sold to third parties at the end of September 2012, is reported.

The following equity investments are valued at cost:

1 The remaining 1% stake is held by ADR Sviluppo, which is not included in the basis of consolidation.

2 Equity investment in the company's total share capital of 1,000,000 euros (including preference shares). The interest in the ordinary shares amounts to 500,000 euros (51%).

EQUITY INVESTMENTS VALUED AT COST	REGISTERED OFFICE	CURRENCY	SHARE CAPITAL	GROUP'S %	VIA: COMPANY	%
Unconsolidated subsidiary undertakings:						
ADR Sviluppo S.r.l. Unipersonale	Fiumicino (Rome)	Eur	100,000.00	100%	ADR	100%
Associated undertakings:						
Consorzio E.T.L. – European Transport Law (in liquidation)	Rome	Eur	82,633.11	25%	ADR	25%
Consorzio Agere	Rome	Eur	10,000.00	33%	ADR Engineering	33%
Ligabue Gate Gourmet Roma S.p.A. (insolvent)	Tessera (Venice)	Eur	103,200.00	20%	ADR	20%
Other companies:						
S.A.CAL. S.p.A.	Lamezia Terme (Catanzaro)	Eur	7,755,000.00	16.57%	ADR	16.57%
Aeroporto di Genova S.p.A.	Genova Sestri	Eur	7,746,900.00	15%	ADR	15%
Leonardo Energia – Società Consortile a r.l.	Fiumicino (Rome)	Eur	10,000.00	10%	ADR	10%

The equity investment in the subsidiary undertaking, ADR Sviluppo, has not been consolidated as the company, which was incorporated on July 27, 2001, is not yet operational. The equity investment in the following associated undertakings have been valued at cost and not according to the equity method given that valuation according to the equity method would have no significant effects on the consolidated financial statements:

- Consorzio E.T.L. (in liquidation) non-profit consortium, in liquidation since December 31, 2010;
- Consorzio AGERE: consortium established at the end of 2012 (10/19/2012) with regard to the registration in the Italferr register to take part in public tenders;
- Ligabue Gate Gourmet Roma S.p.A.: the company is insolvent.

Consolidation principles

The main consolidation principles are described below:

- the carrying amount of consolidated equity investments has been eliminated against the corresponding entry of individual asset and liability items, in accordance with the line-by-line method;
- the minority interest in net income and shareholders' equity are reported separately as appropriate items in the income statement and under shareholders' equity;
- intercompany profits and losses still to be realized, as well as significant sums relating to payables and receivables and costs and revenues relating to consolidated companies have been eliminated;
- adjustments made to eliminate items of a purely tax nature, as well as other consolidation adjustments, take account, where applicable, of the related deferred taxation. Furthermore, the statements show deferred tax assets relating to items that will be recoverable in future years;
- dividends received by subsidiary undertakings during the period and recorded in the parent company's income statement as income from equity investments are eliminated against retained earnings. Dividends paid by subsidiary undertakings, posted on an accruals basis in the Parent Company's accounts, are eliminated;

- in the event of the disposal of a controlling interest to third parties, the gain or loss on the transaction recognized in the consolidated financial statements represents the difference between the sale price and the subsidiary undertaking's shareholders' equity at the transaction date (thus including the net income or loss reported for the months prior to the disposal), plus any residual carrying amount of "Goodwill arising from consolidation".

Accounting policies

The accounting policies adopted in the preparation of the Condensed half-year financial statements at June 30, 2013 comply with the accounting standard for interim financial statements (OIC 30), and are those applied throughout the Group.

The half-year financial statements were prepared in the assumption of going-concern. The group actually assessed that, despite the persisting difficult economic and financial backdrop, there are no significant uncertainties on the going-concern of the company.

The accounting standards and policies are the same as those of the Financial statements for the year ended December 31, 2012. The principal accounting policies are summarized below. A more detailed explanation of certain policies can be found in the notes to the single classes of items.

Fixed assets

These are recorded at purchase cost and are revalued, where necessary, for single items in accordance with the laws applying to monetary revaluation. Directly connected incidental costs are included in the purchase cost. Should there be a permanent impairment of value of such fixed assets, the relevant fixed asset is written down accordingly. The appropriate value of such fixed assets, adjusted solely to take account of accumulated amortization or depreciation, is reinstated if the reasons for any write-downs subsequently cease to apply.

Intangible fixed assets

Intangible fixed assets have limited useful lives and their cost is amortized on a straight-line basis during each financial year in relation to their residual useful lives. In particular:

Incorporation and development costs

These are reported under assets at purchase cost, with the consent of the Board of Statutory Auditors, and amortized over a period of five years.

Industrial patent and intellectual property rights

These are recorded at purchase cost. Amortization begins when the right is taken up or can be taken up, over what is usually established by tax legislation as being three years.

Concessions, licenses, trademarks and similar rights

These are recorded at purchase cost. Amortization begins when the right is taken up or can be taken up, and is applied over a period of three years in the case of concessions and licenses and of not more than ten years for trademarks.
The value of the airport management concession, paid by the parent company, Leonardo S.p.A. (now ADR) on acquiring its holding in ADR, is amortized on a straight-line basis over the residual concession term, which will expire on June 30, 2044.

Other

This item essentially includes:

- *leasehold improvements*: improvements (modernization, upgrades), having a service life of several years, carried out on assets belonging to third parties (held under concession or constructed on behalf of the State). These costs are amortized in relation to their residual service lives, usually less than the period of the concession;
- transaction costs incurred on loans: the charges incurred to obtain medium- and long-term loans (such as investigative charges, legal fees, etc.) are capitalized and amortized on the basis of the duration of the loan, in accordance with the financial method.

Tangible fixed assets

Tangible fixed assets have limited useful lives and their cost is depreciated on a straight-line basis during each financial year according to their residual useful lives. Rates of depreciation are applied that reflect the estimated useful lives of the assets. The rates used are summarized below:

Land and buildings	4%, 10%
Plant and machinery	from 10% to 25%
Industrial and commercial equipment	from 10% to 25%
Other assets	from 10% to 25%

Land and buildings

These are recorded at purchase cost adjusted in accordance with art. 3 of Law no. 72/83.

Non-current financial assets

The investment in the unconsolidated subsidiary undertaking (ADR Sviluppo) has been valued at cost; this method of valuation, given that the company is non-operational, is in any event representative of the Group’s interest in shareholders’ equity.

Equity investments in associated undertakings are valued in accordance with the equity method. When they have no significant effects on the Group's results of operations and financial position, associated undertakings are recorded at purchase cost, adjusted to reflect any loss in value. The investments in the associated undertakings, Ligabue Gate Gourmet Roma S.p.A. (insolvent), Consorzio E.T.L. – European Transport Law in liquidation and Consorzio Agere are valued at cost for the reasons given in the section regarding the "Basis of consolidation".

Other investments are recorded at purchase cost, adjusted to reflect any permanent impairment. Should the Company decide to dispose of an equity investment previously accounted for in non-current financial assets, the investment is reclassified to current financial assets. Non-current receivables are recorded at their nominal value. Securities in the Group's portfolio held as a long-term investment until their maturity are recorded under non-current financial assets.

These securities are recorded at purchase cost, including any transaction costs. The premium, representing the difference between the purchase price of the security and the final redemption value, should be recorded in the results for each reporting period throughout the period of ownership of the security. This income represents an additional constant rate of return on the capital invested compared with the return generated by explicit interest. Should there be an impairment in value, which may derive from a reduction in the market price or a negative exchange rate difference – or a combination of both factors – the value of the investment is written down.

Current assets

Inventories

Inventories of raw, ancillary and consumable materials, finished goods and goods for resale

These are recorded at the lower of the weighted average purchase cost and the estimated realizable value taking into account market price trends.

Contract work in progress

These assets are recorded on the basis of the percentage-of-completion method (determined on the basis of the ratio of costs sustained to the total cost of the project). The value of the work so far completed and for which repayment is considered definite is recorded among revenues. Any additional costs borne by the Group in relation to changes in the original project, as requested by the grantor, constitute intangible fixed assets (as these variations are considered improvements to and/or conversions of third party assets).

Receivables

These are recorded at their estimated realizable value.

Cash on hand and in banks

These are recorded at their nominal value assuming the clearance of bank checks and the availability of bank deposits.

Accruals and deferrals

Accruals and deferrals are valued in accordance with the matching concept, by means of dividing costs and revenues relating to two or more financial periods over the period to which they relate.

Allowances for risks and charges

These are made up of provisions aimed at covering sundry losses of a determinate nature and of certain or probable occurrence. The evaluation of risks and charges also takes into account liabilities which have become known between the closure of the accounting period under consideration and the date of the preparation of these financial statements. Such allowances are held to be adequate to cover related losses and charges.

Employee severance indemnities

Employee severance indemnities were calculated for all employees and in accordance with governing legislation. This amount was calculated for indemnities accrued up to June 30, 2013 and is shown net of any advance payments and amounts paid in the form of supplementary pension benefits or to the “Treasury Fund” set up at the Italian Social Security Institute (INPS).

Payables

Payables are recorded at their nominal value.

Receivables and payables recorded in foreign currency

Items expressed in foreign currency are posted at the historical exchange rate on the day a transaction is carried out. Any exchange rate differences, incurred on collection of receivables or on settlement of payables denominated in foreign currency, are recorded in the Income statement under “foreign exchange gains and losses”.

If the translation of receivables and payables denominated in foreign currency, at closing rates, results in a net gain or loss, such an amount is recorded in the Income statement under “foreign exchange gains and losses”.

Memorandum accounts

General guarantees

These are valued in accordance with the residual value of the debt or securities guaranteed at the end of the period.

Commitments on purchases and sales

This item reports the value of contracts to be fulfilled and which imply a commitment, on the part of the Group, to third parties. Non-quantifiable commitments are not recorded, but are described in a relevant note if of significant value.

Other

Secured/general guarantees received

These are recorded at an amount approximately equal to the residual value due at the end of the period. These primarily consist of sureties granted by major banks and insurance companies.

Third party assets lodged with the Company (principally assets received under the concession)

These are recorded at values based on the latest estimate made by UTE (Tax Technical Office) in 1979 or, in the case of works financed by the State and then subsequently received under the concession, at the value of the work completed and invoiced to the Civil Aviation Authority, in accordance with agreements.

Company-owned assets lodged with third parties

These are recorded at their net book value.

Revenues

Revenues are reported net of returns, discounts, reductions and premiums as follows:

- revenues from sales: upon delivery;
- revenues from services: upon supply of the service.

Income taxes

"Current taxes" are calculated on the basis of taxable income. The related payable is posted to "Taxes due".

For the period 2010-2012 ADR S.p.A. and the Group companies ADR Tel S.p.A., ADR Engineering S.p.A., ADR Assistance S.r.l. and ADR Sviluppo S.r.l., participated, as consolidated companies, in the domestic tax consolidation regime, with the parent company Gemina S.p.A. as consolidating company. The tax consolidation agreement was not renewed in 2013.

Thus the effects of the consolidation only concern the reference period (first half of 2012) when, against the taxable income and the tax losses transferred to the consolidating company, these were recorded under current tax "expenses" and "income from tax consolidation", respectively, with contra-entries for amounts due to and from the parent companies.

Deferred tax assets and liabilities represent the temporary difference between taxable income and net income for the period. Deferred tax assets are recorded only when there is reasonable certainty of their recoverability; deferred tax liabilities are not entered if there is a poor chance that this debt arises. The balance of deferred tax assets and liabilities are reported under the "Allowance for deferred taxes" in the case of a liability and under "Deferred tax assets" in the case of an asset.

Derivative instruments

The positive and negative interest rate differentials deriving from Interest Rate Swap agreements and accrued at the end of the period are recorded on an accruals basis in the income statement among finance income and costs.

Notes to the consolidated balance sheet

Fixed assets

Intangible fixed assets

	12/31/2012			Changes during the period			06/30/2013		
	COST	AMORTIZATION	BOOK VALUE	PURCHASES/ CAPITALIZ.	RECLASSIFICATIONS	AMORTIZATION	COST	AMORTIZATION	BOOK VALUE
Incorporation and development costs	1,990	(1,904)	86	0	0	(11)	1,990	(1,915)	75
	1,990	**(1,904)**	**86**	**0**	**0**	**(11)**	**1,990**	**(1,915)**	**75**
Industrial patents and intellectual property rights	9,782	(9,048)	734	14	4	(267)	9,800	(9,315)	485
	9,782	**(9,048)**	**734**	**14**	**4**	**(267)**	**9,800**	**(9,315)**	**485**
Concessions, licenses, trademarks and similar rights	2,196,170	(640,746)	1,555,424	528	122	(25,617)	2,196,820	(666,363)	1,530,457
	2,196,170	**(640,746)**	**1,555,424**	**528**	**122**	**(25,617)**	**2,196,820**	**(666,363)**	**1,530,457**
Leasehold improvements in process and advances:									
Leasehold improvements in process	22,535	0	22,535	28,923	(6,654)	0	44,805	0	44,805
Advances to suppliers	6	0	6	0	0	0	6	0	6
	22,541	**0**	**22,541**	**28,923**	**(6,654)**	**0**	**44,811**	**0**	**44,811**
Others									
Leasehold improvements	681,609	(465,000)	216,609	13,633	4,591	(21,008)	699,833	(486,008)	213,825
Ancillary charges for loans	66,417	(46,967)	19,450	703	0	(3,377)	67,119	(50,344)	16,775
	748,026	**(511,967)**	**236,059**	**14,336**	**4,591**	**(24,385)**	**766,952**	**(536,352)**	**230,600**
TOTAL	**2,978,509**	**(1,163,665)**	**1,814,844**	**43,800**	**(1,937)**	**(50,280)**	**3,020,373**	**(1,213,945)**	**1,806,428**

An analysis of the most important changes during the year reveals the following:

- "Concessions, licenses, trademarks and similar rights" include the value of the airport concession, amounting to 1,527,793 thousand euros as of June 30, 2013. The decrease of 25,967 thousand euros is primarily due to amortization for the period, amounting to 24,617 thousand euros;
- "Leasehold improvements in process" rose overall by 22,270 thousand euros due to the combined effect of the following:
  - an increase of 28,923 thousand euros for new capital investment;
  - a decrease of 6,653 thousand euros deriving from improvements entering service during the period and reclassified under "industrial patent and intellectual property rights", "concessions, licenses, trademarks and similar rights" and "leasehold improvements", as well as adjustments;

- "Other" intangible fixed assets decreased by a total of 5,459 thousand euros. In detail the "Leasehold improvements" reduced by 2,784 thousand euros due to the amortization of the first half of the year, equal to 21,008 thousand euros, partly offset by the acquisitions of the period, equal to 13,633 thousand euros, and the transfers from work in progress and reclassifications (up 4,591 thousand euros). Instead "transaction costs incurred on loans" rose by 703 thousand euros due to the additional costs incurred in relation to the new Term Loan and the increase in the Revolving facility, partly compensated by the amortization of the first half of the year equal to 3,377 thousand euros.

The principal leasehold improvements in process (equal to 28.9 million euros) include:

- upgrading of runway 2 for 16.3 million euros;
- electricity and air-conditioning network improvements for 1.4 million euros;
- sewer and water network maintenance works for 1.6 million euros;
- maintenance and optimization works and terminals for 2.8 million euros;
- works on baggage systems for 2.2 million euros;
- works on runways and aprons for 1.6 million euros.

The main leasehold improvements completed in the period (equal to 13.6 million euros) include:

- T3 security point alignment for 0.6 million euros;
- electricity and air-conditioning network maintenance for 2.1 million euros;
- electrical system adjustments for 2.7 million euros;
- infrastructural improvements at Ciampino for 0.5 million euros.

Tangible fixed assets

	12/31/2012				Changes during the period				06-30-2013			
Assets to be handed over:	COST	REVAL. LAW (72/1983)	ALLOW. FOR DEPRECIAT.	BOOK VALUE	PURCHASES/CAPITAL.	RECLASSIFICATION	DISPOSALS/RETIREMENTS	AMORTIZATION	COST	REVAL. LAW (72/1983)	ALLOW. FOR DEPRECIAT.	BOOK VALUE
Land and buildings	197,727	2,373	(129,808)	70,291	75	(30)	0	(3,436)	197,774	2,373	(133,244)	66,902
Plant and machinery	186,581	0	(132,250)	54,331	1,881	1,094	0	(5,982)	189,387	0	(138,066)	51,321
Industrial and commercial equipment	9,478	0	(8,444)	1,034	238	68	0	(454)	9,784	0	(8,898)	887
Other assets	30,694	0	(28,830)	1,864	354	82	0	(545)	19,794	0	(18,039)	1,755
Tangible fixed assets in progress and advances	49,519	0	0	49,519	3,846	594	0	0	53,959	0	0	53,959
TOTAL	**473,999**	**2,373**	**(299,332)**	**177,039**	**6,394**	**1,808**	**0**	**(10,417)**	**470,698**	**2,373**	**(298,247)**	**174,824**

Net tangible fixed assets reduced by 2,215 thousand euros mainly due to the amortization and depreciation for the six months, equal to 10,417 thousand euros, only partly offset by the investments equal to 6,394 thousand euros and positive adjustments for 1,808 thousand euros.

The most significant capitalizations during the period include:

- within the category "plant and machinery" (1.9 million euros), electrical systems (0.6 million euros) and security systems (0.6 million euros);
- within the category "work in progress and advances" (3.8 million euros), departure area F (formerly Pier C – the portion financed by ADR) for 2.4 million euros.

None of the assets recorded in tangible fixed assets has a duration longer than the concession.

As security for the loans governed by agreements with Romulus Finance S.r.l. (“Romulus Finance”), a syndicate of banks, EIB and Intesa Sanpaolo (formerly BIIS) – described in detail in the notes to “Payables” – the Parent Company, ADR, has granted the lenders a lien (in the form of a mortgage ranking *pari passu* with other claims) on the plant, machinery and capital goods recorded at any time in the book of depreciable assets and the inventories of ADR and ADR Mobility. This guarantee is valid until the above loans have been fully repaid.

Equity investments held as non-current financial assets

	12-31-2012	CHANGES DURING THE PERIOD	06-30-2013
Equity investments in:			
Unconsolidated subsidiary undertakings:			
ADR Sviluppo S.r.l. Unipersonale	100	0	100
	100	**0**	**100**
Associated undertakings:			
Consorzio E.T.L. (in liquidation)	10	0	10
Ligabue Gate Gourmet Roma S.p.A. (insolvent)	0	0	0
Consorzio Agere	3	0	3
	13	**0**	**13**
Other companies:			
Aeroporto di Genova S.p.A.	895	0	895
S.A.CAL. S.p.A.	1,307	0	1,307
Leonardo Energia – Società Consortile a r.l.	1	0	1
	2,203	**0**	**2,203**
	2,316	**0**	**2,316**

No changes were recorded in the first half of the year. For further information regarding equity investments during the six months, reference should be made to the section "The main group companies" in the Interim Management Report on Operations.

As security for the loans taken out via contracts entered into with Romulus Finance, a syndicate of banks, EIB and Intesa Sanpaolo (formerly BIIS), ADR has granted the lenders a lien on the Parent Company ADR's shareholdings in the subsidiary undertakings ADR Tel, ADR Advertising, ADR Assistance, ADR Mobility and ADR Security. These guarantees are valid until the above loans have been fully repaid.

Long-term receivables due and other non-current financial assets

	12-31-2012	CHANGES DURING THE PERIOD	06-30-2013
Receivables:			
due from others:			
Public bodies for licenses	23	0	23
other	452	(9)	443
	475	**(9)**	**466**

The sub-item “other” primarily includes guarantee deposits issued by the Group in favor of third parties. There are no receivables falling due beyond five years.

	12-31-2012	CHANGES DURING THE PERIOD	06-30-2013
Other securities:			
bonds	2,758	0	2,758
	2,758	**0**	**2,758**

The item "bonds" includes a portion of the A4 bonds issued by the special purpose vehicle, Romulus Finance, purchased in the market by the Parent Company ADR on February 13, 2009. The bonds, which had a nominal value of 4 million pounds sterling, were purchased at a price of 2.8 million euros (equal to 2.4 million pounds). The A4 bonds, falling due in February 2023, accrue half-yearly interest at a fixed rate of 5.441%.

Current assets

Inventories

	12-31-2012	CHANGES DURING THE PERIOD	06-30-2013
Raw, ancillary and consumable materials	2,363	95	2,458
Contract work in progress	8,117	(2,628)	5,489
	10,480	**(2,533)**	**7,947**

Inventories registered an overall decrease of 2,533 thousand euros compared to the end of the previous year, due to the decrease in “contract work in progress” relating essentially to the state-financed portion of construction works in departure area F (formerly Pier C).

As security for the loans governed by agreements with Romulus Finance, a syndicate of banks, EIB and Sanpaolo (formerly BIIS), the Parent Company ADR has granted the lenders a lien (in the form of a mortgage ranking pari passu with other claims) on the raw materials, work in progress, stocks, finished goods, goods for resale and other goods forming part of ADR's inventory. This guarantee is valid until the above loans have been fully repaid.

Current receivables

	12-31-2012	CHANGES IN THE PERIOD		06-30-2013
		INCREASES (+) REPAYMENTS (-)	PROVISIONS (-) VALUE RECOVERIES (+)	
Due from clients	**234,708**	42,980	0	**277,688**
less				
allowance for doubtful accounts	(63,368)	56	(6,389)	(69,701)
allowance for overdue interest	(8,009)	1	(5)	(8,013)
	163,331	43,037	(6,394)	**199,974**
Due from associated undertakings	**483**	0	0	**483**
Due from parent companies	**8,644**	146	0	**8,790**
Due from tax authorities	**34,690**	(2,612)	0	**32,078**
Deferred tax assets	**45,613**	3,094	0	**48,707**
Due from others:				
sundry	46,750	(17,950)	0	28,800
advances to suppliers for services	150	(146)	0	4
	46,900	(18,096)	0	**28,804**
	299,661	25,569	(6,394)	**318,836**

"Due from clients", net of allowances for doubtful accounts, amounts to 199,974 thousand euros and includes trade receivables due from clients and amounts due from Public Bodies deriving from financed works and the supply of utilities and services. "Trade receivables" rose by 36.6 million euros due to the prevailing expansive effects deriving from applying the new fees – which increased from March 9, 2013 – in addition to the seasonal trend.

This item includes amounts due to the Group from Alitalia Group companies under special administration, totaling 20.3 million euros. For the amounts due from Alitalia S.p.A. under special administration, the surety of 6.3 million euros issued by Alitalia/CAI to secure the amounts due to ADR from Alitalia S.p.A. under special administration (as well as to the aircraft owned by lessors, obliged in a fair manner) was enforced in 2011, in order to allow the aircraft owned by the lessors to reach Alitalia/CAI free from claims of seizure for protection purposes made by ADR. The amount collected was entered under Payables.

"Due from associated undertakings", amounting to 483 thousand euros, includes amounts due from the insolvent Ligabue Gate Gourmet Roma S.p.A., classified among preferential liabilities.

“Due from parent companies”, equal to 8,790 thousand euros, comprises trade receivables for 466 thousand euros (426 thousand euros at December 31, 2012) and amounts due from tax consolidation for 8,324 thousand euros (8,218 thousand euros at December 31, 2012), which include 7,625 thousand euros of the credit deriving from the higher IRES paid in the taxation periods 2007-2011 due to the non deduction of IRAP on staff costs.

“Due from tax authorities”, equal to 32,078 thousand euros, includes 26.1 million euros regarding the entry of the sums posted provisionally with regard to the current litigation with the Customs Office, fully paid. Indeed, these constitute advance payments as they have been provisionally recognized given that no definitive penalty has been imposed. For a more detailed overview of the accounting repercussions of this case, see the notes on “Allowances for risks and charges”.

The reduction of 2.6 million euros in tax credits is mainly attributable to the lower IRAP credit consequently to the assessed taxes accrued in the period.

”Deferred tax assets”, amounting to 48,707 thousand euros, registered an increase of 3,094 thousand euros with respect to December 31, 2012. The composition of deferred tax assets and changes during the period is shown in the following table.

	BALANCE AT 12/31/2012 (A)		INCREASE (B)		DECREASE (C)		BALANCE AT 06/30/2013 (A+B+C)	
	TAXABLE	TAX	TAXABLE	TAX	TAXABLE	TAX	TAXABLE	TAX
DEFFERED TAX ASSETS								
Allowances for risks and charges	40,444	12,764	4,064	1,199	931	271	43,458	13,692
Allowance for obsolete and slow moving goods	116	32	0	0	17	5	99	27
Allowance for doubtful accounts	60,463	16,629	5,047	1,388	1,138	368	64,372	17,649
Provision for personnel	6,811	1,873	3,027	832	4,092	1,125	5,534	1,580
Accelerated depreciation	593	164	0	0	63	18	530	146
Consolidated adjustment	19,035	6,210	2,212	722	836	272	20,277	6,660
Other	29,174	8,022	5,336	1,467	1,946	536	32,484	8,953
Total deffered tax assets	**156,636**	**45,694**	**19,686**	**5,608**	**9,023**	**2,595**	**166,754**	**48,707**
Total deferred tax liabilities	**(296)**	**(81)**	**(3)**	**(1)**	**(299)**	**(82)**	**0**	**0**
TOTAL	**156,340**	**45,613**	**19,683**	**5,607**	**8,724**	**2,513**	**166,754**	**48,707**

DEFERRED TAX ASSETS (LIABILITIES) IN THE I/S	**3,094**

“Due from others: sundry” dropped by 18,096 thousand euros during the period, and include (24,877 thousand euros) the balance of the Debt Service Reserve Account (43,150 thousand euros as of December 31, 2012).

It should be borne in mind that, in accordance with ADR's loan agreements, the “Debt Service Reserve Account” is a term current account in the name of the Security Agent in which the Company is obliged to keep a sum as security for debt servicing, to be adjusted every six months (periods March 20 – September 19 and September 20 – March 19).

The decreased balance of the mentioned account compared to the end of 2012 (down 18.3 million euros) is due to the lower gross debt and thus the financial expense, after the repayment of Tranche A1 (see the comment to Payables).

Against the loans governed by agreements with Romulus Finance, a syndicate of banks, EIB and Intesa Sanpaolo (formerly BIIS), the Parent Company, ADR, has granted the lenders the liens stated below. These guarantees are valid until the above loans have been fully repaid:

- a lien (in the form of a mortgage ranking pari passu with other claims) on all receivables deriving from the sale of plant, machinery and capital goods and rights constituting ADR and ADR Mobility, as well as other goods and rights subject to liens;
- a lien on all receivables and contracts with clients and the insurance policies by ADR, ADR Tel, ADR Advertising, ADR Assistance, ADR Mobility and ADR Security.

Amounts due as of June 30, 2013 (318,836 thousand euros) comprise trade receivables (200,441 thousand euros), financial receivables (25,434 thousand euros) and sundry receivables (92,961 thousand euros). There are no promissory notes or similar bills. There are no receivables falling due beyond five years or receivables subject to exchange rate risk.

The following table shows a geographical breakdown of the Group's trade receivables:

	ITALY	OTHER EU COUNTRIES	REST OF EUROPE	AFRICA	AMERICA	ASIA	TOTAL
Due from clients	194,737	4,100	468	61	361	248	199,975
Due from parent companies	466	0	0	0	0	0	466
	195,203	**4,100**	**468**	**61**	**361**	**248**	**200,441**

Cash on hand and in banks

	12-31-2012	CHANGES DURING THE PERIOD	06-30-2013
Bank and post office deposits	393,060	(280,033)	113,027
Cash and notes in hand	358	60	418
	393,418	(279,973)	**113,445**

The Group's cash on hand and in banks decreased by 279,973 thousand euros compared to the end of the previous year as an effect of the used repayment of the debt falling due, as mentioned Payables.

"Bank deposits" include, in particular, the following current accounts under ADR's loan agreements, subject to special use constraints:

- the "Recoveries Account", in which any cash deriving from extraordinary transactions and insurance claims must be deposited; the balance of the account was equal to zero on June 30, 2013 (0.7 million euros at December 31, 2012);

- account denominated “loan collateral”, with a zero balance at June 30, 2013, on which, on December 31, 2012, in relation to the retention regime in force in 2012, 100.5 million euros were deposited, which were used in February to repay Line A1 of the payable to Romulus Finance, to which they had been previously constrained.

Another two accounts opened in 2012, characterized by the same constraint for the use of the “loan collateral” and with a total balance of 218.7 million euros at December 31, 2012 deriving from the sale of ADR Retail, were entirely used in February to repay Line A1.

As security for the loans governed by agreements with Romulus Finance, a syndicate of banks, EIB and Intesa Sanpaolo (formerly BIIS), ADR has granted a lien on all ADR’s current accounts governed by a specific agreement ("Account Bank Agreement") and on the current accounts of ADR Mobility and ADR Security. This guarantee is valid until the above loans have been fully repaid.

As of June 30, 2013, the residual amount of 25.6 million euros (25.3 million euros as of December 31, 2012) was held in an ADR current account not subject to the constraints of the financial contracts (even in case of cash sweep or retention regime). This amount derives from free cash flow generated before 2008 and may, therefore, be used for the payment of dividends under ordinary circumstances.

Accrued income and prepaid expenses

	12-31-2012	CHANGES DURING THE PERIOD	06-30-2013
Prepaid expenses			
Service costs	637	310	947
Expenses for leased assets	3	93	96
Payroll costs	22	183	205
Other operating costs	51	369	420
Finance costs	2,424	(932)	1,492
	3,137	23	**3,160**

Prepaid expenses are in line with the end of the previous year due to the combined effect of the increased “service costs” and “other operating costs” component and the decreased “finance costs”. The latter comprises prepayments, not accruing in the period, of the following premiums:

- 1,369 thousand euros (2,307 thousand at December 31, 2012) for the monoline insurance paid to AMBAC Assurance UK, which has secured the bonds issued by Romulus Finance that correspond to Facility A ;
- 123 thousand euros (118 thousand euros at December 31, 2012) paid to Intesa Sanpaolo (formerly BIIS), the bank that has guaranteed the loan granted to ADR by the EIB.

Shareholders' equity

	CAPITAL	SHARE PREMIUM RESERVE	LEGAL RESERVE	OTHER RESERVES	RETAINED EARNINGS	RESULT OF THE PERIOD	GROUP SHAREHOLDERS' EQUITY	MINORITY INTERESTS IN SHAREHOLDERS' EQUITY	CONSOLIDATED GROUP SHAREHOLDERS' EQUITY AND MINORITY INTEREST IN SHAREHOLDERS' EQUITY
Balances as of 12.31.2011	**62,225**	**667,389**	**12,462**	**85**	**8,292**	**41,492**	**791,945**	**603**	**792,548**
Allocation of net income 2011					41,492	(41,492)			
Net income (loss) for the year						262,879	262,879	224	263,103
Balances as of 12.31.2012	**62,225**	**667,389**	**12,462**	**85**	**49,784**	**262,879**	**1,054,824**	**827**	**1,055,651**
Allocation of net income 2012					262,879	(262,879)			
Net income (loss) for the period						44,133	44,133	(199)	43,934
Balances as of 06.30.2013	**62,225**	**667,389**	**12,462**	**85**	**312,663**	**44,133**	**1,098,957**	**628**	**1,099,585**

The Parent Company's "share capital" amounts to 62,224,743 euros, represented by 62,224,743 shares with a nominal value of 1 euro each.

"Group shareholders' equity" increased with respect to December 31, 2012 due to the net income of the period of 44,133 thousand euros; the "Minority interest in shareholders' equity" decreased by 199 thousand euros in relation to the half-year's loss.

The reconciliation of shareholders' equity and net income for the period, as reported in the accounts of the Parent Company, and the related consolidated amounts, is shown in the following table:

Reconciliation of net income for the period and shareholders' equity

	NET INCOME (LOSS) FOR THE PERIOD		SHAREHOLDERS' EQUITY	
	1ST HALF 2013	1ST HALF 2012	06-30 -2013	12-31 -2012
Balances in ADR's accounts	**38,927**	**9,699**	**1,123,671**	**1,084,745**
Effect of consolidation of subsidiary undertakings	5,672	3,219	14,212	8,539
Gain (elimination) of inter-company profits and other adjustments	(1,321)	271	(20,409)	(19,088)
Effect of deferred tax assets	449	(43)	6,657	6,208
Merger effect[3]	406	406	(25,174)	(25,580)
Balances in consolidated accounts	**44,133**	**13,552**	**1,098,957**	**1,054,824**

[3] Merger data different from first-time consolidation.

Allowances for risks and charges

	12-31-2012	PROVISIONS	RELEASES /REABSORPTIONS	06-30 -2013
Taxation, including deferred taxes	**26,097**	**0**	**0**	**26,097**
Other:				
Current and potential disputes	42,564	3,984	(1,930)	44,618
Insurance deductibles	1,787	119	0	1,906
Restructuring	596	0	0	596
To cover investee companies' losses	25	0	0	25
	44,972	**4,103**	**(1,930)**	**47,145**
	71,069	**4,103**	**(1,930)**	**73,242**

The "allowance for taxation, including deferred taxes" includes the entire charge (taxes, interest and ancillary charges) relating to the current litigation with the Customs Office. In 2012 the procedure for the collection by the Customs Office of the sum due ended; this is equal to 26.1 million euros and was paid by ADR in 36 installments after paying an advance of 4 million euros. As part of the "due from tax authorities", the amount paid was entered for an equal amount. For further information reference should be made to the section on "Tax litigation".

As part of "current and potential disputes", a provision of 3,984 thousand euros was made in order to provide cover for likely potential liabilities and releases in the six months in relation to new disputes/risks in the relationships with employees, customers, contractors, etc.; the uses amounted to 1,930 thousand euros. For further information reference should be made to the disputes.

The "allowance for restructuring", recorded in 2009-2010 in order to cover the restructuring program launched by the ADR Group, which will enable implementation of redundancy schemes regarding around 280 ADR staff and 12 staff from subsidiary undertakings, was not used in the first half of the year.

Employee severance indemnities

Balance as of 12-31-2012	**22,091**
Changes in the period	
Provisions to the income statement	2,776
Releases to pay indemnities	(495)
Releases to pay advances	(548)
Other	95
Amounts allocated to pension funds or to the Treasury Fund	(2,357)
Balance as of 06-30-2013	**21,562**

In the first half of 2013, employee severance indemnities of the ADR Group report a net decrease of 529 thousand euros. Against a provision of 2,776 thousand euros, the employee severance indemnities were reduced due to the releases to pay indemnities and advances, equaling 1,043 thousand euros, and an amount of 2,357 thousand euros for indemnities accrued during the period paid into pension funds or to the Treasury Fund amount allocated.

Payables

	12-31-2012	CHANGES DURING THE PERIOD	06-30-2013
Due to banks	99,260	151,391	250,651
Due to other financial institutions	1,214,008	(513,226)	700,782
Advances:			
from clients:			
from the Ministry of Transport	2,873	(371)	2,502
other	5,404	5,895	11,299
	8,277	5,524	13,801
Due to suppliers	98,700	15,500	114,200
Due to associated undertakings	971	0	971
Due to parent companies	353	(108)	245
Taxes due	48,315	(418)	47,897
Due to social security agencies	6,778	62	6,840
Other payables: sundry creditors	76,360	12,990	89,350
	1,553,022	**(328,285)**	**1,224,737**

"Due to banks" totaling 250,651 thousand euros, includes:

- 249,600 thousand euros representing the principal on long-term lines of credit granted to ADR denominated Term Loan (156,000 thousand euros), BOPI Facility (13,600 thousand euros) and EIB Term Loan (80,000 thousand euros);
- 381 thousand euros of amounts due from ADR for interest and commissions accrued during the six months but not yet settled;
- 670 thousand euros for the short-term lines of credit granted to the subsidiary undertaking, ADR Advertising to meet temporary liquidity requirements.

The increase of 151,391 thousand euros compared with December 31, 2012 derives from the combined effect of the following changes:

- disbursement, on February 18, 2013, of the term loan for 156,000 thousand euros;
- repayment of 4,250 thousand euros of the Intesa Sanpaolo (formerly BIIS) loan in connection with payment of installments, falling due in March 2013;
- a reduction of 33 thousand euros in the amounts due for interest and commissions accrued during the period but not yet settled;
- a decrease of 326 thousand euros in the lines of credit used by ADR Advertising.

The characteristics of these loans are listed in the following table:

INSTITUTION	NAME	AMOUNT (MIL OF EUROS)		INTEREST	REPAYMENT	DURATION	EXPIRY
		RESIDUAL AMOUNT AS OF 06.30.2013	USED AS OF 06.30.2013				
Syndicate of banks	Term Loan	156.0	156.0	variable index-linked to the Euribor + margin	expiring in	2 years	Feb. 2015
	Revolving Facility	150.0	0.0	variable index-linked to the Euribor + margin	revolving	2.8 years	Feb. 2015
		306.0	**156.0**				
Banca Intesa Sanpaolo	BOPI Facility	13.6	13.6	variable index-linked to the Euribor + margin	after 5 years in six-month installments	12 years	Mar. 2015
EIB	EIB Term Loan	80.0	**80.0**	variable index-linked to the Euribor + margin	expiring in	10 years	Feb. 2018
	Total	**399.6**	**249.6**				

On May 31, 2012 ADR signed a Revolving and Term Loan Facility Agreement with a syndicate of eight banks for an overall amount of 500 million euros for a loan falling due in February 2015, broken down as follows:

- up to 400 million euros in the form of “Term Loan” to be disbursed in February 2013;
- 100 million euros as revolving line replacing the previous line of the same amount already re-financed in August 2011 and falling due in February 2013.

The syndicate of banks comprises: Banca Nazionale del Lavoro S.p.A., Barclays Bank Plc, Crédit Agricole Corporate & Invest Bank, Mediobanca – Banca di Credito Finanziario S.p.A. (Mediobanca), Natixis S.A., The Royal Bank of Scotland N.V., UniCredit S.p.A. and Société Générale - Milan Branch. Following the two partial cancellations requested by ADR in October and December 2012, the Term Loan line reduced by 164 million euros. In 2013, only 156 million euros were used of this amount and 50 million euros were converted to increase the Revolving Facility, which therefore rose, from February 2013, to 150 million euros; the residual amount of 30 million euros was canceled.

The line of credit denominated the BOPI Facility was granted on February 19, 2003 by Intesa Sanpaolo (formerly BIIS - Banca Infrastrutture Innovazione e Sviluppo, formerly Banca OPI) and guaranteed by CDC IXIS Financial Guaranty Europe. This line of credit, which was initially granted for an amount of 85,000 thousand euros, was reduced to 13,600 thousand euros following advance repayment of an amount of 28,900 thousand euros on September 20, 2006, and of an amount of 12,750 thousand euros on March 20, 2008, corresponding to the installments falling due in September 2008, March and September 2009 and payment of installments falling due in 2010-2013.

80,000 thousand euros of the line of credit denominated EIB Term Loan was disbursed by the EIB (European Investment Bank) on May 27, 2008. This facility is guaranteed by Intesa Sanpaolo (formerly BIIS).

The interest rates applied to the Term Loan Facility, the Revolving Facility and the OPI Facility vary in terms of the level of ADR's rating, whilst the loan granted by the EIB is not affected by the rating.

Amounts "due to other financial institutions" total 700,782 thousand euros. The item includes the principal of 700,019 thousand euros due from ADR to Romulus Finance and 763 thousand euros consisting of interest accrued on the above-mentioned loans and not yet paid.

The decrease of 513,226 thousand euros compared to December 31, 2012 is attributable to

- repayment, as of the expiry date of February 2013, of Tranche A1, equal to 500.0 million euros;
- reduction of 13,226 thousand euros consisting of interest expense accrued in the period and not yet paid, substantially attributable to the repayment of Line A1.

It should be recalled that the loan granted by Romulus Finance in February 2003 arose from the transfer without recourse to Romulus Finance of the amount due to ADR's original lenders for loans taken out in August 2001. Romulus Finance, a vehicle established pursuant to Law no. 130/99 on securitization and controlled by two Dutch foundations, financed acquisition of the pre-existing bank loan to ADR via the issue of asset-backed bonds amounting to 1,265 million euros, to be listed on the Luxembourg Stock Exchange and subscribed by institutional investors.

After the advance repayment of "Loan B", amounting to 65 million euros and carried out in March 2008 and the repayment of Loan A1 of 500 million euros when falling due, the loan from Romulus Finance breaks down into three lines of credit, summarized in the table below. The conditions reflect those of the bonds issued by Romulus Finance to finance the purchase of amounts due to ADR's creditor banks:

INSTITUTION	NAME	AMOUNT (MIL OF EUROS)	INTEREST	REPAYMENT	DURATION	EXPIRY
Romulus Finance S.r.l.	**A2**	200.0	variable index-linked to the Euribor + margin	expiring in	12 years	Feb. 2015
	A3	175.0	variable index-linked to the Euribor + margin	expiring in	12 years	Feb. 2015
	A4	325.0	variable index-linked to the Euribor + margin until 12/20/09 and then fixed	expiring in	20 years	Feb. 2023
	Total	**700.0**				

The bonds issued by Romulus regarding Classes A2, A3 and A4 are secured by the monoline insurance company, Ambac Assurance UK Limited; from April 2011 the insurance company is no longer subject to rating.

The level of ADR's rating affects the amount of the premium paid to Ambac for the surety on the bonds, but not the interest rate applied to each Class of bond.

The **hedging policy**, an integral part of the loan agreements entered into by ADR, requires that at least 50% of all debt be hedged against fluctuations in interest rates.

At June 30, 2013, 34.2% of ADR's lines of credit have fixed interest rates (at December 31, 2012: 63.6%).

On February 20, 2013, at the same time as the disbursement of the term loan mentioned above, Interest Rate Swap agreements were entered into with six counterparties (Unicredit, Mediobanca, Barclays, Natixis, BNP, Societè Generale) for a notional capital of 25.33 million euros each, for a total amount of 152 million euros.

Activating these agreements has increased the interest rate risk protection level to 50.2% of the total debt (63.6% at December 31, 2012).

As of June 30, 2013, the fair value of the swap agreements entered into is a negative 0.3 million euros.

€000	NOTIONAL CAPITAL	FAIR VALUE AT 06/30/2013	PURPOSE	EXPIRY	FINANCIAL RISK	FINANCIAL LIABILITY HEDGED
Interest Rate Swaps	152,000	(258)	hedge	06/30/2014	interest rate	152,000

The bank loans and the loan from Romulus Finance are guaranteed, as described in detail in the individual balance sheet items, by:

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

A large number of contractual regulations (**commitments and covenants**) govern the management of ADR's borrowings since the privatization of the Company. Such regulations include:

- financial assets may only be acquired with the permission of creditors or via a "non-recourse vehicle", and in any case only using authorized borrowing or liquidity;
- income from the sale of financial *assets* may be used for investment or, if not used within 12 months of collection, must be used to repay borrowings;
- dividends may only be distributed if specific financial ratios exceed contractually pre-established thresholds, and if no events of default or trigger events have occurred;
- further loans may only be undertaken if the above financial ratios exceed determined thresholds (higher than those required under normal lending conditions) and if the rating awarded to ADR is greater than pre-defined minimum levels;

- if a maturing line of credit is not repaid at least 12 months before the maturity date, any surplus cash flow generated during this period must be allocated on a priority basis (based on defined proportions) to the repayment of borrowing, which is known as a retention regime. However, if determined financial ratios are not met 24 months ahead of maturity, a 24-month retention regime may come into force;
- if the financial covenants are below certain predetermined minimum thresholds, or if the rating is below sub-investment grade levels, or if other specific contractually defined critical situations occur, further restrictive measures relating to cash flow management are set in motion in order to protect creditors from the risk of default by ADR.

The principal covenants included in the current loan agreements consist of ratios, defined on the basis of final and forecast data, which measure: (i) the ratio between available cash flow and debt servicing, (ii) the ratio between discounted future cash flows and net debt, and (iii) the ratio between net debt and gross operating income.

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

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

The closing date at June 30, 2013 confirms, based on the simulations carried out, the respect of the financial ratios set in the loan agreements that will be finalized with the lenders on the next application date of September 2013.

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

A trigger event results in a series of operating restrictions for ADR, especially the following:

a) a cash sweep with an obligation to use all available cash flow on the application dates (March 20 and September 20) (i) to pay interest rate installments; (ii) to repay all creditors early on a *pari passu* basis; and (iii) the Romulus bonds that may not be repaid in advance should be secured via the establishment of specific cash reserves held in specific current accounts serving as a lien for Ambac (so-called cash collateralization);
b) an embargo on the payment of dividends and prohibition of the use such funds to carry out authorized investments;
c) the right of creditors, via the "Security Agent", to obtain any information deemed necessary and to take part in devising a recovery plan and the related implementation timeframes by hiring an independent expert to take part in drawing up the business plan containing the measures and remedies designed to restore an acceptable rating. Failure to implement the recovery plan could give Ambac the right to increase the premium on the guarantee issued on the Romulus Finance bonds;
d) prohibition of the acquisition of financial assets and of taking out new loans, even if they are designed to repay existing borrowings; and
e) the transfer of all cash amounts due to ADR as guarantees to the creditors, with consequent notification of the debtors transferred.

As regards ratings assigned, the Trigger Event and Cash Sweep restrictions already activated following Standard & Poor's lowering of its rating on November 30, 2007 (from BBB stable to

BBB- stable) continue. However, by virtue of the waiver granted to the financial creditors on March 18, 2013, points a) and e) were not applied until March 2014.

The “amounts due to suppliers” rose by 15,500 thousand euros compared to December 31, 2012 mainly in connection with the increased investments in the period compared to the last portion of the previous year.

The item “Due to parent companies” totaled 245 thousand euros and is entirely made of trade payables; it decreased by 108 thousand euros compared to the end of the previous year.

For more information, reference should be made to the section “Inter-company relations and relations with related parties” in the Interim Management Report on Operations.

“Taxes due”, amounting to 47,897 thousand euros, were down 418 thousand euros on the previous year, essentially due to the combined effect of:

- lower amounts due to the tax authorities for the municipal surtax on passenger fees for 8.6 million euros;
- higher IRES and IRAP (up 9.3 million euros) for the estimated tax burden for the period, net of the balances and advances paid in June.

In this regard, it should be remembered that ADR began charging carriers this surtax from June 1, 2004 at the rate of 1 euro, which was subsequently increased to 2 euros from April 2005, pursuant to Law no. 43 of March 31, 2005. This rate was increased by an additional 50 cents from January 1, 2007, in compliance with the provisions of Law no. 296 of December 27, 2006 (the Finance Act for 2007), and by an additional 2 euros from November 2008, pursuant to Law Decree no. 134/08, making a total of 4.50 euros.

The surtax of 1 euro provided for by Law no. 43/2005 and the increase of 2 euros pursuant to Law Decree no. 134/08 are allocated to a special fund, managed by INPS, in support of the income, employment, reorganization and retraining of air transport sector personnel. Law no. 122 of July 30, 2010 and the subsequent resolution of the Commission responsible for the administrative management of the municipality of Rome of November 12, 2010, also introduced, starting from January 1, 2011, an administrative surcharge on the boarding fees of passengers departing from Rome's airports in order to contribute to expenses deriving from the rescheduling of the Municipality of Rome's debt. With law 92/2012, the additional municipal surtax on passenger fees destined to INPS was increased by 2 euros per passenger from July 1, 2013.

The amount due as municipal surtax on passenger fees totaled 30,319 thousand euros as of June 30, 2013. This amount was paid the following month after collection of municipal surtax from carriers, while the outstanding amount due is recorded in a contra-entry under receivables.

“Other payables: sundry creditors” increased overall by 12,990 thousand euros mainly due to the greater debt towards ENAC (up 9.1 million euros) for the concession fee deriving from the enforcement of the Planning Agreement amended according to the new planning agreement approved. The item includes a total of 55.2 million euros for the debt entered for the cost of the fire prevention fund for the period from 2007 to the first half of 2013, amounts due and not yet settled while awaiting for the outcome of pending judgments relating to appeals lodged by some of the major airport operators.

Briefly, as of June 30, 2013 total payables of 1,224,737 thousand euros include 951,433 thousand euros of a financial nature, 129,183 thousand euros of trade payables and 144,121 thousand euros of sundry items.

A breakdown of the Company's trade payables by geographical area is not provided as it is not significant given the limited amount due to overseas creditors (0.6 million euros out of a total of 114.2 million euros). Foreign currency payables exposed to exchange rate risk total 15 thousand euros and refer to services supplied.

Payables secured by collateral on the Group's assets amount to 950,763 thousand euros (as described in the paragraph regarding amounts due to banks and other financial institutions).

Payables falling due beyond five years amount to 405,019 thousand euros and regard amounts due to banks totaling 80,000 thousand euros (EIB loan) and amounts due to other financial institutions of 325,019 thousand euros.

Accrued expenses and deferred income

	12-31-2012	CHANGES DURING THE PERIOD	06-30-2013
Deferred income			
Sub-concessions and license fees	398	8,346	8,744
Other	1,897	413	2,310
	2,295	8,759	**11,054**

The sub-item "Other", totaling 2,310 thousand euros as of June 30, 2013, includes 1,007 thousand euros for the advance billing of advertising and miscellaneous services, and 1,303 thousand euros regarding grants collected but not accruing during the period.

Notes to the consolidated memorandum accounts

General guarantees

	06-30-2013	12-31-2012
Sureties		
in the interest of third parties	111	111
Other:		
in favor of clients	328	328
	439	**439**

Commitments on purchases and sales

	06-30-2013	12-31-2012
Commitments on purchases		
Investments:		
electronic equipment	743	84
maintenance and services	8,450	3,003
self-financed works	73,906	70,440
	83,099	**73,527**

It is to be noted that:

- commitments on purchases also include ADR's commitment, as an operator of airport infrastructures, to draw up and implement noise reduction and abatement plans, as required by noise pollution legislation (Law no. 477/95) and the Ministerial Decree of November 29, 2000, for Fiumicino and Ciampino airports.

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

  In view of the above, ADR, based on available estimates regarding the investments made on the date of these Statements, judges its overall commitment to be no more than 41 million euros. This figure relates to extension activities only, and does not include maintenance. The figure may be calculated with more certainty depending on the interpretation which will be given pursuant to current legislation and once the specific projects have been carried out on the types of interventions to be done. This sum is thus conditional on subsequent events and on the effective program of works to be carried out. The Company believes that future works will qualify as capital expenditure;
- the agreements on the sale of the equity investment in Flightcare Italia S.p.A. (formerly ADR Handling S.p.A.), entered into on November 3, 2006, provide for a price adjustment of up to 12.5 million euros. Of this, the amount deemed most probable to arise was charged to the income statement in the years 2006-2012 under extraordinary items with a contra-entry in allowances for risks and charges, totaling around 4.5 million euros as of June 30, 2013.

Other memorandum accounts

	06-30-2013	12-31-2012
General guarantees received		
Sureties:		
received from suppliers	68,212	70,869
received from clients	93,551	95,042
	161,763	**165,911**
Third party assets on free loan deposited in custody, leased or similar		
Leased assets	11	11
CAA - plant and equipment at Fiumicino	119,812	119,812
CAA - plant and equipment at Ciampino	29,293	29,293
Works carried out on behalf of the State	696,146	692,023
	845,262	**841,139**
	1,007,025	**1,007,050**

“Third party assets on free loan, deposited in custody, leased or similar” include the value of assets received under concession at Fiumicino and Ciampino airports and the value of the work financed, completed and invoiced to the Civil Aviation Authority.

The increase in the item “works carried out on behalf of the State” is due to invoicing of the portion of state-funded works regarding departure area F to the Civil Aviation Authority in the first half of 2013.

Notes to the consolidated income statement

Total revenues

Revenues

	1ST HALF 2013	1ST HALF 2012	CHANGE
Revenues from sales:			
"Non-aeronautical" activities:			
duty free and duty paid	0	40,983	(40,983)
other	1,429	1,530	(101)
	1,429	**42,513**	**(41,084)**
Revenues from services:			
"Aeronautical" activities:			
fees	144,315	84,190	60,125
centralized infrastructures	9,912	19,422	(9,510)
security	34,204	32,493	1,711
other	14,566	15,023	(457)
	202,997	**151,128**	**51,869**
"Non-aeronautical" activities:		,	
sub-concessions and utilities	71,144	58,414	12,730
car parks	13,463	14,909	(1,446)
advertising	6,063	9,428	(3,365)
refreshments	0	3,772	(3,772)
other	5,496	9,981	(4,485)
	96,166	**96,504**	**(338)**
	299,163	**247,632**	**51,531**
Revenues from contract work	**4,123**	**2,258**	**1,865**
Total revenues from sales and services	**304,715**	**292,403**	**12,312**
Changes in contract work in progress	(2,628)	470	(3,098)
Grants and subsidies	63	23	40
Total revenues	**302,150**	**292,896**	**9,254**

The comparison of the revenues of the first half of 2013 with those of the same period of the previous year is affected by the following factors: sale of the subsidiary undertaking ADR Retail to third parties, effective from September 30, 2012; sale of the “vehicle maintenance” company branch, effective from November 1, 2012; divestiture of the canteen management business from July 1, 2012 and application, from March 9, 2013, of the new fees defined by the Planning Agreement, which introduced significant changes compared to the tariff system previously in force. In addition to the change concerning the main unit amounts, the Planning Agreement defined the amalgamation of several fees, particularly with regard to centralized infrastructures, channeling some of them towards airport fees.

Revenues total 302,150 thousand euros. Of these, 67.2% derived from “aeronautical activities” carried out by the Group and 32.8% from “non-aeronautical activities” (51.6% and 48.4% in the six months of 2012, respectively).

“Revenues from sales”, equal to 1,429 thousand euros, were down by 96.6% compared to the first half of 2012, due to the sale of the subsidiary undertaking ADR Retail to third parties on September 30, 2012.

“Revenues from services” totaled 299,163 thousand euros, up 20.8% compared to the reference period, and derive from the 34.3% rise in revenues from aeronautical activities, in connection with the fee increase deriving from the Planning Agreement. As regards non-aeronautical activities, against a 21.8% rise in sub-concessions and utilities mainly deriving from royalties obtained from the sub-concession of the outlets dedicated to the sale of the core categories to ADR Retail, a reduction was recorded in the revenues relating to car parks (down 9.7%) and advertising (down 35.7%), while the revenues from the management of the canteens entrusted to third parties from July 1, 2012 have ceased.

“Revenues from contract work”, amounting to 4,123 thousand euros, primarily regard revenues deriving from the re-billing of the portion of works regarding the state-funded departure area F (formerly Pier C) to the Civil Aviation Authority. The negative “Changes in contract work in progress” of 2,628 thousand euros, in relation to the billing in the six month period, higher than the portion of the works carried out in the period.
For additional analysis reference should be made to the paragraph “The ADR Group’s activities” of the Management Report on Operations.

Segment information

It is important to note that the type of activity carried out by the Group does not permit a breakdown of the various areas of activity into fully independent segments in relation to markets and customers. The “traffic” element currently affects all the Group’s activities.

However, it is possible to identify segments on the basis of the type of product or service offered and the production process involved. Information regarding the resulting segments has been extracted directly from the Group’s accounts. The following table provides information relating to the principal areas of activity identified:

- Airport fees: paid in return for use of airport infrastructure;
- Centralized infrastructures;
- Non-aeronautical activities, consisting of:
- Sub-concessions: including fees paid by sub-concessionaires operating on airport grounds, in addition to utilities;
- Sales: including sales of fuel and various material and the direct management of duty free and duty paid[4] shops until September 2012.

[4] Carried out by the ADR Group until September 30, 2012 when ADR Retail was transferred to third parties

Finally, the category **"**Other activities**"** includes the sale of advertising space, the management of car parks and refreshment facilities[5]design, refreshments, security, left luggage, assistance to passengers with reduced mobility, contract work on behalf of the State, etc.

The following table shows a breakdown of revenues from the segments described. It should be noted, moreover, that the revenues earned by each segment relate entirely to third parties and do not include inter-segment transactions.

REVENUES (€000)	FEES	CENTRALIZED INFRASTRUCTURES	COMMERCIAL ACTIVITIES		OTHER ASSETS	TOTAL
			SUB-CONCESSIONS	SALES		
1st half 2013	144,315	9,912	71,144	1,429	75,350	**302,150**
1st half 2012	84,190	19,422	58,414	42,513	88,357	**292,896**
Change	60,125	(9,510)	12,730	(41,084)	(13,007)	**9,254**
% change	71.4%	(49.0%)	21.8%	(96.6%)	(14.7%)	**3.2%**

Total revenues can be broken down into two macro-areas:

- "Aeronautical" (including fees, handling, management of centralized infrastructure, security services, left luggage, assistance to passengers with reduced mobility, etc.) amounting to 202,997 thousand euros, compared with 151,128 thousand euros in 2012 (34.3%);
- "Non-aeronautical" (including sub-concessions, direct sales (in 2012), the management of advertising space and car parks, refreshments, design and contract work on behalf of the state) amounting to 99,153 thousand euros, compared with 141,768 thousand euros in the reference six months (down 30.1%).

A geographical breakdown of revenues would not be significant given that both airports managed by the Group are located within the same country and therefore is not analyzed.

Other income and revenues: other

	1ST HALF 2013	1ST HALF 2012
Grants and subsidies	63	23
Gains on disposals	3	10
Other:		
Releases:		
release from allowance for overdue interest	1	0
Expense recoveries	439	405
Recovery of personnel expenses	107	71
Other income	3,577	3,304
	4,124	**3,780**
	4,190	**3,813**

[5] Until June 30, 2012

“Grants and subsidies” comprise the contributions relating to management training programs.

As part of “other” revenues“, “other income”, amounting to 3.6 million euros, primarily (1.5 million euros) includes the effects of updated valuations of costs and revenues, formerly estimated at the end of the previous year.

Operating costs

Amortization, depreciation and write-downs

Amortization and depreciation during the first half of 2013 amounted to 60,697 thousand euros (58,466 thousand euros in the reference period) of which 50,280 thousand euros relate to intangible fixed assets (47,873 thousand euros in the first half of 2012) and 10,417 thousand euros relating to the tangible fixed assets (10,593 thousand euros in the comparison six months). Amortization of intangible fixed assets includes the charge for amortization of the concession, amounting to 24,642 thousand euros.

Further details are provided in the note to fixed assets.

Provisions for doubtful debt totaled 6,389 thousand euros (4,444 thousand euros in the first half of 2012) and reflect an updated assessment of the recoverability of the amount due from ADR Group’s clients.

Provisions for risks and other charges

	1ST HALF 2013	1ST HALF 2012
Current and potential disputes	3,984	3,675
Insurance deductibles	119	17
	4,103	**3,692**

Further information is provided in the note to allowances for risks and charges. It should be noted that provisions in the income statement are made following the assessment of potential liabilities not absorbed by any surplus provisions deriving from updated assessments of the risks to which the Group is exposed.

Other operating costs

	1ST HALF 2013	1ST HALF 2012
Concession fees	26	11
Other costs	3,967	3,328
	3,993	**3,339**

The item “Other costs” primarily comprises:

- 545 thousand euros for membership fees (495 thousand euros in the first half of 2012);
- 2,721 thousand euros for indirect taxes and duties (2,320 thousand euros in 2012), including 2,458 thousand euros for local property taxes;
- 485 thousand euros for updated valuations of costs and revenues recognized in the 2012 financial statements (421 thousand euros in the previous period).

Finance income (costs), net

Other finance income

	1ST HALF 2013	1ST HALF 2012
Finance income on securities recorded in non-current financial assets that do not qualify as equity investments	**189**	**197**
Other:		
Interest on overdue current receivables:		
Clients	4	0
Interest and commissions received from other companies:		
Interest from banks	650	873
Interest from clients	0	1
Other	50	42
	704	**916**
	893	**1,113**

“Finance income on securities recorded in non-current financial assets that do not qualify as equity investments” includes finance income accrued during the six months on the portion – with a nominal value of 4 million pounds sterling – of the A4 bonds issued by the special purpose vehicle Romulus Finance, which ADR purchased on February 13, 2009.

"Interest from banks", totaling 650 thousand euros, fell by 223 thousand euros compared to the six months of 2012, due to both the decrease in average liquidity held during the period, due to the reduction in interest rates.

Interest expense and other financial charges

	1ST HALF 2013	1ST HALF 2012
Interest and commissions due to others and sundry charges:		
Interest and commissions paid to banks	4,473	2,440
Interest and commissions paid to other financial institutions	18,993	31,320
Provisions for overdue interest on doubtful accounts	4	0
Other	163	801
	23,633	**34,561**

"Interest and commissions paid to banks" increased by 2,033 thousand euros in relation to the greater average exposure to banks deriving from the disbursement of the Term Loan of February 2013.

"Interest and commissions paid to other financial institutions" are down by 12.3 million euros compared to the reference period due to the repayment of Line A1, in addition to the reduction of the interest paid on Tranches A2 and A3 with a floating rate.

In the first half of 2013, the item "other" primarily comprises the negative differential accrued on the interest rate swap agreements entered into in February 2013; in the reference period the balance is mostly attributable to the negative differential on the interest rate collar agreements expired in February 2012.

Foreign exchange gains/(losses)

	1ST HALF 2013	1ST HALF 2012
Foreign exchange gains	1	18
Foreign exchange losses	2	3
	(1)	**15**

Extraordinary income and expense

Income

	1ST HALF 2013	1ST HALF 2012
Other:		
Income and recovery of expenses relating to previous years deriving from:		
Taxes relating to previous years	240	4
Reversal of liabilities	499	2
Damages received	0	737
Other extraordinary income	5	0
	744	**743**

Expense

	1ST HALF 2013	1ST HALF 2012
Taxes relating to previous years	**11**	**7**
Other:		
Extraordinary expense deriving from:		
Operating costs	190	93
Payroll costs	5	0
Exceptional asset write-downs	2	0
Other extraordinary expense:		
Payments due for lost cargo	0	128
Fines	45	21
Costs relating to extraordinary operations	67	2,663
Other extraordinary expense	368	390
	677	**3,295**
	688	**3,302**

In the first half of 2012, the item "costs relating to extraordinary operations" includes the costs incurred in connection with the spin-off transactions concerning the direct sales, car park management and security businesses and the sale of the companies ADR Retail and ADR Mobility, the latter then announced at the end of 2012.

Income taxes

	1ST HALF 2013	1ST HALF 2012
Current taxes		
IRES	23,809	1,589
Income from tax consolidation	0	(268)
Expenses from tax consolidation	0	11,533
IRAP	8,821	7,329
	32,630	**20,183**
Deferred tax (assets) liabilities	**(3,462)**	**(2,470)**
	29,168	**17,713**

In the first half of 2013 the item "current taxes – IRES" includes the tax burden of all the companies of the ADR Group, while the reference period referred to the subsidiary undertakings ADR Advertising, ADR Retail, ADR Mobility and ADR Security that did not participate in the tax consolidation of the Gemina Group.

It should be remembered that, for the 2010-2012 three-year period, ADR and the other Group companies (ADR Engineering, ADR Tel, ADR Assistance and ADR Sviluppo), along with the consolidating company, Gemina, have opted to participate in the tax consolidation regime introduced by the Tremonti Reform. This agreement was not renewed in 2013.

For further information on the calculation of deferred tax assets see the item "Deferred tax assets" in the section on "Receivables".

Finally, it should be noted that, given the absence of clear indications on the availability of tax provisions, non-operating income of 1,610 thousand euros (including 1,565 thousand euros regarding ADR, 22 thousand euros regarding ADR Tel S.p.A. and 23 thousand euros regarding ADR Engineering S.p.A.) has been prudently omitted from income statement data. This sum relates to an IRES rebate deriving from the 10% deduction of IRAP regarding the years from 2004 to 2007. Rebate applications were submitted by the consolidating company, ADR, for the years from 2004 to 2006, and by the consolidating company, Gemina S.p.A., for 2007, on February 1, 2010 and February 24, 2010, respectively.

Information on the financial risk

Credit risk

As of June 30, 2013, the ADR Group's maximum exposure to credit risk is equal to the carrying value of the financial assets shown in the financial statements, as well as the nominal value of the guarantees provided for third parties' debt or commitments.

The ADR group's greatest credit risk is the receivables arising from its transactions with customers.

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

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

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

Receivables for which no provisions have been made and that are over 181 days past due primarily consist of amounts due from Alitalia group companies under special administration.

Economic and financial relations towards the new Alitalia – Italian airline – continue to be critical in terms of both the credit risk and the disputes, which focus on the refusal to recognize the value of a series of services that, though provided, are not paid or recognized. The credit situation for invoices issued by ADR at June 30, 2013 is illustrated below:

	LOAN		TO MATURE		PAST DUE	
€000	06/30/2013	12/31/2012	06/30/2013	12/31/2012	06/30/2013	12/31/2012
Alitalia - Compagnia Aerea Italiana S.p.A.	67,943	59,657	41,251	31,235	26,692	28,421
AirOne S.p.A.	1,705	1,650	1,371	911	334	739
Alitalia / AirOne	**69,648**	**61,307**	**42,622**	**32,146**	**27,026**	**29,160**
EAS S.p.A. - current (*)	308	308	0	0	308	308
Alitalia Group/CAI-AirOne-EAS	**69,956**	**61,615**	**42,622**	**32,146**	**27,334**	**29,469**

(*) excluding receivables for the use of common assets

The table includes the receivables for the handling system of transit baggage (NET 6000), which at the end of the first half of 2013, equal 10.2 million euros; Alitalia is the main user of the plant, generating approximately 90% of the activity. For information on the circumstances that led to the failure to collect this fee, reference should be made to the dedicated section on “Information concerning disputes”.

Furthermore, as of June 30, 2013, the following are ascertained:

- receivables for the sub-concession of the Technical Area equal to 5.1 million euros, - plus local property taxes for 2.9 million euros. Regarding this service, ADR deems a legitimate review of the economic terms of the sub-concession agreement applicable, which based on preliminary understandings, subsequently disregarded by Alitalia, would lead to an additional credit equal to 29.9 million euros;
- receivables to use Goods for Common Use for the years from 2009 to March 2013 equaling 6.4 million euros, also totally challenged by Alitalia-CAI. In any case ADR launched actions with the other handlers challenging this charge (mainly towards EAS – today Alitalia – and Aviapartner), for which outcome is expected shortly.

Other information

Headcount

The following table shows the average number of employees of Companies consolidated on a line-by-line basis by category:

AVERAGE HEADCOUNT	1ST HALF 2013	1ST HALF 2012	CHANGE
Managers	44.9	42.1	2.8
Administrative staff	180.1	183.8	(3.7)
White-collar	1,459.3	1,595.4	(136.1)
Blue-collar	406.6	508.5	(101.9)
Total	**2,090.9**	**2,329.7**	**(238.8)**

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

AVERAGE HEADCOUNT	1ST HALF 2013	1ST HALF 2012	CHANGE
ADR S.p.A.	1,014.3	1,682.8	(668.5)
ADR Engineering S.p.A.	31.3	33.1	(1.8)
ADR Tel S.p.A.	15.0	16.0	(1.0)
ADR Advertising S.p.A.	8.0	9.0	(1.0)
ADR Assistance S.r.l.	246.5	247.8	(1.3)
ADR Security S.r.l.	718.7	224.9	493.8
ADR Mobility S.r.l.	57.1	18.4	38.7
ADR Retail S.r.l.	0,0	97.7	(97.7)
Total	**2,090.9**	**2,329.7**	**(238.8)**

Remuneration of Directors and Statutory Auditors

The following table shows the remuneration paid to Directors and Statutory Auditors (cumulatively for each category):

CATEGORY	REMUNERATION (€000)
Directors	49
Executive Directors	125
Statutory Auditors	176
Total	**350**

Information concerning disputes

Administrative, civil and labor litigation is followed by the Group through its internal legal department which has provided, for the preparation of the Half-Year Financial Report as of and for the period ended June 30, 2013, a complete and exhaustive breakdown of the different civil, administrative and arbitration proceedings outstanding as of that date.

As regards litigation as a whole, the Group carried out a valuation of the risk of negative outcomes leading to the creation of a specific allowance under “Allowances for risks and charges” to cover the cost of litigation likely to result in a negative outcome and for which a reasonable estimate of the amount involved could be made. The disputes for which a negative outcome was merely possible, given the different legal interpretations, were not the object of provisions in accordance with the principles and procedures governing the preparation of financial statements. Furthermore, there are a limited number of civil proceedings underway, for which no provisions were made, as the impact of any negative outcome, while negligible, could not be measured.

Tax litigation

- In 2007, the Rome Customs District Office notified ADR of reported irregularities in the sales carried out at its duty free shops in the period 1/1/1993 – 1/31/1998 to passengers traveling within the EU that exceeded duty free allowances in terms of amount and value, ordering payment regarding VAT, excise duties and tobacco duties, as a result of the findings set out for a total of 22.3 million euros. ADR appealed before the Provincial Tax Commission, which was rejected with a ruling of the Commission in April 2009. Therefore the Custom Office activated the procedure to collect the sum due, equal to 26.1 million euros (including interest and expenses), which ADR paid by installment. ADR lodged an appeal against the sentence submitted in first instance, rejected with sentence of May 2010 of the Provincial Tax Commission for Rome. This further adverse development has given additional weight to the risk of a negative outcome, regardless of the fact that the position of the Company and its tax experts expressed during the legal proceedings, which maintains that there are no grounds for the imposition of such taxation, is unchanged. Moreover, the Company is convinced of the substantial and formal legitimacy of its behavior. Therefore, in preparing the financial statements for 2010, it was decided to allocate provisions based on the estimated amount of taxes assessed, thereby bringing the allowance for taxes into line with the tax payable, inclusive of interest and ancillary charges. ADR, which firmly maintains its position that there are no grounds for the imposition of such taxation and is convinced of the substantial and formal legitimacy of its behavior, appealed to the Supreme Court. On March 5, 2013 the hearing was held to discuss the appeal to the Supreme Court; downstream of the debate, the Company is waiting for the sentence to be filed.
- On May 15, 2013 the Rome Tax Police Unit Headquarters started an audit activity towards the company regarding Direct Taxes for the 2008 taxation period.

Administrative, civil and labor litigation

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

Airport fees and regulated tariffs

- ADR has contested a letter from the Civil Aviation Authority dated April 13, 2010 and a memorandum from the Ministry of Transport of May 13, 2010 before the Lazio Regional Administrative Court. These notifications stipulate that EU fees should be applied to all flights to and from the territory of the Swiss Confederation (conversely ADR applies non-EU fees for these flights). The Civil Aviation Authority's assertion is based on the fact that the Agreement between the EU and Swiss Confederation of January 21, 1999 (which came into force on June 1, 2002) placed Swiss carriers on an equal footing with EU ones, and therefore ADR is discriminating against Swiss carriers. The Company, on the other hand, maintains that no discrimination is involved as the application of airport fees, and related amounts, is governed in Italy by the Ministerial Decree of November 14, 2000 which is based on the air space a flight passes through (within or beyond the European Union) rather than the carrier that operates it. With sentence of June 2012, the Lazio Administrative Court declared the appeal inadmissible "having to exclude that the notes being appealed against express orders taken", excluding from its sphere the determination on the measure of the airport fees due to Switzerland, ascertaining, on this point, the jurisdiction of the Ordinary Judge. The total maximum amount to be potentially returned is estimated at around 12.7 million euros plus interest (as of June 2013). Obviously, the fees claimed by carriers would in turn be verified in a court of law.

  On this subject, in July 2011, Swiss International Airlines Ltd ("Swiss") summoned ADR to return the sum of 5.2 million euros (including interest, subsequently reduced to 1.6 million euros, due to a material error made in the initial quantification) equal to the amount paid in excess by Swiss from 2002 to 2009 for landing and take-off fees. In August 2011, ADR was notified a similar deed, again by Swiss, with a request equal to 3.5 million euros (including interest) concerning the passenger boarding fees.
- In July 2011 ADR was notified, in its capacity as involved party, the appeal lodged before the Lazio Regional Administrative Court by IBAR and ten airlines for the cancelation of the letter of May 11, 2011 with which ENAC declared that, with reference to the fee to use the automatic handling system of transit baggage "NET6000", the cost connection limit just for 2011 is "equal to 1.87 euro per piece of baggage". The applicant did not made a request for suspensive relief and a date for the relevant hearing has yet to be set.
- In relation to the failed payment from January 2011 for the use of the NET6000 system by the numerous airlines, at the end of 2011 ADR filed the relevant appeals for injunctions to recover its expired credit regarding fees until September 2011 for 3.8 million euros, of which 3.6 million euros from Alitalia. In June 2012 Alitalia was notified a second injunction for 1.8 million euros regarding the invoices issued until January 2012, only partially paid by Alitalia, which arbitrarily reduced the remuneration from 1.87 euros to 0.30 euros per passenger. All the carriers proposed an objection to the injunctions obtained and notified to them by ADR and the relevant first hearings are scheduled from the end of September onwards. On November 6, 2012 ADR

filed a third injunction against Alitalia for 1.9 million euros regarding the invoices issued until September 2012, net of the payments made by Alitalia for a value of 0.38 euro per passenger. On November 27, 2012 the Judge rejected the injunction. On April 29, 2013 Alitalia was summoned in relation to the amounts concerning the third rejected injunction, with the addition of those amounts relating to the period October 2012 – March 2013, for a total value, net of the advance payments made by Alitalia for 0.38 euros per passenger, equal to 4.2 million euros.

- On February 27, 2013, ADR was notified three appeals (Assohandlers, Assaereo and Codacons) to Lazio Regional Administrative Court contesting the Planning Agreement, the Prime Ministerial Decree of December 21, 2012 and all the other conditioning, connected and consequent deeds. On February 28, 2013 a similar appeal to Lazio Regional Administrative Court was notified by the Municipality of Viterbo, with a claim for damages. For the first three proceedings Assaeroporti has filed an appeal of opposition. On March 20, 2013 the hearing was held for the appeals filed by Assohandlers and Assaereo; the plaintiffs renounced any discussion about the suspension. The relevant hearing was thus scheduled for December 18, 2013. At the hearing of April 10, 2013 the Lazio Administrative Court did not grant the suspension requested by Codacons and set the related hearing for December 18, 2013. The Codacons lodged an appeal before the Council of State against the ordinance that rejected the precautionary measure. On June 19, 2013 ruling no. 2303/2013 was filed, with which the Council of State rejected Codacons' appeal.
- On April 29 ADR was notified three extraordinary appeals to the Head of State promoted by Aicai, DHL, UPS and TNT; Lufthansa, Austrian Airlines and Swiss; Consorzio Airport Operators and other 14 shippers, respectively. All appeals contest the Single Deed, the Prime Ministerial Decree of approval, the Additional Deed and all the other assumed and connected deeds, with similar arguments to those of the previous appeals to Lazio Administrative Court, in addition to specific disputes regarding the increased tax on goods. On May 2, 2013 ADR was notified a similar extraordinary appeal to the Head of State filed by the handling company Consulta, with the same reasons as the previous ones, including the request for precautionary measures.

  ADR objected to all the appeals with the Head of State, demanding that these are decided during the legal proceedings before the Lazio Regional Administrative Court. Subsequently to this objection, Consulta, Consorzio Airport Cargo Operators and another 14 shippers, Lufhtansa, Austrian and Swiss took formal action before the Lazio Regional Administrative Court; ADR did the same.

Airport Fuel Supply Fees

- IBAR (Italian Board Airlines Representatives) and 6 carriers lodged an appeal with the Lazio Administrative Court, against the Civil Aviation Authority's memorandum of September 15, 2006, with which the Civil Aviation Authority communicated the results of the controls carried out at airports managed by full-service operators "in order to analyze the correlation between costs and the flat rates charged by airport operators to oil companies". An announcement of the date of a hearing to discuss the matter is awaited.
- ENI has brought a claim before the Rome civil court against its own client airlines in order to ascertain their obligation to pay the oil company the amounts it owes to airport operators, and to order them to pay the amount accrued since October 2005. In the same claim, ENI has also brought a secondary claim against airport operators, including ADR, in order to ascertain that the concession fees paid by ENI to airport operators should not be calculated on the basis of the amount of fuel supplied to airlines. Moreover, as specifically regards ADR, ENI requests that the

Company be ordered to return the amount paid in October 2005, totaling 0.2 million euros and that it be determined that ENI does not owe the amount of 1.1 million euros requested by ADR until May 2006 and yet unpaid. The issue of the sentence is awaited.

- AirOne has taken out legal proceedings at the Civil Court of Rome against Tamoil, its jet fuel supplier, as well as certain airport operators including ADR claiming the illegality of the fees charged to oil companies by operators in return for the use of airport infrastructure, which these companies subsequently “pass on” to carriers. Consequently, Airone also requests that Tamoil – together with the above airport operators – be ordered to repay the sum paid by Airone since 2003, amounting to 2.9 million euros. With no definitive sentence in 2012, the Judge provided an expert to examine the case which is set to be heard on September 25, 2013

Catering company fees

- IBAR (Italian Board Airlines Representatives), together with 13 carriers, on the one hand, and Assaero and Volare, on the other hand, in separate requests, appealed to the Lazio Regional Administrative Court, with concomitant request for suspensive relief, for the cancellation of Civil Aviation Authority rulings of June 5, 2007, regarding the setting of fees for the catering carried out at Rome and Milan airports, respectively. The plaintiffs have withdrawn their request for suspension. Subsequently, IBAR put forward additional grounds and requested the Regional Administrative Court to acknowledge the illegitimacy of the most recent rulings issued by the Civil Aviation Authority regarding the matter. With sentence no. 2719/2013 Lazio Regional Administrative Court rejected the appeal proposed by IBAR. As regards the appeal proposed by Assaero, with sentence no. 8153/2013 Lazio Administrative Court accepted the appeal and cancelled the contested rulings. The terms are elapsing for any appeal to the Council of State.

Fire prevention fund

- In November 2009 ADR appealed before the Lazio Administrative Court, without suspensive relief, the Civil Aviation Authority directive of July 2009 which included a table indicating the amounts of the contributions due from each operator for the fire prevention fund. In 2010 additional grounds were provided against the subsequent Civil Aviation Authority directive of December 2009, which reiterated the request to operators to make the related payments as soon as possible. An announcement of the date of the relevant hearing is awaited.
  With a sentence in 2010, the Tax Commission ruled on an appeal lodged by thirteen airport operators (not including ADR which, like other operators, opted to contest the directive before the above-mentioned Lazio Regional Administrative Court), declaring that the appellants were not obliged, from January 1, 2009 to pay the fire prevention fund contribution “given that such contributions, as demonstrated, are to be allocated for purposes other than those laid down by law”. With sentence 2011 the Regional Tax Commission (2nd instance), accepting the appeal of the authorities, reformed the abovementioned 1st instance sentence.
  In September 2012, the Ministers of Interior and Economy and Finance notified ADR an injunction, demanding the payment of 34.3 million euros plus interest concerning the years 2007-2010 to the so-called fire prevention fund. ADR, like the other operators who were notified with injunctions, refused. At the first hearing of the parties on March 7, 2013, the Judge took it under advisement on the provisional execution demand of the injunction, put forward by the Attorney’s Office. As the outcome of the hearing for the first appearance held on March 7, 2013, with ruling filed on April 11, 2013, the application for provisional execution of the injunction requested by the Ministries. At the hearing of July 11, 2013, the Judge adjourned the case to July 17, 2014.

Noise abatement measures

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

Bankruptcy proceedings involving clients

- A series of sentences passed by the Bankruptcy Court in Rome have declared the following companies bankrupt: Alitalia S.p.A. under special administration, Volare S.p.A. under special administration, Alitalia Express S.p.A. under special administration, Alitalia Servizi S.p.A. under special administration, Alitalia Airport S.p.A. under special administration, between the end of 2011 and the first few months of 2012 the insolvencies were filed. ADR proposed a denial of insolvency for Alitalia under special administration and Alitalia Airport under special administration. Moreover, after viewing the first plan for partial distribution for which the Judge had ordered the filing, on May 28, 2013 ADR proposed a complaint, requesting a partial amendment, subject to allocation of the amounts corresponding to the credit being challenged of 2.8 million euros, downgraded from the preference status to the unsecured status.
- In 2009 Volare Airlines S.p.A. under special administration and Air Europe S.p.A. in special administration entered into civil proceedings in order to obtain cancellation of payments made to ADR during the year prior to the carrier's entry into bankruptcy and an order requiring ADR to pay back a sum of 6.7 million euros and 1.8 million euros. With sentence of June 2011, the Court ordered ADR to pay the requested amounts; the company lodged an appeal. Regarding the ruling for Volare Airlines in special administration, with sentence filed on July 2012, the Appeal Court of Milan rejected ADR's appeal. In order to avoid the enforceable proceeding, ADR paid 7.4 million euros (including interests and expenses). The hearing for Air Europe is adjourned until March 6, 2014 to pronounce the final judgment.

Labor disputes

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

Tenders

- ATI Alpine Bau, which was awarded the contract for works relating to the upgrading of Runway 3 at Fiumicino airport, appealed sentence of 2006 handed down by Rome’s Civil Court. This sentence ordered ADR to pay 1.2 million euros, plus legal interest from the time of the claim. The appeal reiterates the claims for damages made in first instance (66 million euros, including legal interest accrued from the time of the claim). With partial judgment of July 2012, the Court of Appeal arranged an expert, still in charge, adjoining the case until January 28, 2014.
- In 2005 Fondedile Costruzioni S.r.l. lodged an appeal against sentence of 2004 of the Civil Court of Rome. This appeal reiterates the claim submitted in first instance for 3.6 million euros, as well as legal and overdue interest and revaluation, regarding higher charges and damages

incurred during the execution of construction works on a service tunnel at Fiumicino airport. Due to the replacement of the reporting judge, the proceedings were adjourned and a new hearing was set to pronounce the final judgment for December 13, 2013.

- ATI NECSO Entrecanales – Lamaro Appalti has appealed to the Supreme Court against the sentence of the Court of Appeal, which in 2011 fully rejected the claim for damages for 9.8 million euros, plus interest, revaluation and costs, in relation to claims posted in the contract accounts relating to the contract for work on the extension and restructuring of Satellite Ovest (Satellite West) at Fiumicino airport. A hearing to discuss the case has not been scheduled yet.
- In January 2012 the ATI Salini – Ircop appealed to the Lazio Administrative Court against ADR for the cancellation, with prior suspension, of the rulings to exclude the ATI, due to an anomaly in the economic bid, from the procedure to entrust the upgrading works of Runway 2 at Fiumicino airport, as well as for the acknowledgement of the damages deriving from the failed awarding. With sentence of December 14, 2012, the Regional Administrative Court rejected the claim of the ATI. The Parties that were unsuccessful at 1st instance proposed an appeal with the Council of State, insisting on the claim for damages. An announcement of the date of a hearing to discuss the matter is awaited.
- With reference to the evolution of the negotiations with ATI Cimolai, which was awarded with the construction works at departure area F (formerly Pier C), it is noted that, with the signature of the Planning Agreement, the main assumption is met to entirely restart all the works previously slowed down in connection with the failed finalization of the tariff agreement. The works can be fully resumed only after agreeing on the new contractual terms for the finalization with ATI.

Claims for damages

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

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

* * *

We declare that this Half-Year Financial Report present a true and fair view of the Group’s financial position and results of operations for the period.

THE BOARD OF DIRECTORS

REPORT OF THE INDEPENDENT AUDITORS

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

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

1. We have reviewed the half-year condensed consolidated financial statements of Aeroporti di Roma S.p.A. and its subsidiaries (the "Aeroporti di Roma Group") as of June 30, 2013. Management of Aeroporti di Roma S.p.A. is responsible for the preparation of the half-year condensed consolidated financial statements in conformity with Accounting Standard 30 of the OIC (Italian Accounting Organization). Our responsibility is to issue this review report based on our review.

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

   The consolidated financial statements of the prior year and the half-year condensed consolidated financial statements of the corresponding period of the prior year, presented for comparative purposes, have been respectively audited and reviewed by other auditors. Accordingly, reference should be made to the reports of the other auditors issued, respectively, on March 18, 2013 and on August 3, 2012.

3. Based on our review, nothing has come to our attention that causes us to believe that the half-year condensed consolidated financial statements of Aeroporti di Roma Group as of June 30, 2013 are not prepared, in all material respects, in conformity with Accounting Standard 30 of the OIC (Italian Accounting Organization).

Rome, August 2, 2013

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

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

Financial statements of ADR S.p.A.

(not subject to auditing)

ASSETS (in Euros)	06/30/2013			12/31/2012		
AMOUNTS DUE FROM SHAREHOLDERS FOR SHARE CAPITAL SUBSCRIPTION			0			0
FIXED ASSETS						
INTANGIBLE FIXED ASSETS						
Industrial patent and intellectual property rights		479,739			726,976	
Concessions, licenses, trademarks and similar rights		1,555,552,181			1,580,869,364	
Leasehold improvements in process and advances		53,261,778			29,367,686	
Other		233,122,046			238,591,818	
			1,842,415,744			1,849,555,844
TANGIBLE FIXED ASSETS						
Assets to be handed over:						
Land and buildings		68,195,475			71,750,384	
Plant and machinery		48,641,994			51,095,163	
Industrial and commercial equipment		880,176			1,026,803	
Other assets		1,719,049			1,822,141	
Fixed assets in progress and advances		59,411,540			53,456,829	
			178,848,233			179,151,321
NON-CURRENT FINANCIAL ASSETS						
Investments:						
subsidiary undertakings	9,538,324			9,538,324		
associated undertakings	10,330			10,330		
other companies	2,202,006			2,202,006		
		11,750,660			11,750,660	
Amounts due from others:						
beyond 12 months	466,653			474,548		
		466,653			474,548	
Other securities:						
bonds	2,758,309			2,758,309		
		2,758,309			2,758,309	
			14,975,622			14,983,517
Total Fixed Assets			**2,036,239,599**			**2,043,690,682**
CURRENT ASSETS						
INVENTORIES						
Raw, ancillary and consumable materials		2,317,805			2,229,595	
Contract work in progress		5,440,837			8,067,727	
			7,758,642			10,297,322
RECEIVABLES						
Due from clients		186,912,470			149,830,419	
Due from subsidiary undertakings		12,497,054			17,262,478	
Due from associated undertakings		482,332			482,332	
Due from Parent companies		8,467,616			8,228,189	
Due from tax authorities:						
within 12 months	5,636,617			8,104,423		
beyond 12 months	26,096,949			26,096,949		
		31,733,566			34,201,372	
Deferred tax assets		40,599,428			38,023,428	
Due from others:						
sundry						
within 12 months	27,917,239			46,209,753		
advances to suppliers for services	0			145,755		
		27,917,239			46,355,508	
			308,609,705			294,383,726
CURRENT FINANCIAL ASSETS			0			0
CASH ON HAND AND IN BANKS						
Bank and post office deposits		101,914,092			381,430,699	
Cash and notes in hand		116,767			87,426	
			102,030,859			381,518,125
Total current assets			**418,399,206**			**686,199,173**
ACCRUALS AND DEFERRALS						
Accrued income and prepaid expenses			3,428,866			3,026,249
TOTAL ASSETS			**2,458,067,671**			**2,732,916,104**

LIABILITIES (in Euros)		06/30/2013			12/31/2012	
SHAREHOLDERS' EQUITY						
SHARE CAPITAL						
Ordinary shares			62,224,743			62,224,743
SHARE PREMIUM RESERVE			667,389,495			667,389,495
REVALUATION RESERVES			0			0
LEGAL RESERVE			12,461,960			12,461,960
STATUTORY RESERVE			0			0
RESERVE FOR OWN SHARES			0			0
OTHER RESERVES			501,358			501,358
RETAINED EARNINGS (LOSSES)			342,167,083			82,993,487
INCOME (LOSS) FOR THE PERIOD			38,926,674			259,173,595
Total shareholders' equity			**1,123,671,313**			**1,084,744,638**
ALLOWANCES FOR RISKS AND CHARGES						
Taxation, including deferred taxes						
Income taxes		26,096,949			26,096,949	
Other		44,758,711			43,694,804	
Total allowances for risks and charges			**70,855,660**			**69,791,753**
EMPLOYEE SEVERANCE INDEMNITIES (ESI)			**15,208,489**			**15,541,713**
PAYABLES						
Due to banks:						
within 12 months	8,880,502			8,914,131		
beyond 12 months	241,100,000			89,350,000		
		249,980,502			98,264,131	
Due to other financial institutions						
within 12 months	762,929			513,988,710		
beyond 12 months	700,018,896			700,018,896		
		700,781,825			1,214,007,606	
Advances:						
from clients:						
from the Ministry of Transport:						
within 12 months	267,000			267,000		
beyond 12 months	2,234,620			2,605,656		
other	11,295,979			5,379,041		
		13,797,599			8,251,697	
Due to suppliers:						
within 12 months	102,076,060			87,803,180		
beyond 12 months	2,313,789			2,717,864		
		104,389,849			90,521,044	
Due to subsidiary undertakings:						
within 12 months	36,492,749			30,810,243		
		36,492,749			30,810,243	
Due to associated undertakings:						
within 12 months	968,680			968,680		
		968,680			968,680	
Due to parent companies:						
within 12 months	245,370			353,213		
		245,370			353,213	
Taxes due:						
within 12 months	41,883,247			40,865,939		
		41,883,247			40,865,939	
Due to social security agencies		3,889,089			3,924,480	
Other payables: sundry creditors						
within 12 months	76,981,955			63,925,142		
beyond 12 months	8,479,139			8,987,849		
		85,461,094			72,912,991	
Total payables			**1,237,890,004**			**1,560,880,024**
ACCRUALS AND DEFERRALS						
Accrued expenses and deferred income			**10,442,205**			**1,957,976**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES			**2,458,067,671**			**2,732,916,104**

MEMORANDUM ACCOUNTS (in Euros)	06/30/2013		12/31/2012	
GENERAL GUARANTEES				
Sureties	110,522		110,522	
Other	507,841		507,841	
		618,363		618,363
SECURED GUARANTEES		0		0
COMMITMENTS ON PURCHASES AND SALES		93,841,832		81,398,937
OTHERS		1,002,934,494		1,005,903,472
TOTAL		1,097,394,689		1,087,920,772

INCOME STATEMENT (in Euros)		I HALF 2013			I HALF 2012	
TOTAL REVENUES						
Revenues from sales and services:						
revenues from sales	1,767,020			19,457,841		
revenues from services	290,322,406			250,184,267		
revenues from contract work	4,122,656			2,157,244		
		296,212,082			271,799,352	
Changes in contract work in progress		(2,626,891)			532,320	
Other income and revenues:						
revenue grants	63,333			22,667		
gains on disposals	2,663			6,059		
other	4,697,771			4,259,583		
		4,763,767			4,288,309	
			298,348,958			**276,619,981**
OPERATING COSTS						
Raw, ancillary and consumable materials, finished goods and goods for resale		16,793,440			29,775,634	
Services		73,348,221			65,678,621	
Leased assets		14,798,098			5,357,253	
Staff:						
salaries and wages	24,829,270			34,666,560		
social security costs	6,935,417			10,030,794		
employee severance indemnities	1,618,282			2,624,612		
other costs	416,586			407,944		
		33,799,555			47,729,910	
Amortization, depreciation and write-downs:						
amortization of intangible fixed assets	50,498,561			47,995,291		
amortization of tangible fixed assets	10,009,393			10,290,349		
provisions for doubtful accounts and cash on hand and in banks	5,942,356			4,406,954		
		66,450,310			62,692,594	
Changes in raw, ancillary and consumable materials, finished goods and goods for resale		(88,211)			(1,976,656)	
Provisions for risks		2,958,011			3,463,071	
Other provisions		0			140,000	
Other operating costs:						
losses on disposals	0			326		
concession fees	24,862			11,189		
other	3,702,633			2,853,536		
		3,727,495			2,865,051	
			(211,786,919)			**(215,725,478)**
Difference between revenues and operating costs			**86,562,039**			**60,894,503**
FINANCE INCOME (COSTS)						
Income from equity investments:						
dividends from subsidiary undertakings	0			0		
		0			0	
Other finance income:						
From securities recorded in non-current financial assets that do not qualify as equity investments	188,592			197,326		
Other						
Interest and commissions from subsidiary undertakings	7,076			3,152		
Interest and commissions from banks	632,217			861,644		
Interest and commissions from customers	4,438			712		
Interest and commissions from others	48,994			41,638		
		881,317			1,104,472	
Interest expense and other financial charges:						
interest and commissions to subsidiary undertakings	1,921			19,565		
Interest and commissions to banks	4,451,916			2,428,661		
interest and commissions to other financial institutions	18,993,005			31,320,085		
interest and commissions to others	161,534			796,667		
provisions for overdue interest on doubtful accounts	4,443			0		
		(23,612,819)			(34,564,978)	
Foreign exchange gains/(losses)						
foreign exchange gains	886			8,772		
foreign exchange losses	1,530			2,780		
		(644)			5,992	
TOTAL FINANCE INCOME (COSTS)			**(22,732,146)**			**(33,454,514)**
ADJUSTMENTS TO FINANCIAL ASSETS						
Write-downs:						
of equity investments		0			6,000	
TOTAL ADJUSTMENTS			**0**			**(6,000)**
EXTRAORDINARY INCOME (EXPENSE)						
Income:						
gains on disposals	0			0		
other	725,052			739,249		
		725,052			739,249	
Expense:						
Taxes relating to previous years	0			6,582		
other	257,046			3,294,064		
		(257,046)			(3,300,646)	
TOTAL EXTRAORDINARY ITEMS			**468,006**			**(2,561,397)**
Pre-tax income (loss)			**64,297,899**			**24,872,592**
Income tax for the period current, deferred and prepaid:						
Current taxes		(27,947,225)			(17,520,602)	
Deferred tax assets (liabilities) for the period		2,576,000			2,347,000	
			(25,371,225)			(15,173,602)
Income (loss) for the period			**38,926,674**			**9,698,990**