



**Aeroporti di Roma S.p.A.**  
(incorporated as a joint stock company in the Republic of Italy)

**€1,500,000,000**  
**Euro Medium Term Note Programme**

Under the Euro Medium Term Note Programme described in this Offering Circular (the “**Programme**”), Aeroporti di Roma S.p.A. (“**AdR**” or the “**Issuer**”) may, from time to time, subject to compliance with all applicable laws, regulations and directives, issue medium term debt securities in either bearer or registered form (respectively, “**Bearer Notes**” and “**Registered Notes**” and, together, the “**Notes**”). The maximum aggregate principal amount of all Notes from time to time outstanding under the Programme will not exceed €1,500,000,000 (or the equivalent in other currencies), provided that the Issuer may increase such maximum principal aggregate amount in accordance with the Dealer Agreement (as defined below).

The Notes may be issued on a continuing basis to one or more of the Dealers named below or any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an on-going basis (each a “**Dealer**” and together, the “**Dealers**”). References in this Offering Circular to the relevant Dealer, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, shall be to all Dealers agreeing to subscribe for such Notes.

Notes will be issued in Series. Prior to the AdR STID Unwinding Date (as defined in the Conditions), the Notes benefit from and are subject to (i) an English law governed security trust and intercreditor deed dated 20 February 2003, as amended and restated from time to time (the “**AdR Security Trust and Intercreditor Deed**” or “**AdR STID**”) entered into among, *inter alios*, the Issuer, Mediobanca – Banca di Credito Finanziario S.p.A., in its capacity as security agent (the “**AdR Security Agent**”), and certain other creditors of AdR (the “**Beneficiaries**” or the “**Creditors**”) and to which BNY Mellon Corporate Trustee Services Limited (the “**Trustee**”) has acceded on or about the date of this Offering Circular in its capacity as Beneficiary (in its personal capacity) and, upon the issuance of each Series of Notes, shall accede as AdR Qualifying Debt Representative and Class Representative for the relevant Series of Notes and the Agents (as defined in the Conditions) have acceded on or about the date of this Offering Circular as Beneficiaries and (ii) an English law governed account bank agreement dated 20 February 2003 (as amended, restated and/or supplemented from time to time, the “**AdR Account Bank Agreement**”) entered into among, *inter alios*, the Issuer, the AdR Security Agent and the AdR Account Bank named therein. Each Series of Notes will be structured as either a secured Series of Notes having the benefit of certain Security Documents (as defined in the Conditions) (the “**Secured Notes**”) or as an unsecured Series of Notes not having the benefit of the Security Documents as specified in the relevant Final Terms. Series of Notes which at the time of issue are constituted as Secured Notes may become unsecured in accordance with the Conversion Provisions (as defined in the Conditions) (any Series of Notes issued as unsecured Notes pursuant to the relevant Final Terms and any Series of Notes originally issued as Secured Notes but subsequently converted into unsecured Notes pursuant to Condition 5(d) (*The AdR STID and Special Provisions of Secured Notes – Conversion*) shall be “**Unsecured Notes**”). The Secured Notes will have the benefit of the Security Documents entered into from time to time by the Issuer in favour of its secured creditors party to the AdR STID (including the holders from time to time of the relevant Series of Secured Notes) pursuant to the AdR STID. At any time prior to the AdR STID Unwinding Date, the AdR STID regulates the claims and payment priorities of AdR’s creditors (including the holders of the Secured Notes and the Unsecured Notes) against AdR on certain matters affecting their interests both before and after enforcement by the AdR Security Agent and in respect of secured creditors (including, prior to any Conversion Date, the holders of the Secured Notes) and unsecured creditors (including, prior to the AdR STID Unwinding Date, the holders of the Unsecured Notes). Pursuant to the AdR STID, at any time prior to the AdR STID Unwinding Date, the AdR Security Agent will act on behalf and in the name of AdR’s Beneficiaries (including, without limitation, the Trustee acting in accordance with the Trust Deed) based on instructions given in accordance with the AdR STID.

This Offering Circular has been approved by the Central Bank of Ireland (the “**Central Bank**”), as competent authority under the Prospectus Directive. The Central Bank only approves this Offering Circular as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Notes which are to be admitted to trading on the regulated market of the Irish Stock Exchange or other regulated markets for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area (each, a “**Member State**”). Application has been made to the Irish Stock Exchange for Notes issued under the Programme to be admitted to the Official List and trading on its regulated market. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of the Notes, the issue price of the Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under “**Overview of the Programme**”) of Notes issued under the Programme will be set out in final terms (the “**Final Terms**”) which, with respect to Notes to be listed on the Irish Stock Exchange, will be filed with the Central Bank.

The Programme provides that Notes may be listed or admitted to trading on such other or further stock exchanges as may be agreed upon by and between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

Where Notes issued under the Programme are listed or admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, such Notes will not have a denomination of less than €100,000 (or, in the case of notes that are not denominated in euro, the equivalent thereof in such other currency).

**Investing in the Notes involves certain risks. For a discussion of these see the section entitled “Risk Factors” beginning on page 11.**

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any State or other jurisdiction of the United States, and the Notes may include Bearer Notes that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered or sold or, in the case of Bearer

Notes, delivered in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”) in the case of Registered Notes, or as defined in the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder in the case of Bearer Notes). See “*Forms of the Notes*” for a description of the manner in which Notes will be issued. Registered Notes are subject to certain restrictions on transfer. See “*Subscription and Sale and Transfer and Selling Restrictions*”.

AdR’s long-term debt is currently rated BBB- by Standard & Poor’s Credit Market Services Europe Ltd. (“**S&P**”), Baa3 by Moody’s Investors Service Ltd (“**Moody’s**”) and BBB+ by Fitch Ratings Limited (“**Fitch**”). Each of Moody’s, S&P and Fitch is established in the European Union and registered under Regulation (EC) No.1060/2009 (as amended) (the “**CRA Regulation**”) and as such is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Tranches of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Final Terms. A security rating and/or an issuer corporate rating is/are not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Bearer Notes will be represented on issue by a temporary global note in bearer form (each a “**Temporary Global Note**”) or a permanent global note in bearer form (each a “**Permanent Global Note**”) and, together with the Temporary Global Notes, the “**Bearer Global Notes**”). Registered Notes will be represented by registered certificates (each a “**Certificate**”, which term shall include where appropriate registered certificates in global form) (“**Registered Global Notes**”, and together with the Bearer Global Notes, the “**Global Notes**”), one Certificate being issued in respect of each registered Noteholder’s entire holding of Registered Notes of one Series (as defined under “**Overview of the Programme**” and “**Terms and Conditions of the Notes**”). Global Notes may be deposited on the Issue Date (as defined herein) with a common depository or a common safekeeper (as applicable) on behalf of Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”). The provisions governing the exchange of interests in Global Notes for other Global Notes are described in the section entitled “*Forms of the Notes*” of this Offering Circular.

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes set out herein (the “**Conditions**”), in which event a Drawdown Prospectus (as defined below), if appropriate, will be made available which will describe the effect of the agreement reached in relation to the Notes.

Arrangers

**BNP PARIBAS**

**Mediobanca**

**The Royal Bank of Scotland**

**UniCredit Bank**

Dealers

**Barclays**

**Crédit Agricole CIB**

**NATIXIS**

**The Royal Bank of Scotland**

**BNP PARIBAS**

**Mediobanca**

**Société Générale Corporate & Investment Banking**

**UniCredit Bank**

The date of this Offering Circular is 29 November 2013

## NOTICE TO INVESTORS

*This Offering Circular is a “base prospectus” in accordance with Article 5.4 of Directive 2003/71/EC (the “**Prospectus Directive**”) as amended (which includes the amendments made by Directive 2010/73/EU (the “**2010 PD Amending Directive**”) to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area). The Issuer accepts responsibility for the information contained in this Offering Circular and, to the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.*

*The Issuer, having made all reasonable enquiries, confirms that this Offering Circular contains all information with respect to itself and its subsidiaries taken as a whole (AdR, together with its consolidated subsidiaries, the “**Group**”) and the Notes, which according to the particular nature of the Issuer and the Notes is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and the prospects of the Issuer and of any rights attaching to the Notes and is (in the context of the Programme, the issue, offering and sale of the Notes) material, that the statements contained in it are in every material particular true and accurate and not misleading, that the opinions and intentions expressed in this Offering Circular are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, that there are no other facts, the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Offering Circular misleading in any material respect and that all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements.*

*Reconta Ernst & Young S.p.A. (“**Ernst & Young**”) issued a review report on the consolidated financial information of the Issuer as of 30 June 2013 restated in accordance with IFRS as adopted by EU (the “**2013 IFRS Restatement Report**”). Ernst & Young accepts responsibility for the 2013 IFRS Restatement Report and declares that, having taken all reasonable care to ensure that such is the case, the information contained in the 2013 IFRS Restatement Report, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.*

*Deloitte & Touche S.p.A. (“**Deloitte**”) issued an audit report on the consolidated financial information of the Issuer as of 31 December 2012 restated in accordance with IFRS as adopted by EU (the “**2012 IFRS Restatement Report**”). Deloitte accepts responsibility for the 2012 IFRS Restatement Report and declares that, having taken all reasonable care to ensure that such is the case, the information contained in the 2012 IFRS Restatement Report, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.*

*This Offering Circular is to be read and construed in conjunction with any supplements hereto and with all documents which are deemed to be incorporated herein by reference and, in relation to any Tranche of Notes, should be read and construed together with the applicable Final Terms. This Offering Circular shall, save as specified herein, be read and construed on the basis that such documents are so incorporated and form part of this Offering Circular. See “Incorporation by Reference” below.*

*Neither this Offering Circular nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Arrangers, the Dealers or BNY Mellon Corporate Trustee Services Limited (the “**Trustee**”) that any recipient of the Offering Circular or any Final Terms should subscribe for or purchase any Notes. Each recipient shall be taken to have made its own investigation and appraisal of the financial condition of the Issuer and the Group.*

*No representation, warranty or undertaking, express or implied, is made by the Arrangers, the Dealers or the Trustee as to the accuracy or completeness of this Offering Circular or any further information supplied in connection with the Programme or the Notes or their distribution. To the*

*fullest extent permitted by law, none of the Arrangers, the Dealers or the Trustee accepts any liability in relation to the contents of this Offering Circular or any document incorporated by reference in this Offering Circular or the distribution of any such document or with regard to any other information supplied by, or on behalf of, the Issuer. Each investor contemplating purchasing Notes must make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Group.*

*No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuer, the Arrangers, the Dealers or the Trustee.*

*Neither the delivery of this Offering Circular, nor the offering, sale or delivery of any Notes shall in any circumstances create any implication that, since the date of this Offering Circular or the date upon which it has been most recently amended or supplemented, there has not been any change, or any development or event, which is materially adverse to the condition (financial or otherwise), prospects, results of operations or general affairs of the Issuer or the Group. The Arrangers, the Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer or the Group during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, inter alia, the most recently published financial statements of the Issuer when deciding whether or not to purchase any Notes.*

*The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. None of the Issuer, the Arrangers, the Dealers or the Trustee represents that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by any of the Issuer, the Arrangers, the Dealers or the Trustee which would permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except in circumstances that will result in compliance with any applicable laws and regulations, and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons who obtain this Offering Circular or any Notes must inform themselves about and observe any such restrictions. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom and Italy) and Japan. For a description of these and certain further restrictions on offers and sales of the Notes and distribution of this Offering Circular, see "Subscription and Sale and Transfer and Selling Restrictions".*

*This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of Notes in reliance upon Regulation S outside the United States to non-U.S. persons or in transactions otherwise exempt from registration. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.*

*The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any State securities commission in the United States or any other U.S. regulatory authority nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Notes or the accuracy or the adequacy of this Offering Circular. Any representation to the contrary is a criminal offence in the United States.*

*The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed €1,500,000,000 and, for this purpose, any Notes denominated in another*

*currency shall be translated into euro at the date of the agreement to issue such Notes, calculated in accordance with the provisions of the Dealer Agreement (as defined below). The maximum aggregate principal amount of the Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement.*

*The language of this Offering Circular is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.*

*Prospective Noteholders should consider carefully all information contained in this Offering Circular (including, without limitation, any documents incorporated by reference therein and the sections headed “Risk Factors”, “Refinancing Plan and Description of Other Indebtedness” and “Interc Creditor and Account Bank Arrangements”) and reach their own views, based upon their own judgment and upon advice from such financial, tax and legal advisers they have deemed necessary, before making any investment decision in the Notes.*

## **STABILISATION**

In connection with the issue and distribution of any Tranche of Notes, the Dealer(s) (if any) disclosed as the stabilising manager(s) in the applicable Final Terms (or any person acting on its or their behalf) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes of a Series (as defined below) of which such Tranche forms part at a level higher than that which might otherwise prevail for a limited period. However, there is no assurance that such stabilising manager(s) or any person acting on its or their behalf will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. All such transactions will be carried out in accordance with all applicable laws and regulations.

## INCORPORATION BY REFERENCE

This Offering Circular should be read and construed in conjunction with the sections of the documents incorporated by reference set out in the table below. The following documents which have previously been published and have been filed with the Irish Stock Exchange and the Central Bank, shall be incorporated in, and form part of, this Offering Circular:

- (a) the audited consolidated annual financial statements of the Issuer as at and for the years ended 31 December 2011 and 31 December 2012 with the accompanying auditors' reports (available at: <http://www.adr.it/web/aeroporti-di-roma-en-/azn-annual-report-and-quarterly>);
- (b) the unaudited consolidated semi-annual financial statements of the Issuer as at and for the six months ended 30 June 2012 and 30 June 2013 with the accompanying auditors' review reports (available at: <http://www.adr.it/web/aeroporti-di-roma-en-/azn-annual-report-and-quarterly>);
- (c) the unaudited consolidated interim financial statements of the Issuer as at and for the nine months ended 30 September 2012 and 30 September 2013 (available at: <http://www.adr.it/web/aeroporti-di-roma-en-/azn-annual-report-and-quarterly>); and
- (d) the joint press release dated 20 November 2013 of Atlantia and Gemina regarding the signing of the merger deed (available at [http://www.gemina.it/sites/www.gemina.asp.softecspa.it/files/2013/11/20/ENG%20Comunica%20stampa%20congiunto%2020%2011%202013%20\(stipula%20atto%20di%20fusione%200.pdf](http://www.gemina.it/sites/www.gemina.asp.softecspa.it/files/2013/11/20/ENG%20Comunica%20stampa%20congiunto%2020%2011%202013%20(stipula%20atto%20di%20fusione%200.pdf)).

Copies of the documents incorporated by reference may be inspected free of charge at the specified offices of the relevant paying agents, on the website of the Irish Stock Exchange (save for the document under (d) above) (<http://www.ise.ie/Debt-Securities/Individual-Debt-Securities-Data>) and on the Issuer's web site at the links provided above.

### Cross-reference lists

The following information from the financial statements of the Issuer is incorporated by reference in this Offering Circular, and the following cross-reference lists are provided to enable investors to identify specific items of information so incorporated.

	<b>As at 31 December</b>	
	<b>2011</b>	<b>2012</b>
<b>Audited consolidated annual financial statements of the Issuer</b>		
Consolidated balance sheet.....	Page 70 - 71	Pages 93 - 94
Memorandum accounts.....	Page 72	Page 95
Consolidated income statement.....	Pages 73 - 74	Pages 96 - 97
Notes to the consolidated financial statements.....	Pages 75 - 121	Pages 98 - 143
Auditors' report.....	Pages 122 - 123	Pages 144 - 146

	<b>As at 30 June</b>	
	<b>2012</b>	<b>2013</b>
<i>(Unaudited)</i>		
<b>Unaudited consolidated semi-annual financial statements of the Issuer</b>		
Consolidated balance sheet.....	Pages 47 - 48	Pages 63 - 64
Memorandum accounts.....	Page 49	Page 65
Consolidated income statement.....	Pages 50 - 51	Pages 66 - 67
Notes to the consolidated financial statements.....	Pages 52 - 90	Pages 68 - 111
Auditors' review report.....	Pages 97 - 98	Pages 112 - 113

	<b>As at 30 September</b>	
	<b>2012</b>	<b>2013</b>
	<i>(Unaudited)</i>	
<b>Unaudited consolidated interim financial statements of the Issuer</b>		
Consolidated balance sheet.....	Page 9	Pages 50 - 51
Memorandum accounts.....	-	Page 52
Consolidated income statement.....	Page 7	Pages 53 - 54

Any information not listed in the cross-reference table above but included in the documents incorporated by reference in this Offering Circular is provided for information purposes only.

Each document incorporated herein by reference is current only as at the date of such document, and the incorporation by reference herein of such documents shall not create any implication that there has been no change in the affairs of the Issuer or the Issuer and its subsidiaries collectively (the “**AdR Group**” or the “**Group**”) since the date thereof or that the information contained therein is current as at any time subsequent to its date. Following the publication of this Offering Circular, a supplement may be prepared by the Issuer and approved by the Central Bank in accordance with Article 16 of the Prospectus Directive. Any statement contained in this Offering Circular or in a document that is incorporated by reference shall be deemed modified or superseded to the extent a statement contained in any subsequent document that is also incorporated by reference modifies or supersedes any such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular. References to this Offering Circular shall be taken to mean this document.

Copies of the documents incorporated by reference may be inspected, free of charge at the specified offices of the relevant paying agents, on the website of the Irish Stock Exchange (save for the document under (d) above) (<http://www.ise.ie/Debt-Securities/Individual-Debt-Securities-Data>) and on the Issuer’s web site at the links provided above.

## FORWARD-LOOKING STATEMENTS

All statements other than statements of historical fact included in this Offering Circular regarding the Group's business, financial condition, results of operations and certain of the Group's plans, objectives, assumptions, expectations or beliefs with respect to these items and statements regarding other future events or prospects are forward-looking statements. These statements include, without limitation, those concerning: the Group's strategy and the Group's ability to achieve it; expectations regarding revenues, profitability and growth; plans for the launch of new services; the Group's possible or assumed future results of operations; research and development, capital expenditure and investment plans; adequacy of capital; and financing plans. The words "aim", "may", "will", "expect", "anticipate", "believe", "future", "continue", "help", "estimate", "plan", "intend", "should", "could", "would", "shall" or the negative or other variations thereof as well as other statements regarding matters that are not historical fact, are or may constitute forward-looking statements. In addition, this Offering Circular includes forward-looking statements relating to the Group's potential exposure to various types of market risks, such as foreign exchange rate risk, interest rate risks and other risks related to financial assets and liabilities. These forward-looking statements have been based on the Group's management's current view with respect to future events and financial performance. These views reflect the best judgment of the Group's management but involve a number of risks and uncertainties which could cause actual results to differ materially from those predicted in such forward-looking statements and from past results, performance or achievements. Although the Group believes that the estimates reflected in the forward-looking statements are reasonable, such estimates may prove to be incorrect. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-thinking statements. Prospective investors are cautioned not to place undue reliance on these forward-looking statements. None of the Issuer or the Group undertakes any obligation to republish revised forward-looking statements to reflect events or circumstances after the date hereof. Prospective purchasers are also urged to carefully review and consider the various disclosures made by the Issuer and the Group in this Offering Circular which attempt to advise interested parties of the factors that affect the Issuer, the Group and their business, including the disclosures made under "*Risk Factors*", "*Business Description of the Group*" and "*Refinancing Plan and Description of Other Indebtedness*". The Issuer does not intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributable to the Issuer or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements contained throughout this Offering Circular. As a result of these risks, uncertainties and assumptions, investors should not place undue reliance on these forward-looking statements as a prediction of actual results or otherwise.

## **INDUSTRY AND MARKET DATA**

Information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to the Group's business contained in this Offering Circular consists of estimates based on data reports compiled by professional organisations and analysts, on data from other external sources, and on the Issuer's knowledge of its sales and markets. In many cases, there is no readily available external information (whether from trade associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring the Issuer to rely on internally developed estimates. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by this information. While the Issuer has compiled, extracted and, to the best of its knowledge, correctly reproduced market or other industry data from external sources, including third parties or industry or general publications, neither the Issuer nor the initial purchasers have independently verified that data. The Issuer cannot assure investors of the accuracy and completeness of, and takes no responsibility for, such data other than the responsibility for the correct and accurate reproduction thereof. The information in this Offering Circular has been accurately reproduced and no facts have been omitted that would render the reproduced information inaccurate or misleading. However, information regarding the sectors and markets in which the Group operates may not be available for certain periods and, accordingly, such information may not be current as of the date of this Offering Circular. All sources of such information have been identified where such information is used. Similarly, while the Issuer believes such information to be reliable and believes its internal estimates to be reasonable and confirms all information to be up to date on the date of approval of this Offering Circular, they have not been verified by any independent sources. Undue reliance should therefore not be placed on such information. See "*Forward-Looking Statements*".

## SUPPLEMENTS AND DRAWDOWN PROSPECTUSES

The Issuer has given an undertaking to the Dealers that, if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to the information contained in this Offering Circular which is capable of affecting the assessment of the Notes, it shall prepare an amendment or supplement to this Offering Circular or publish a replacement Offering Circular for use in connection with any subsequent offering of the Notes and shall supply to each Dealer and the Trustee any number of copies of such supplement as such Dealer and the Trustee may reasonably request.

In addition, the Issuer may agree with any Dealer to issue Notes in a form not contemplated in the section of this Offering Circular entitled "*Form of Final Terms*". To the extent that the information relating to that Tranche of Notes constitutes a significant new factor in relation to the information contained in this Offering Circular, a separate prospectus specific to such Tranche (a "**Drawdown Prospectus**") will be made available and will contain such information. Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Issuer, the Group and the relevant Notes or (2) pursuant to Article 5.3 of the Prospectus Directive, by a registration document containing the necessary information relating to the Issuer and the Group, a securities note containing the necessary information relating to the relevant Notes and, if necessary, a summary note. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, references in this Offering Circular to information specified or identified in the Final Terms shall (unless the context requires otherwise) be read and construed as information specified or identified in the relevant Drawdown Prospectus.

## PRESENTATION OF FINANCIAL AND OTHER DATA

Unless otherwise indicated or where the context requires otherwise, references in this Offering Circular to “euro” or “Euro” or “€” are to the single currency of the participating Member States in the Third Stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Union, as amended from time to time.

Aeroporti di Roma S.p.A. (“AdR” or the “Issuer”) reports its financial information and prepares its financial statements in Euro and in accordance with Italian law, as interpreted and amended by the accounting standards issued by the Italian *Organismo Italiano di Contabilità* (Italian Accounting Entity) (collectively referred to as “Italian GAAP”). The financial year of AdR begins on 1 January and terminates on 31 December of each calendar year. Italian law requires AdR to produce annual audited financial statements.

The consolidated financial statements as at and for the years ended 31 December 2011 and 2012, incorporated by reference in this Offering Circular, and the consolidated restated financial data as at and for the years ended 31 December 2012, attached to this Offering Circular, have been audited by Deloitte & Touche S.p.A.

The consolidated financial statements as at and for the six months ended 30 June 2012 and 2013, incorporated by reference in this Offering Circular have been reviewed by Deloitte & Touche S.p.A. and Ernst & Young S.p.A., respectively.

The consolidated financial statements as at and for the nine months ended 30 September 2012 and 2013 incorporated by reference in this Offering Circular have not been audited.

In order to facilitate comparability with the financial statements prepared by other issuers on the international eurobond market, the consolidated financial statements of AdR as at and for the year ended 31 December 2012 and the interim consolidated financial statements of AdR as at and for the six months ended 30 June 2013 have been restated in accordance with the International Financial Reporting Standards adopted by the European Union, as prescribed by European Union Regulation No. 1606 of 19 July 2002 (“IFRS”), as set forth in “Annex I – Restated Financial Data”. See “Annex I – Restated Financial Data”. The financial information in “Annex I – Restated Financial Data” does not include comparative figures and explanatory notes, as would be required by the IFRS adopted by the European Union. As a result, the information is not a complete set of financial statements of the Group and cannot be considered a first-time adoption of IFRS. The interim consolidated financial statements of AdR as at and for the nine months ended 30 September 2013 and 2012 have not been restated in accordance with IFRS.

There are certain differences between Italian GAAP and IFRS and, as a result, the Italian GAAP financial information presented for the years ended 31 December 2011 and 2012 and for the six months ended 30 June 2012 and 2013 is not directly comparable to the IFRS financial information that will be presented by the Issuer starting with the financial year ending 31 December 2013. In order to provide to the reader a more appropriate comparison between the Italian GAAP and IFRS financial data, the Italian GAAP financial information included in this section have been reclassified using the IFRS statements presentation that the Issuer will adopt starting with the financial year ending 31 December 2013.

Certain figures included in this Offering Circular have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

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## OVERVIEW OF THE PROGRAMME

*This section is a general description of the Programme, as provided under Article 22.5(3) of Regulation (EC) 809/2004. The following description does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. Words and expressions defined or used in "Terms and Conditions of the Notes" below shall have the same meanings in this summary. The Issuer may agree with any Dealer that Notes may be issued in a form other than that contemplated in "Terms and Conditions of the Notes" herein, in which event a Drawdown Prospectus (as defined above) will be published.*

<b>Issuer</b> .....	Aeroporti di Roma S.p.A.
<b>Description</b> .....	Euro Medium Term Note Programme
<b>Size</b> .....	Up to € 1,500,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any one time. The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
<b>Arrangers</b> .....	BNP PARIBAS Mediobanca – Banca di Credito Finanziario S.p.A. The Royal Bank of Scotland plc UniCredit Bank AG
<b>Dealers</b> .....	Barclays Bank PLC BNP PARIBAS Crédit Agricole Corporate and Investment Bank Mediobanca – Banca di Credito Finanziario S.p.A. Natixis Société Générale The Royal Bank of Scotland plc UniCredit Bank AG  The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional Dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to " <b>Permanent Dealers</b> " are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to " <b>Dealers</b> " are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
<b>Trustee</b> .....	BNY Mellon Corporate Trustee Services Limited

<b>AdR Security Agent under the AdR STID</b> .....	Mediobanca - Banca di Credito Finanziario S.p.A.
<b>Principal Paying Agent</b> .....	The Bank of New York Mellon, London Branch
<b>Paying Agent and Transfer Agent</b> .....	The Bank of New York Mellon, London Branch
<b>Registrar</b> .....	The Bank of New York Mellon, London Branch
<b>Method of Issue</b> .....	Notes may be issued on a syndicated or a non-syndicated basis. The Notes will be issued in series (each a “ <b>Series</b> ”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “ <b>Tranche</b> ”) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and principal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the applicable Final Terms.
<b>Currencies</b> .....	Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, Australian dollars, Canadian dollars, Danish kroner, euro, Hong Kong dollars, New Zealand dollars, Sterling, Swedish kronor, Swiss francs, United States dollars and Japanese yen.
<b>Certain restrictions</b> .....	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time. See “ <i>Subscription and Sale and Transfer and Selling Restrictions</i> ”.
<b>Maturities</b> .....	Subject to compliance with all relevant laws, regulations and directives, the Notes will have a minimum maturity of 12 months and one day.
<b>Issue Price</b> .....	Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
<b>Forms and the Initial Delivery of the Notes</b> .....	<p>The Notes will be issued in bearer or registered form as described in “<i>Forms of the Notes</i>”. Registered Notes will not be exchangeable for Bearer Notes and vice versa. No single Series or Tranche may comprise both Bearer Notes and Registered Notes.</p> <p>Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the applicable Final Terms. Each</p>

Bearer Global Note which is not intended to be issued in new global note form (a “**Classic Global Note**” or “**CGN**”), as specified in the applicable Final Terms, will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Bearer Global Note which is intended to be issued in new global note form (a “**New Global Note**” or “**NGN**”), as specified in the applicable Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the applicable Final Terms, for Definitive Notes. If the TEFRA D Rules (as defined below) are specified in the applicable Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Each Tranche of Registered Notes will be represented by individual certificates or one or more Registered Global Notes, in each case as specified in the relevant Final Terms.

Each Note represented by Registered Global Note will either be: (a) in the case of a Registered Global Note which is not to be held under the new safekeeping structure (“**New Safekeeping Structure**” or “**NSS**”), registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Registered Global Note will be deposited on or about the issue date with the common depositary; or (b) in the case of a Registered Global Note to be held under the New Safekeeping Structure, registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Registered Global Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

**Clearing Systems**..... Clearstream, Luxembourg, Euroclear and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Principal Paying Agent, the Trustee and the relevant Dealer.

**Fixed Rate Notes** ..... Fixed interest will be payable on the date or dates specified in the applicable Final Terms and on redemption, and will be calculated on the basis of such Day Count Fraction as the Issuer and the relevant Dealer may agree.

**Floating Rate Notes**..... Floating Rate Notes will bear interest, as determined

separately for each Series, either (i) at a rate determined on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant specified currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series), (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service or (iii) on such other basis as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms).

The Margin (if any) relating to such floating rate will be specified in the applicable Final Terms.

**Other provisions in relation to Floating Rate Notes** .....

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as selected prior to issue by the Issuer and the relevant Dealer, will be payable on the Interest Payment Dates specified in, or determined pursuant to, the applicable Final Terms and will be calculated on the basis of the Day Count Fraction so specified.

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series.

The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the applicable Final Terms.

**Zero Coupon Notes** .....

Zero Coupon Notes (as defined in “*Terms and Conditions of the Notes*”) may be issued at their nominal amount or at a discount to their nominal amount and will not bear interest.

**Call Option** .....

The applicable Final Terms will indicate either that the Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer upon giving not less than 15 nor more than 30 days’ irrevocable notice (or such other notice period (if any) as is indicated in the applicable Final Terms) to the Noteholders on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Final Terms.

**Noteholders’ Put Option**.....

In addition to any put option indicated in the applicable Final Terms, if so specified in the applicable Final Terms, Notes will be redeemable prior to maturity at the option of the Noteholders on the occurrence of a Relevant Event (as defined below). See “*Terms and Conditions of the Notes — Redemption, Purchase and Options*”.

<b>Denomination of Notes</b> .....	Bearer Notes may be issued in any denominations agreed between the Issuer and the relevant Dealer(s) and specified in the relevant Final Terms, subject in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in an EEA State in circumstances which require the publication of a prospectus under the Prospectus Directive, to a minimum denomination of €100,000 (or, in the case of Notes that are not denominated in euro, the equivalent thereof in such currency). Registered Notes may be issued in a denomination consisting of €100,000 (or its equivalent in other currencies) plus integral multiples of a smaller amount.
<b>Withholding Tax</b> .....	All payments of principal and interest in respect of the Notes shall be made free and clear of, and without any withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Italy, unless such withholding or deduction is required by law. In such a case, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, in each case subject to certain customary exceptions, as further described in “ <i>Terms and Conditions of the Notes — Taxation</i> ”.
<b>Substitution</b> .....	Subject, at any time prior to the AdR STID Unwinding Date, to the terms of the AdR STID, the Trustee and the Issuer are permitted to agree, without the consent of the Noteholders or, where relevant, the Couponholders, to the substitution of any Issuer’s successor, transferee or assignee or any subsidiary of the Issuer or its successor in business in place of the Issuer, subject to the fulfilment of certain conditions, as more fully set out in “ <i>Terms and Conditions of the Notes — Meetings of Noteholders, Modification, Waiver and Substitution</i> ” and in the Trust Deed.
<b>Negative Pledge</b> .....	Yes, see “ <i>Terms and Conditions of the Notes — Negative Pledge</i> ”.
<b>Cross Default</b> .....	Yes, see “ <i>Terms and Conditions of the Notes — Events of Default</i> ”.
<b>Status of the Unsecured Notes</b> .....	The Unsecured Notes and the Coupons relating to them constitute (subject to Condition 4 ( <i>Negative Pledge</i> )) unsecured obligations of AdR and shall at all times rank <i>pari passu</i> and without any preference among themselves and <i>pari passu</i> with all senior, unsecured and unsubordinated obligations of AdR, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application. See “ <i>Terms and Conditions of the Notes — Status of the Notes</i> ”.
	Pursuant to the Post-Enforcement Priority of Payments, payments of interest and principal on Unsecured Notes will be subordinated to payments to other creditors under the AdR

STID payable by AdR (including payments of interest and principal on the Secured Notes and other secured obligations of AdR).

**Status of the Secured Notes** ..... The Secured Notes and the Coupons relating to them constitute (subject to Condition 4 (*Negative Pledge*) and Condition 5 (*The AdR STID and Special Provisions of Secured Notes*)) secured obligations of AdR and shall at all times rank *pari passu* and without any preference among themselves and *pari passu* with all other senior secured obligations of AdR, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application and by the terms of the AdR STID. See “*Terms and Conditions of the Notes – Status of the Notes*” and “*Terms and Conditions of the Notes – The AdR STID and Special Provisions of Secured Notes*”.

In certain circumstances, payments in respect of other secured obligations of AdR may be paid in priority to the Secured Notes. See “*The terms of other debt instruments of the Issuer may be more favourable than those available under the Programme*” and “*In the period prior to maturity of certain indebtedness, such indebtedness would have to be collateralised. In addition, following the occurrence of certain events, including a downgrading of the Issuer, a ‘sweep event’ would be triggered under the Securitisation. These provisions would have the effect of subordinating the Notes to the claims of certain other creditors of the Issuer, including the holders of notes issued under the Securitisation*”.

**Security in favour of holders of Secured Notes** ..... At any time before the Conversion Date, the Secured Notes will be secured by the Security constituted by or pursuant to the Security Documents (the “**Collateral**”) in accordance with the terms thereof and the AdR STID.

**Security Documents** ..... The documents securing the obligations of AdR to the relevant secured creditors that are parties to or otherwise have the benefit of the AdR STID from time to time, including, at any time prior to the Conversion Date, the holders of any Secured Notes then outstanding, as amended, restated, supplemented and/or extended from time to time.

**AdR STID** ..... Save at any time following the AdR STID Unwinding Date, the Notes are subject to, and have the benefit of, the AdR STID pursuant to which the Trustee, acting as AdR Qualifying Debt Representative and Class Representative (as such terms are defined in the AdR STID) under the AdR STID, may vote with any other secured creditor of AdR that is a party to the AdR STID to direct the AdR Security Agent to exercise and enforce its rights under the Security Documents.

The AdR STID regulates the claims of AdR’s creditors (including the holders of the Secured Notes and the Unsecured Notes) against AdR on certain matters affecting

their interests. Furthermore the AdR STID also contains provisions governing the rights of the Noteholders and the other Beneficiaries party to the AdR STID in respect of the sharing and priority of application of amounts received or recovered from the Issuer, including such amounts received or recovered in respect of the security interests granted by the Issuer and its Subsidiaries to the Beneficiaries in their capacity as secured creditors that are parties to or otherwise have the benefit of the AdR STID. The Trustee (on behalf of each Noteholder) and each Agent will be subject to pro rata sharing provisions and will be obliged to transfer to the AdR Security Agent all proceeds, if any, arising from the enforcement of its rights under the Notes and, where relevant, the Security Documents. All such proceeds shall be distributed to all the creditors of the Issuer which are parties to the AdR STID (including the holders of Secured Notes) in accordance with the Priority of Payments.

At any time before the AdR STID Unwinding Date (i) no Noteholder may exercise or enforce its rights under the Notes and, where relevant, the Security Documents save as set out in the AdR STID and the Trust Deed, (ii) no Noteholder Representative shall be entitled to enforce the rights of the Noteholders unless it accedes to the AdR STID and in any case only in accordance with the AdR STID, (iii) the Trustee may exercise its powers, authorities and discretions under Conditions 11 (*Events of Default*), 12 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and 13 (*Enforcement*) and the corresponding provisions of the Trust Deed only subject to and in accordance with the AdR STID, (iv) only the AdR Security Agent is entitled to enforce the Security constituted by the Security Documents in accordance with the AdR STID, (v) each Noteholder, the Trustee and the Agents will transfer to the AdR Security Agent all proceeds arising, if any, from the enforcement of its rights under the Notes and, where relevant, the Security Documents which shall be distributed to all the Beneficiaries of AdR (including the holders of Secured Notes) in accordance with the priorities of payments referred to in the AdR STID and the Priority of Payments, (vi) all payments owed by AdR to the Noteholders and the Trustee as to principal, interest or any other amount otherwise due under the Notes and the Trust Deed (including, without limitation, payments due in accordance with Conditions 6 (*Interest and other Calculations*), 7 (*Redemption, Purchase and Options*) and 11 (*Events of Default*)) are subject to, and shall be made in accordance with, the AdR STID and the Priority of Payments and (vii) the AdR Security Agent will promptly apply and distribute any amount standing to the credit of the bank accounts opened in the name of AdR and any proceeds deriving from the enforcement of the Security Documents in accordance with such Priority of Payments.

**Conversion** ..... Following the occurrence of a Conversion Event (as defined in the Terms and Conditions of the Notes), the Issuer may

(but shall not be obliged to) declare that such Conversion Event has occurred, whereupon it shall notify the Noteholders of any outstanding Secured Notes of the occurrence of such Conversion Event pursuant to Condition 18 (*Notices*) and shall specify a date for Conversion (the “**Conversion Date**”). On and from such Conversion Date, (i) the Security in respect of any such Secured Notes constituted by or pursuant to the Security Documents will be released and discharged and the Issuer shall be released from all obligations under such agreements with respect to the Collateral, (ii) any such Secured Notes will be converted into Unsecured Notes without any further steps or actions having to be taken by any person, (iii) no further Secured Notes may be issued, and (iv) any references to the “Secured Notes” in the Conditions will be deemed to be a reference to the “Notes”.

**Listing and Admission to Trading** .....

This Offering Circular has been approved by the Central Bank, as competent authority under the Prospectus Directive, as a “base prospectus” for purposes of the Prospectus Directive.

Application has been made for Notes issued under the Programme to be admitted to trading on the regulated market of the Irish Stock Exchange and to be listed on the Official List of the Irish Stock Exchange.

Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche of Notes will be set out in the Final Terms which, with respect to Notes to be admitted to the Irish Stock Exchange, will be delivered to the Irish Stock Exchange.

The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

**Listing Agent** .....

BNP Paribas Securities Services, Luxembourg Branch

**Governing Law** .....

The Notes, the Dealer Agreement, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with any of them will be governed by, and construed in accordance with, English law, save for mandatory provisions of Italian law in certain cases. Italian law will govern the Security Documents.

**Ratings** .....

Tranches of Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating

will not necessarily be the same as the rating(s) of the Issuer or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. The Final Terms will also disclose whether or not each credit rating applied for in relation to a relevant Tranche of Notes has been (1) issued by a credit rating agency established in the EEA and registered (or which has applied for registration and not been refused) under the CRA Regulation, (2) issued by a credit rating agency which is not established in the EEA but will be endorsed by a CRA which is established in the EEA and registered under the CRA Regulation or (3) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EEA before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, (2) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (3) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

**Selling Restrictions**..... United States, the European Economic Area (including the United Kingdom and Italy) and Japan, as further described under “*Subscription and Sale and Transfer and Selling Restrictions*” below.

The Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “**D Rules**”) unless (i) the relevant Final Terms states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.

**Risk Factors**..... Refer to “*Risk Factors*” below for a summary of certain risks involved in investing in the Notes. Prospective Noteholders should consider carefully all information contained in this Offering Circular (including, without limitation, any documents incorporated by reference therein and the sections headed “*Risk Factors*”, “*Refinancing Plan and Description of Other Indebtedness*” and “*Intercreditor and Account Bank Arrangements*”) and reach their own views, based upon their own judgment and upon advice from such financial, tax and

legal advisers they have deemed necessary, before making any investment decision.

## RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. Most of these factors are contingencies that may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors that are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*An investment in the Notes involves risks. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes issued under the Programme. However, the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons that may not be considered significant risks by the Issuer or which it may not currently be able to anticipate based on information currently available to it. In addition, if any of the following risks, or any other risk not currently known, actually occur, the trading price of the Notes could decline and Noteholders may lose all or part of their investment. Any prospective Noteholders should carefully consider all information contained in this Offering Circular (including any documents incorporated by reference hereto) and reach their own views, based upon their own judgment and upon advice from such financial, legal and tax advisers as they have deemed necessary, before making any investment decision, including the risks described below.*

*Words and expressions defined elsewhere in this Offering Circular have the same meaning in this section. Prospective Noteholders should read the entire Offering Circular and any document incorporated by reference hereto.*

### **FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES**

#### **Risks Relating to the Business of the Group**

##### ***Risks Relating to the Concession***

*The Group is dependent on the Concession, which accounts for substantially all of the Group's revenues.*

The Group is dependent on the exclusive legal concession (the “**Concession**”) to manage and operate (directly or indirectly through other Group companies or third parties) Fiumicino Airport and Ciampino Airport (together, the “**Airports**”). As at 30 September 2013, almost all of the Group's revenues were derived from aeronautical and non-aeronautical revenues (including, revenues from real estate activities and commercial activities, such as sales, sub-concessions and utilities, car parks, advertising and food and beverage outlets) related to the operation of the Airports under the Concession (see “*Business Description of the Group*” for further information). According to the Group's current business plan, AdR expects that all or a substantial part of the Group's future business, revenues and profitability will continue to depend upon the Concession. However, the Concession is currently set to expire on 30 June 2044. Upon the expiry of the Concession, all buildings, plant and machinery at the Airports and certain movable items of equipment considered necessary for the airport services that are the object of the Concession must be returned in a good state of repair to the Italian state (*demanio dello Stato*), subject in certain cases to the payment of compensation to the Issuer (see “*Business Description of the Group — History and Development — The New Regulatory Framework*” and “*Regulatory Framework*” for further information). No assurances can be given that the Group may be able to renew the Concession or enter into a new concession to permit it to carry on its core business after the expiry of the Concession, or that any new concession entered into or renewal of the existing Concession will be on terms similar to those of the Concession. Therefore, a loss or non-renewal of the Concession could have a material adverse effect on the Group's business, financial condition and results of operations.

*The Group faces legal challenges to the validity and the terms of the Concession and the New Regulatory Framework, which may result in the modification or termination of the Concession.*

The Group is required to maintain the Concession in order to operate its business, which the Issuer is required to carry out in accordance with the New Regulatory Framework (as defined in “*Regulatory Framework — The New Regulatory Framework – General*”). However, the New Regulatory Framework is subject to a number of legal proceedings consisting of claims brought by third parties challenging the approval process and its validity and terms of the Concession.

To date, there are several pending proceedings before the Lazio Regional Administrative Court (*Tribunale Amministrativo Regionale del Lazio*), including proceedings brought by the Municipality of Viterbo contesting, *inter alia*, the validity of the New Regulatory Framework, which are scheduled to be heard on 18 December 2013 (see “*Business Description of the Group — Legal Proceedings*” for further information). The outcome of these proceedings, and any similar future proceedings, cannot be predicted with certainty. Unfavourable resolution of such proceedings, in whole or in part, could have a material adverse effect on the tariff mechanism described in more detail under “*Regulatory Framework*” below or may even cause the termination, revocation or modification of the Concession and the New Regulatory Framework and, accordingly, could have a material adverse effect on the Group’s business, financial condition and results of operations.

*The Group is subject to penalties or sanctions for non-performance of its obligations or default under the Concession and the New Regulatory Framework, which, if unremedied, could result in the Concession and the New Regulatory Framework being terminated.*

The Group is required to comply with significant obligations, which include:

- developing and implementing an investment plan to expand the capacity of the Rome Airport System (as defined in “*Business Description of the Issuer — Overview*”) to such an extent as to be adequate for over 100 million passengers per year by 2044 (with overall estimated investments of approximately Euro 12 billion);
- managing the Rome Airport System and maintaining a high level of quality;
- performing ordinary and extraordinary maintenance of all airport infrastructure and facilities (including runways and taxiways, handling operations, parking areas and internal roads); and
- the operation and maintenance of all equipment and machinery necessary for the performance of directly managed airport services.

Pursuant to the New Regulatory Framework, the Group is subject to penalties or sanctions, which in certain cases can be significant, for non-performance of its obligations or default under the Concession. Additionally, certain events or significant breaches by AdR in the performance of its obligations under the New Regulatory Framework (such as, *inter alia*, serious breaches of the Italian Navigation Code (as defined in “*Regulatory Framework — Overview*”), breaches of safety provisions, significant and unjustified delays in the implementation of the investment plan and/or failure to pay the Concession’s fees) or valid public interest reasons (*motivate esigenze di interesse pubblico*) could lead to the early termination of the Concession by an inter-ministerial decree upon ENAC’s proposal. For further information on the procedures for (i) revocation of the Concession for public interest reasons (*revoca per ragioni di interesse pubblico*) pursuant to Italian law, (ii) discontinuance upon termination of the New Concession (*cessazione del rapporto concessorio per risoluzione della convenzione* pursuant to Italian law) and (iii) withdrawal of the Concession (*decadenza dalla concessione*) pursuant to Italian law for reasons as detailed further below, as well as due to the circumstances triggering the foregoing, see “*Regulatory Framework — The New Concession – Main Concession Terms – Early Termination of the Concession*”. Following any of the events described above, the Airports’ buildings, plant and machinery would revert to the Italian state (*demanio dello Stato*) and a compensation payment would be paid to AdR (see “*Regulatory Framework — The New*

*Concession – Main Concession Terms*”). The application of penalties or sanctions for the Group’s non-performance of its obligations or default under the Concession and the New Regulatory Framework, or the termination of the Concession, could have a material adverse effect on the Group’s business, financial condition and results of operations.

*Failure to agree on and apply adequate tariff increases under the Concession/New Regulatory Framework may result in insufficient remuneration of the Group’s investments and costs.*

The New Regulatory Framework introduced a long-term tariff system that attempts to remunerate the Group’s infrastructure investments fairly, based on objective criteria. In particular, the New Regulatory Framework provides tariff periods of ten years, divided into five-year sub-periods, the first of which is from 2012 to 2016 (inclusive). At the end of each tariff period and sub-period, the New Regulatory Framework establishes, *inter alia*, a mechanism to update the basis for setting tariffs, which will be applied in the following period or sub-period. The New Regulatory Framework also contemplates recalculation of tariffs on a yearly basis (in respect of investments made), on a five-yearly basis (for the assessment of operational costs applied in tariff-setting, as well as in respect of certain other parameters, such as traffic volume forecasts and the real pre-tax weighted average cost of capital relating to the investments made) and on a ten-year basis (which requires the signing of an agreement between the Issuer and ENAC (as defined in “*Business Description of the Issuer – Key Strengths*”), with the issuance of a decree by the Italian Ministry of Infrastructure and Transport, in agreement with the Ministry of Economy and Finance). The level of tariffs applied depends, *inter alia*, on the Group’s actual and projected investments, traffic forecasts and environmental quality and protection improvement targets. The resulting tariffs determined in accordance with the Concession may not be increased in subsequent tariff periods or sub-periods (including in the tariff period starting in 2017) if the Issuer has not met its obligations under the New Regulatory Framework.

*In the event of a termination of the Concession, the compensation payment due to the Group would not necessarily equal the amount the Group would have expected to receive thereunder.*

It cannot be excluded that in the event of (i) revocation of the Concession for public interest reasons (*revoca per ragioni di interesse pubblico*) pursuant to Italian law, (ii) discontinuance upon termination of the New Concession (*cessazione del rapporto concessorio per risoluzione della convenzione*) pursuant to Italian law or (iii) withdrawal of the Concession (*decadenza dalla concessione*) pursuant to Italian law, the calculation of the amount of the compensation payment payable to AdR could lead to protracted negotiations or litigation regarding the amount of such compensation payment. Therefore, any of these termination events could result in the Group receiving less than it expects in a termination event. Such compensation payment may not adequately cover the Group’s investments under the Concession and the New Regulatory Framework, may curtail future expected cash flows from the Concession and the amounts that were expected to cover repayment of debt may not be sufficient, which would have a material adverse effect on the Group’s business, financial condition and results of operations. See “*Regulatory Framework – The New Concession – Main Concession Terms – The Compensation Payment*” for further information.

### **Risks Relating to the Implementation of the Investment Plan**

*The Group may not be able to implement the Investment Plan required under the New Regulatory Framework within the agreed timeframe and budget, which may result in penalties and sanctions under the New Regulatory Framework.*

The long-term investment plan (the “**Investment Plan**”) contained within the New Regulatory Framework requires the Group to carry out a number of significant investment projects to expand and improve the Airports. Such investments include, *inter alia*, the (i) development and modernisation of infrastructure at the current Fiumicino Airport (“**Fiumicino South**”), (ii) the construction and development of a new terminal north of Fiumicino South and its supporting infrastructure (“**Fiumicino North**”) and (iii) the conversion of Ciampino Airport into a city airport to ensure it complies with certain environmental limitations (collectively, the “**Projects**”). For further

information on the Development Plan, see “*Business Description of the Group – The Group’s Investment Programme*”.

The Group is subject to certain risks inherent in construction projects, which may, *inter alia*, include:

- delays in obtaining regulatory approvals for the Projects or the Group’s other construction projects (including, but not limited to, environmental requirements and planning approvals at the national and local governmental levels);
- delays in obtaining approvals required for tariff increases sufficient to fund the Projects;
- changes in general economic, business and credit conditions;
- the non-performance or unsatisfactory performance of contractors and subcontractors (whether such work is performed by the Group or by third parties);
- the commencement of bankruptcy proceedings with respect to contractors and subcontractors and reopening of public tender procedures;
- interruptions resulting from litigation, inclement weather, revocation of approvals or additional requests from local authorities;
- interruptions and delays resulting from unforeseen environmental or engineering problems;
- shortages of materials and labour and increased costs of materials and labour;
- claims from subcontractors; and
- expropriation procedures.

There can be no assurance that the Group’s cost and time of completion estimates for the Projects will be accurate, particularly since some of the Projects are in the preliminary stages of planning and have not yet been approved. Consequently, the Group may be subject to cost overruns due to, *inter alia*, unexpected technical or structural issues arising during the construction, difficulties in obtaining certain approvals, legal proceedings (in this respect see also “*Business Description of the Group – Legal Proceedings*”) and unexpected expenses relating to contractors and subcontractors. Furthermore, ENAC may impose penalties and sanctions on the Group for delays in the implementation of the Investment Plan and, in the event of serious and repeated unjustified delays in the implementation of the Investment Plan, may revoke the Concession (see “*Regulatory Framework – The New Concession – Main Concession Terms*” for further information). Therefore, any failure to complete the Projects within the planned timeframe and/or budget could have a material adverse effect on the Group’s financial condition and results of operations.

***The Group may encounter difficulties in meeting the timing requirements of the Investment Plan due to unexpected geological, environmental and archaeological issues.***

Italian local, regional and national laws and regulations impose stringent requirements on the planning and implementation of construction works which affect the Investment Plan. For example, Italian environmental laws and regulations require the performance of environmental impact studies during the planning phase of a project. However, during the implementation phase of a project, the Group may face unexpected construction issues that were not discovered during the planning phase of such projects, such as:

- geological instability caused by construction excavations;
- discovery of contaminated soils not identified by the soil analyses conducted during the environmental impact studies; and

- archaeological finds discovered during construction works.

Such unexpected issues may require the Group to carry out certain additional mitigating measures not included in the Investment Plan, which may result in the interruption of, or delays in, construction works. Local authorities may also prevent the construction works from proceeding in order to conduct various verification procedures that could delay the completion of construction works necessary for the Investment Plan.

The Group may be required to obtain new authorisations for any changes to its construction plans. In addition, the Group may be held liable in the event of violations of applicable laws and regulations in connection with its handling of such unexpected issues and the subsequent legal proceedings may also result in further construction delays and even cessation of the construction works. There can be no assurance that unexpected geological, environmental and archaeological issues not discovered during the planning phase would not result in cost overruns and delays under the Investment Plan. Although such cost overruns and delays may be accounted for by ENAC under the tariff mechanisms of the New Regulatory Framework, the failure to complete the construction projects within the planned timeframe and/or budget set out in the Investment Plan could have a material adverse effect on the Group's business, financial condition and results of operations.

***Opposition from local communities and failure to obtain, maintain and comply with governmental consents necessary for the Projects could delay implementation of the Investment Plan and result in the Airports having insufficient capacity to meet expected future Rome air traffic demands.***

Rome air traffic is expected to increase in the coming years due to demand for leisure and business travel from emerging markets. The Investment Plan is necessary to ensure that the Airports have sufficient capacity to meet such expected increase in Rome air traffic demands. Therefore, any failure or delay in implementing the Investment Plan could lead to increased congestion and declining levels of passenger service at the Airports. Implementing the Investment Plan requires obtaining, maintaining and complying with all necessary permissions, licenses and consents from public authorities.

These consents may be subject to, or impeded by, local residents and communities opposing the Projects and any other third party infrastructure and public transport improvements to motorways and railways connecting the Airports to the surrounding areas. The Group is also subject to the risk that certain parts of the Projects could be completed, such as a new terminal, but the third party infrastructure required to service such new terminal could be subject to protracted opposition, rendering the new terminal inaccessible. See also "*The Group is subject to risks associated with the delay or failure of third parties' construction and improvement of motorways and railways connecting the Group's airports to the surrounding areas, or the malfunctioning of such public transportation.*" Such opposition, usually based on the grounds that such developments may generate pollution or otherwise cause adverse effects on health and the environment, may take the form of litigation or protests and/or other forms of public opposition to the expropriation of the land needed for such developments (the so-called "not-in-my-backyard" or "NIMBY" protests). The occurrence of any such NIMBY protests during the approval process of new constructions could lead to increases in investment costs and further legal proceedings, which in turn could result in significant delays in implementing the Investment Plan.

Any failure or delay in securing, or complying with, any necessary permissions or consents, or obtaining those permissions or consents subject to restrictions or limitations, could lead to the Airports having insufficient capacity to meet expected future Rome air traffic demands, thereby reducing the Group's ability to increase its revenues. This would lead to increased congestion and declining levels of passenger service at the Airports, which may consequently affect the reputation of the Group. Such circumstances could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is subject to the risk that, even after the implementation of the Investment Plan, the facilities at the Airports may not be adequate to accommodate newer types of aircraft developed in the future.***

Continuous technological developments have affected the aviation sector, and in the recent past, have led to the use of more advanced aircraft models that require adequate airport facilities, particularly for take-off, landing and embarking and disembarking passengers. Such continuous technological development may require further modernisation and expansion of the Airport's facilities that are not envisaged in the Investment Plan. Since the Concession constrains the Group's ability to include these additional costs in tariffs charged to airlines, the allocation of the necessary funds for the capital investments required for this purpose could have a material adverse effect on the Group's business, financial condition and results of operations.

### **Risks relating to the Group's Operations**

***Reduced air traffic volumes and corresponding decreases in revenues derived from tariffs and royalties could adversely affect the Group's revenues and profitability.***

Under the dual-till model allowed by the Concession, the Group derives its revenues from: (i) aeronautical revenues derived from airport fees and air tariff charges levied on airlines, which are based on the number of passengers, maximum total aircraft weight, aircraft noise levels and the length of time that an aircraft is parked at the airport, in each case, linked to the estimated rate of inflation as published in the Italian Official Gazette (*Gazzetta Ufficiale*); and (ii) non-aeronautical revenues derived primarily from royalties from retail concession fees and car parking (see, *inter alia*, "Regulatory Framework — The New Concession – Main Concession Terms" and "Regulatory Framework — The Economic Regulation Agreement (the "ERA") and the tariffs regulation" for further information). The amount of both types of revenue depends primarily on air traffic volumes such that reduced air traffic would affect both tariffs and royalties.

Air traffic volumes at the Airports decreased by 2.2% in the year ended 31 December 2012 compared to the same period in 2011 and decreased by 2.1% in the nine months ended 30 September 2013 compared to the same period in 2012, mainly due to worsening macro-economic conditions in Italy (see, *inter alia*, "Business Description of the Group" for further information). Under the New Regulatory Framework, such decreases in air traffic volumes could result in investments being delayed or frozen if air traffic volumes fall below certain levels.

If air traffic volumes decrease, it could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's business may be adversely affected by macro-economic factors and changing economic circumstances outside the Group's control, which may increase the costs of air travel for passengers.***

Changing economic circumstances may affect demand for travel, such that during periods of economic slowdown, passengers may reduce or curtail their travel spending, impacting passenger numbers and the propensity of such passengers to spend money in the shops at the Airports, thereby ultimately impacting the Group's revenues.

For example, one such macro-economic factor is the volatility of fuel prices, which impacts passenger demand due to correlated increases in travel costs. Fuel costs typically represent a large percentage of airlines' operating costs. Typically, fuel prices fluctuate widely, based on international market conditions, geo-political events and exchange rates. When fuel prices increase significantly, airlines may seek to pass on these additional costs to their customers by increasing airfares, which may reduce demand and the number of passengers.

Any reduction in flights, decrease in the number of passengers at the Airports or decrease in such passengers' propensity to spend money the Airports' shops could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's income could decline as a result of a reduction in flights, passengers or other factors outside the Group's control.***

The number of passengers using the Airports may be affected by a number of factors, including:

- macroeconomic events, whether affecting the global economy generally or the Italian economy in particular;
- competition from other Italian airports, other European airports and other competing modes of transport, particularly with respect to hub services and the improvement or expansion of existing high-speed rail networks and motorways;
- labour unrest;
- an increase in airfares due to increased airline costs;
- decisions by airlines regarding the number, type and capacity of aircraft (including the mix of premium and economy seats), as well as the routes on which particular aircrafts are utilised;
- global pandemics or other health scares;
- disruptions caused by natural disasters;
- severe weather conditions at the Airports causing flight cancellations, significant changes to airlines' schedules and possible damage to the Airports' facilities;
- acts of terrorism;
- cybersecurity threats;
- changes in domestic or international regulation;
- the quality of services and facilities, including the impact of construction projects; and
- changes in airline ownership/alliance competition.

A reduction in flights or a decrease in the number of passengers using the Airports as a result of any of the factors noted above could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's principal sources of non-aeronautical income include royalties from retail concession fees and car parking, property rental income and income from other commercial services, including advertising and IT.

Retail concession fees are driven by passenger numbers and the propensity of passengers to spend in the shops at the Airports. As noted above, there are a variety of factors that could adversely affect the number of passengers using the Airports and their propensity to spend. Levels of retail income at the Airports may also be affected by: changes in the mix of long-haul and short-haul flights, whether passengers have a layover and the length of such layovers; economic factors, including exchange rates and changes in duty free regimes; retail tenant failures; lower retail yields on lease re-negotiations; redevelopments or reconfiguration of retail facilities at the airport, which can lead to a temporary or permanent decline in retail concession fees; reduced competitiveness of the Group's retail offering; stricter hand luggage and other carry on restrictions; and reduced shopping time as a result of more rigorous and time consuming security procedures. Car parking income could also be reduced as a

result of increased competition from other modes of transport to the Airports, such as buses and trains. Any of these factors could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is dependent on Alitalia and Ryanair.***

The Group has derived, and believes it will continue to derive, a significant portion of its turnover in any given year from a limited number of airlines, primarily Alitalia, Fiumicino Airport's hub carrier, which is currently undergoing a period of financial difficulty, and Ryanair, which is Ciampino Airport's hub carrier. As a result, the future development of the Group depends significantly on the strategic choices of these airlines. These airlines may decide to discontinue their routes to or from Fiumicino Airport or Ciampino Airport and/or use alternative airport facilities outside of the Rome Airport System. Such decisions may be affected by changes in the cost structure of these airlines, which in turn is strongly influenced by (i) the airlines' financial condition, (ii) the volatility of the price of oil, and (iii) the taxes, fees or tariffs imposed on the airlines.

The Group is primarily dependent on Alitalia and its Sky Team Alliance partners and Ryanair. Consequently, these airlines have a significant influence on the Group's aviation and commercial activities. A decision by any of these airlines to restructure its route network, place less emphasis on the Rome Airport System or generally shift its business strategy could adversely affect passenger and cargo throughput and the volume of air transport at the Rome Airport System. Similarly, any deterioration in the business relationship between the Group and any of these airlines could lead to such airline using another airport as its hub or decreasing the number of flights routed into or through the Rome Airport System.

Furthermore, Alitalia has been in a particularly difficult financial situation for the past few years, with its losses increasing from Euro 69 million in 2011 to Euro 280 million in 2012. In 2012, Alitalia also recorded a 4.6% decrease in passengers at Fiumicino Airport compared to the previous year. In the event that Alitalia's financial situation worsens, Alitalia could decide to, or be required to, significantly reduce or stop operating flights to or from Fiumicino Airport. Any reduction or loss of service by Alitalia would be difficult to replace with another carrier capable of adopting the "hub and spoke" model to cover Alitalia's volume of traffic, which accounted for 45.1% of Fiumicino Airport's total traffic during the nine months ended 30 September 2013 and 2012. This could therefore lead to significant reductions in the overall air traffic volumes at Fiumicino Airport.

Any reduction or cessation of flights by Alitalia, its Sky Team Alliance or Ryanair partners due to a change in strategy, deteriorating business relations with the Group or a worsening financial situation could have a material adverse effect on the Group's business, financial condition and results of operations.

Moreover, Ryanair operates exclusively from Ciampino Airport and accounted for, approximately, 2 million passengers or approximately 93% of the passengers passing through Ciampino Airport for the six months ended 30 June 2013 (approximately 4.2 million passengers or approximately 94% for the year ended 31 December 2012). However, a decision by this carrier to cease to operate from Ciampino Airport could potentially be offset by the arrival of other carriers, due to the location of the airport and the competitiveness of its tariffs.

***The Group may be adversely affected by regulations governing the allocation of slots to airlines at the Airports.***

Slots at Italian airports are allocated to airlines by Assoclearance, the Italian Agency for Airport Coordination, without any input from the Group, in accordance with the criteria set out by European Community Regulation CE/95/93 ("**Regulation CE/95/93**"). Regulation CE/95/93 attempts to reconcile the interests of airlines already operating from an airport with the needs of new airlines that must be guaranteed access to such an airport.

In cases of revocation or voluntary surrender of a slot by an airline, Assoclearance reallocates that slot in compliance with the criteria set out by Regulation CE/95/93. In such cases, there is no guarantee that the slot would be reassigned to an air carrier capable of producing the same air traffic volume as that of the previous carrier. Thus, if Assoclearance reallocates one or more slots in favour of an air carrier that produces lower air traffic volumes than those produced by the previous carrier, it may cause other carriers who were not allocated slots to reduce and/or modify their operations at the Airports. Such reallocations could have a material adverse effect on the Group's business, financial condition and results of operations.

***Any failure by the Group to maintain or expand its international routes would adversely affect the Group's status as an international hub capable of competing with other European international hubs.***

Competition among European airports is increasing and Fiumicino Airport faces intense competition for passengers and cargo from a number of Western European and Middle Eastern airport hubs. With respect to long-haul travel, global airport traffic is expected to grow mainly due to long haul traffic from outside of the E.U., primarily from emerging markets, such as the Middle East and East Asia. In such a competitive market, the Group has been developing its international network by increasing its international routes to cities with higher development rates, including, *inter alia*, new routes to Moscow, Saint Petersburg, Istanbul, Rio de Janeiro and Shanghai. With the increased international traffic at the Airports, it is imperative that the Airports are in a position to service and expand on such routes.

Any failure by the Group to maintain and expand its international routes would adversely affect its status as an international hub capable of competing with other European international hubs, which could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is exposed to risks associated with the failure by counterparties to perform their day-to-day operations at the Airports.***

The Group depends on the cooperation of a large number of third parties, including government agencies and business partners, to provide essential functions, such as air traffic control, cargo and baggage handling services, customs and border control, re-fuelling, rescue and fire-fighting services, utilities provision and catering. The Group's business operations may be affected if these service providers do not adequately perform the services they are required to provide. In particular, a failure by these third parties to appropriately respond to passenger volumes, accidents, fire, technical defects, failures in IT or data processing, may cause flight delays, damage to facilities, and the cancellation of airport services. Furthermore, these risks may be compounded if any such third parties experience financial difficulties or insolvency. Any of these events or a combination of events could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's business operations may be affected by reduced levels of service provided by cargo and baggage handling services providers.***

The market for handling services has traditionally been characterised by strong competitiveness and limited margins. The trend of the airport-handling sector generally reflects the structure of the air transport market and the risks associated with airlines' strategic choices. Primarily, the contracts governing relations between the handler and the carrier are normally subject to rights of withdrawal that are particularly favourable for carriers. Increased competitive pressure and low margins may affect the standards of quality provided to carriers at the Airports (*i.e.*, waiting time in the queue at check-in and/or for boarding and baggage reclaim), which could result in the carrier withdrawing from the contracts. Such withdrawal due to issues with handling services could have a material adverse effect on the Group's business, financial condition and results of operations.

***Competition from the development or improvement of alternative means of transportation, such as high-speed rail networks and motorways, may decrease air traffic volumes at the Airports.***

The volume of domestic air traffic is adversely affected by the performance and development of alternative means of transportation. Substantially shorter journey times for some types of high-speed rail travel are becoming possible through the expansion of high-speed railway networks and technological advances in high-speed rail transport, which could result in air travel becoming less attractive compared to high-speed rail travel for domestic routes. Rome is connected to many domestic destinations that can also be reached by high-speed rail and motorways, with times and costs, for certain routes, that may be more competitive than those of air transport. In particular, the Group's most popular domestic route is the Milan-Rome air route, which is now in direct competition with high-speed rail services offered on that same route. Such alternative means of transportation have already caused a reduction in the number of passengers using air travel for domestic routes and may cause a further reduction in air traffic at the Airports. For the six months ended 30 June 2013, 30% of passenger traffic (31% for the year ended 31 December 2012) related to domestic routes, with 12% of domestic traffic related to the Rome- Milan Linate air route. See "*Business Description of the Group — Competition.*" A decline in air traffic volume at the Airports could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's business may be adversely affected by disruptions in the Eurozone credit markets and associated impacts.***

The global financial system has yet to overcome the disruptions and difficult conditions of recent years. Financial market conditions have remained challenging and in certain respects, such as in relation to sovereign credit risk and fiscal deficits in European countries, including Italy, still show signs of weakness. Conditions in Eurozone countries deteriorated in 2012 and remain uncertain in 2013 amid rising yields on sovereign debt instruments issued by certain Eurozone states, including Italy, and the market perception that the single European currency is facing an institutional crisis of confidence. Such deterioration has raised concerns regarding the financial condition of European financial institutions and their exposure to such countries and such concerns may have an impact on the ability of the Group to fund its business in a similar manner and at a similar cost to the funding raised in the past.

Challenging market conditions have resulted in greater volatility and, in some cases, reduced liquidity, widening of credit spreads and a lack of price transparency in credit markets. Changes in investment markets, including changes in interest rates, exchange rates and returns from equity, property and other investments, may affect the financial performance of the Group. In addition, the financial performance of the Group could be adversely affected by a worsening of general economic conditions in the markets in which it operates, which could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's ordinary business operations are subject to extensive laws and regulations that are subject to change and over which the Group has no control.***

The Group operates in a highly regulated environment. The Italian airport sector and the Concession are governed by a series of Italian local, regional and national laws and regulations that must also comply with, and be subject to, E.U. law, which may be more restrictive. As a consequence of a change in law, the Concession may be amended, revised or suspended. No assurance can be given as to the impact of any possible change to the laws and regulations and/or to the Concession. In addition, the Group's activities are subject to a broad range of environmental laws and regulations enforced by regular governmental audits, the results of which may give rise to claims for damages and/or sanctions, resulting in potential damage to the Group's image and reputation.

The cost of complying with such laws and regulations, including health, safety and environmental laws and regulations, could be onerous, and any failure to comply with such laws and regulations could result in the Group being subject to penalties for violations or incurring costs related to

implementing mitigating measures. Furthermore, such laws and regulations are also susceptible to complex unpredictable developments over which the Group has no control. Compliance with future environmental, health, safety and planning laws and requirements may also be time consuming and interfere further with the Group's existing activities and operations. Moreover, the Group or the airlines that use the Airports may then be required to incur additional costs related to implementing such new laws and regulations. For example, beginning on 1 May 2013, the Region of Lazio (within which the Airports operate) imposed a regional tax on aircraft sound emissions (IRESA) which has to be paid by the airlines, which then may pass on the added cost to their passengers, which may further result in reduced air traffic at the Airports. See also "*Regulatory Framework — The New Concession — Main Concession Terms — Regulations enacted during the third quarter of 2013*". Although the tariff increase mechanism in the Concession allows for possible increases in tariffs to compensate for regulatory developments that adversely affect the Group, there can be no assurance that tariffs would be raised sufficiently to generate enough revenue to fund such additional regulatory costs. Therefore, compliance with, changes in, or violations of, such laws and regulations and the introduction of other taxes, similar to the IRESA, could have a material adverse effect on the Group's business, financial condition and results of operations.

***Airport operation is a complex undertaking that is subject to a number of operational risks that could lead to service interruptions at the Airports.***

The Group is exposed to a number of operational risks that could lead to service interruptions at the Airports. These operational risks include, *inter alia*, airplane accidents, acts of terrorism, fires, flooding, bird strikes, power failures, technical issues, explosions, earthquakes, contagious disease outbreaks, volcanic ash clouds and other forms of inclement weather. Some of these risks could result in the deaths of passengers or employees and damage to, or destruction of, infrastructure, properties and the environment, any of which could cause significant service interruptions at the Airports.

More specifically, in common with other airports, there is always the risk of an accident, act of terrorism, or outbreak of contagious disease (e.g., avian flu, severe acute respiratory syndrome (SARS) or foot and mouth disease) occurring at or near the Airports. If such event occurs at the Airports, operations may be interrupted while such event is investigated and any ensuing damage is repaired. Such event could also affect travel behaviour by reducing passenger traffic to or through Rome for a longer period. Furthermore, any governmental inquiry held to examine the causes and responses to such event might result in the Group being required to modify or even in extreme cases, temporarily cease its operations at the Airports, incurring potentially significant costs. The imposition of additional government-mandated security and other preventative measures at the Airports could also lead to additional limitations on airport capacity or retail space, resulting in overcrowding, increases in operating costs, delays in passenger movement through the Airports and other forms of service interruptions.

In addition, air traffic volumes are highly dependent on weather conditions and inclement weather, such as blizzards, strong winds and flooding, may lead to service interruptions at the Airports. The Group must also carry out regular and any necessary unplanned repairs and maintenance at the Airports, that may involve temporary shut downs of, terminals, taxiways and runways that could also lead to an interruption of service at the Airports.

The occurrence of any of the service interruption events described above could decrease air traffic volumes. Such decrease in air traffic volumes could result in a significant decline in revenue from the Airports or a significant increase in expenditures for the operation, maintenance or repair of the Airports. Either result could have a material adverse effect on the Group's business, financial condition and results of operations. See "*Business Description of the Group - Insurance*".

***Risks relating to the management of the safety of airport operations.***

In the context of operational risk management, the Group has adopted since 2006: (i) a Safety Management System ("SMS") to ensure that airport airside activities are carried out under specific

safety conditions; (ii) a Safety Board consisting of an accountable manager, a safety manager for specific matters and a general safety manager, and (iii) a Safety Committee. Although the Group has adopted the SMS and has adopted *ad hoc* structures dedicated to addressing issues relating to operational safety, the Issuer cannot exclude the occurrence of events (such as, *inter alia*, airplane accidents, acts of terrorism, fires, flooding, bird strikes, power failures, technical issues, explosions, earthquakes, contagious disease outbreaks, volcanic ash clouds and other forms of inclement weather) that could adversely affect passengers, local residents and employees and therefore negatively affect the Group. The occurrence of any of these events could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is subject to risks associated with its fixed costs that are incurred regardless of air traffic volumes.***

A significant portion of the costs incurred by the Group is fixed and not directly linked to the level of air traffic volumes. These fixed costs include operating expenses relating to employees, maintenance, cleaning and depreciation/amortisation that do not fluctuate significantly with air traffic volumes. As a result, the Group has limited flexibility in dealing with any unforeseen shortfall in revenues, related to periods of lower air traffic volumes, which therefore could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is subject to risks associated with the delay or failure of third parties' construction and improvement of motorways and railways connecting the Group's airports to the surrounding areas, or the malfunctioning of such public transportation.***

The Airports' accessibility and geographical location are vital for the growth of the Group's business and the volume of air traffic handled. The improvement to the road and railway networks, which is essential for enhanced accessibility to the Airports and the extension of their geographic coverage, is carried out by third parties, and not by the Group. Such improvements are necessary to implement the Investment Plan and handle the expected subsequent increase in the number of passengers. Delays or failure to implement these improvements to the road and railway networks, as well as the occasional malfunction or interruption of public transport services, operating through such infrastructure, such as during labour unrest, may affect accessibility to the Airports. Any such reduction in accessibility could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is subject to legal proceedings that could adversely affect its consolidated revenues.***

As part of its ordinary course of business, companies within the Group are subject to a number of administrative, civil and tax proceedings and actions. For example, one or more parties who have suffered loss as a result of an accident at the Airports may seek compensation from the Group, requiring the Group to incur costs and spend management time defending such claims. The Group is currently party to various litigation proceedings including, without limitation, disputes on the validity and effectiveness of the New Regulatory Framework referred to under "*The Group faces legal challenges to the validity and the terms of the Concession and the New Regulatory Framework, which may result in the modification or termination of the Concession*" above (see "*Business Description of the Group — Legal Proceedings*" for further information). If the Group is not successful in some or all of these matters or in future legal challenges (including potential class actions or legal proceedings which the Group deems are without merit or for which the potential Group liability cannot currently be estimated), the Group could be ordered to pay significant damages, which could have a material adverse effect on the Group's business, financial condition and results of operations. As at 30 September 2013, the Group had a Euro 55.1 million provision in its financial statements to cover legal proceedings.

Notwithstanding the foregoing, the Group has not recorded provisions in respect of all the proceedings to which it is subject. In particular, it has not recorded provisions in cases in which it is not possible to quantify any negative outcome and in cases in which it currently believes that negative

outcome is not likely. There can be no assurance, therefore, that the Group will not be ordered to pay an amount of damages with respect to a given matter for which it has not recorded an equivalent provision or any provision at all.

***The Group may be required to make significant payments for damages and its insurance coverage might not be adequate or available in all circumstances.***

Although the Group carries all risk, accident and civil liability insurance, there can be no assurance that these policies cover all of the liabilities that may arise from third-party claims, or from any required reconstruction, or maintenance and operating losses, including costs resulting from damage to the Airports. The Group may not have, or may cease to have, insurance coverage if the loss is not covered under, or is excluded from, an insurance policy including by virtue of a deductible applying, exhaustion of applicable cover limits or the application of an excess level or if the relevant insurer successfully avails itself of defenses available to it, such as breach of disclosure duties, breach of policy condition or misrepresentation. Moreover, there can be no assurance that if insurance coverage is cancelled or not renewed, replacement coverage will be available at commercially reasonable rates or at all. Any failure to obtain or maintain insurance or to collect under relevant insurance policies could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is subject to the risk of labour disputes.***

Although the Group enjoys good relations with its employees, it may however experience strikes, lockouts or other significant work stoppages in the future. The Group's insurance policies do not cover labour unrest, and the Group does not carry business interruption insurance to cover operating losses it may experience, such as reduced revenue, resulting from work stoppages, strikes or similar industrial actions. In addition, the Group is also affected by work stoppages of third parties' employees, such as the pilots and crew of Italian or international airlines, air traffic control staff, public emergency workers or the Group's subcontractors' workers. For example, to address the issue of fragmented European air space and air-traffic-control bodies, the E.U. has taken measures to harmonise European airspace through the merger of various E.U. member states' air-traffic-control bodies. However, air-traffic-controller labour unions, who fear the changes will result in significant job losses, have been engaged in work stoppage actions. Such labour difficulties with its own employees and those of third parties could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's business may be adversely affected by the departure of key personnel.***

The Group relies on the skills and experience of certain key personnel including members of the Management Board and other personnel of its subsidiaries. The loss of services of any of these key individuals could have a material adverse effect on the Group's business, financial condition and results of operations.

### **Risks related to the Securitisation and the Security**

***The Issuer has established a Securitisation whose documentation affects the Programme significantly and limits the powers of the Trustee and the rights of the Noteholders under the Programme.***

The Issuer is party to a number of other financing transactions including the Romulus Facilities Agreement and the related securitisation executed in February 2003 (the "**Securitisation**") as well as certain other secured bank facilities. See "*Refinancing Plan and Description of Other Indebtedness*". It is currently anticipated that a portion of the outstanding financial indebtedness arising from the Securitisation (approximately Euro 375 million) and certain other financial indebtedness (approximately Euro 229 million) will be redeemed and repaid through certain Series of Notes issued pursuant to the Programme. See "*Use of Proceeds*" and "*Refinancing Plan and Description of Other Indebtedness — Proposed Refinancing Plan*". However, other notes issued pursuant to the

Securitisation (approximately GBP 215 million) will mature in February 2023. The Securitisation Documents (as defined below) are complex and set out a number of intercreditor provisions that govern the relationships between different creditor groups of the Issuer. The Trustee is therefore obliged to accede to certain of the Securitisation Documents including the AdR STID. As a consequence, the Programme and any Notes issued pursuant to it will need to comply with and are subject to the Securitisation Documents. This arrangement may not be beneficial to Noteholders. Noteholders should be aware that the terms of their Notes and the Trustee's ability to enforce rights on their behalf (including in relation to an event of default and the acceleration of liabilities under the Notes) will be affected or limited (potentially adversely) by the Securitisation Documents. Noteholders will need to take the Securitisation Documents into account in determining their rights and remedies against the Issuer. See "*Intercreditor and Account Bank Arrangements*".

Limitations imposed by the Securitisation Documents, which will be effective prior to the AdR STID Unwinding Date (as defined in the Conditions), include the following:

- The Trustee may only exercise its powers, authorities and discretions under Conditions 11 (*Events of Default*), 12 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and 13 (*Enforcement*) and the corresponding provisions in the Trust Deed only subject to and in accordance with the AdR STID. In particular, the Trustee may not accelerate the Issuer's obligations under the Notes or otherwise enforce its rights against the Issuer under the Trust Deed, the Security constituted by the Security Documents (where relevant) and other documents under the Programme other than in accordance with the AdR STID.
- The Trustee (on behalf of each Noteholder) and each Agent will be subject to *pro rata* sharing provisions and will be obliged to transfer to the AdR Security Agent all proceeds, if any, arising from the enforcement of its rights under the Notes and, where relevant, the Security constituted by the Security Documents. All such proceeds shall be distributed to all the creditors of the Issuer which are parties to the AdR STID (including the holders of Secured Notes) in accordance with the Priority of Payments.
- All payments owed by the Issuer to the Noteholders and the Trustee as to principal, interest or otherwise under the Notes and the Trust Deed (including, without limitation, payments due in accordance with Conditions 6 (*Interest and other Calculations*), 7 (*Redemption, Purchase and Options*) and 11 (*Events of Default*)) are subject to, and shall be made in accordance with, the AdR STID and the Priority of Payments. Amongst other limitations, Noteholders will receive payments of interest and principal on the same payment dates as payments made to other creditors of the Issuer who are party to the AdR STID (i.e. on 20 March, 20 June, 20 September and 20 December of each year).
- Pursuant to the Post-Enforcement Priority of Payments (as defined in the Conditions), payments of interest and principal on Unsecured Notes will be subordinated to payments by AdR to other creditors under the AdR STID payable by AdR (including payments of interest and principal on the Secured Notes and other secured obligations of AdR).

For the purposes of this Offering Circular, the AdR STID Transaction Documents (as defined in the Conditions), the Romulus Facilities Agreement (as defined in the Conditions) and the other documents entered into in relation to the Securitisation are referred to as the "**Securitisation Documents**". See "*Intercreditor and Account Bank Arrangements*" for a description of the Securitisation Documents.

Prospective Noteholders should consider carefully the information included in "*Refinancing Plan and Description of Other Indebtedness*" and "*Intercreditor and Account Bank Arrangements*" and reach their own views, based upon their own judgment and upon advice from such financial, tax and legal advisers they have deemed necessary, before making any investment decision in the Notes.

***The Group is subject to restrictive covenants under the Securitisation Documents and other financing arrangements which could impair the Group's ability to run its business.***

The Romulus Facilities Agreement and the AdR STID contain negative covenants, subject to certain exceptions, restricting, among other things, the Group's ability to:

- make certain capital expenditure;
- make certain investments;
- incur additional indebtedness or issue guarantees, including for the purpose of refinancing of existing indebtedness;
- create or incur security;
- sell, lease, transfer or dispose of assets;
- merge or consolidate with other companies;
- make a substantial change to the general nature of the Group's business;
- pay dividends and make other distributions or restricted payments; and
- enter into transactions with affiliates.

The Romulus Facilities Agreement also provides for certain restrictive financial covenants, the breach of which would lead to an event of default thereunder. In order to maintain the required levels under the relevant financial covenants, the Issuer's ability to obtain additional funding is limited. See "*Refinancing Plan and Description of Other Indebtedness*".

Furthermore, other financing agreements which the Issuer is a party to have been entered into on terms (including representations, covenants, mandatory prepayments, trigger events and events of default) substantially in line with those of the Romulus Facilities Agreement. Such other financing arrangements also benefit from the same Security as the claims of Romulus under the Romulus Facilities Agreement and the AdR STID, *pro rata* and *pari passu* on the same terms. Some of these financing arrangements may be repaid in advance of their scheduled maturity date by the Issuer. See "*Refinancing Plan and Description of Other Indebtedness*".

The restrictions and limitations contained in such other financing arrangements and the Securitisation Documents could affect the Group's ability to operate its business and may limit its ability to react to market conditions or take advantage of potential business opportunities as they arise. For example, such restrictions could adversely affect the Group's ability to finance its operations, fund capital expenditure required for the timely compliance with the New Regulatory Framework and the implementation of the Investment Plan, make strategic investments or alliances, restructure its organisation or finance its capital needs. Additionally, its ability to comply with these covenants and restrictions may be affected by events beyond its control, including, among other things, prevailing economic, financial and industry conditions. If the Issuer breaches any of these covenants or restrictions, it could result in a default under the relevant Securitisation Documents or such other financing arrangements.

If there was an event of default under the Securitisation Documents or any of the Issuer's other financing arrangements that is not cured or waived, the holders of the defaulted debt could (subject at any time prior to the AdR STID Unwinding Date, to the terms of the AdR STID) terminate their commitments thereunder and cause all amounts outstanding with respect to such indebtedness to be due and payable immediately, which in turn could result in cross defaults under other indebtedness, including the Notes. Any such actions could force the Issuer and the Group into bankruptcy or liquidation, and they may not be able to repay its obligations under the Notes in such an event.

***The decisions of Noteholders under the Programme are subject to the terms of the AdR STID and decisions taken by other creditors under the AdR STID may affect the Programme.***

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that the Trustee may, without the consent of Noteholders, agree to (i) certain modifications of, or to the waiver or authorisation of any breach or proposed breach of, the Trust Deed, the Conditions, the Agency Agreement or the AdR STID Transaction Documents to which the Trustee is a party or (ii) determine without the consent of the Noteholders that any Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 12(f) (*Substitution*). See “*The Issuer may amend the economic terms and conditions of the Notes without the prior consent of all holders of the Notes*” and “*Intercreditor and Account Bank Arrangements*” below.

In addition, prior to the AdR STID Unwinding Date the ability of the Noteholders to give directions to the Trustee in respect of any modifications, consents and waivers under the Trust Deed, the Conditions, the Agency Agreement, the Security Documents or the AdR STID Transaction Documents to which the Trustee is a party is restricted by the AdR STID (see Condition 12(b) (*Modifications, consents and waivers prior to the AdR STID Unwinding Date – AdR STID Proposals*)). Such modifications, consents and waivers may also include, without limitation, the giving of instructions to enforce the rights of the Noteholders of any Series. See “*The Issuer has established a Securitisation whose documentation affects the Programme significantly and limits the powers of the Trustee under the Programme*” above and “*Intercreditor and Account Bank Arrangements*” below.

It is possible that the interests of certain other parties to the AdR STID will not be aligned with the interests of Noteholders of any Series and therefore there can be no assurance that any modification, consent or waiver or the enforcement action taken will be favourable to the Noteholders. As a result of the procedures by which decisions are made pursuant to the AdR STID it is also possible that Noteholders’ decisions may not be received by the AdR Security Agent in time to be taken into account; any such decisions may nevertheless be binding on Noteholders. In the case of modifications, consents or waivers made without the consent of the Noteholders, or any enforcement action, such matters may be detrimental to the interests of some or all Noteholders. Modifications, consents or waivers may also be detrimental to the interests of some or all Noteholders, but nonetheless permissible without any such consent, despite the fact that the ratings of the Notes or of the Issuer may be affirmed. Prior to the AdR STID Unwinding Date, the votes of the Noteholders of the relevant Series may not constitute the required majority in respect of any such matter, owing to the relative amount of indebtedness (compared to AdR’s overall indebtedness) constituted by the Notes of the relevant Series which is capable of being voted by Trustee under the AdR STID compared with other AdR Senior Liabilities. Although the Issuer intends to repay in advance of their scheduled maturity date part of its indebtedness (see “*Refinancing Plan and Description of Other Indebtedness*”), as at 30 September 2013, the outstanding indebtedness of the Issuer is equal to Euro 788.8 million. Such risk is increased due to the fact that only the votes of those Noteholders who – subject to the relevant Noteholders meeting resolutions in accordance with the relevant majorities – participate within the period specified in the AdR STID will be taken into account. Therefore, prior to the AdR STID Unwinding Date, Noteholders alone are not able to control the outcome of any particular approval or enforcement process (including, without limitation, in respect of the acceleration of any liabilities under the Notes) and it is possible that the AdR Security Trustee under the AdR STID may be given instructions which are not in the interests of Noteholders.

The AdR STID provides that Beneficiaries shall only be entitled to exercise any right to accelerate any of the AdR Senior Liabilities owed to it arising by reason of the occurrence of a Default or otherwise with the prior written consent of the Enforcement Instructing Group pursuant to an approved AdR STID Proposal. An Enforcement Instructing Group is defined in the AdR STID to mean Qualified Beneficiaries to whom are owed or attributable more than 90% of the aggregate Voted BIG Outstanding Principal Amount of Qualified AdR Senior Liabilities at the relevant time (as such terms are defined in the AdR STID). There is no provision for lower percentages to apply over time. Accordingly there is a risk that Noteholders may not be able to accelerate their Notes after an Event of Default. In addition, Noteholders should be aware that even where an AdR STID Proposal to accelerate AdR Senior Liabilities can be obtained, the timeframe for obtaining any such approval may cause delays which may be detrimental to the interests of the Noteholders.

***The terms of other indebtedness of the Issuer may be more favourable than those available under the Programme.***

The Securitisation and the Issuer's other indebtedness may benefit from representations, warranties and covenants as well as other provisions that are not included in the Programme or the Notes. Holders of notes issued pursuant to the Securitisation and the creditors under such other debt instruments may therefore have a degree of control and oversight not available to the Noteholders. Information that is made available to and may inform the decision-making process of creditors to the Securitisation and such other debt instruments may not be made available to Noteholders.

In addition the operation of various contractual terms in the Securitisation Documents and such other indebtedness may have an impact on the Noteholders. See also *"In the period prior to maturity of certain indebtedness, such indebtedness would have to be collateralised. In addition, following the occurrence of certain events, including a downgrading of the Issuer, a 'sweep event' would be triggered under the Securitisation. These provisions would have the effect of subordinating the Notes to the claims of certain other creditors of the Issuer, including the holders of notes issued under the Securitisation."* and *"Refinancing Plan and Description of Other Indebtedness"*. The application of such provisions may limit the Issuer's ability to finance its operations, fund capital expenditure and may generally restrict the Issuer's operational flexibility in relation to its cash and any potential investments (including in relation to planned capital expenditure required for the implementation of the Investment Plan and compliance with the New Regulatory Framework). See *"Refinancing Plan and Description of Other Indebtedness – Securitisation Documents"*.

***In the period prior to maturity of certain indebtedness, such indebtedness would have to be collateralised. In addition, following the occurrence of certain events, including a downgrading of the Issuer, a 'sweep event' would be triggered under the Securitisation. These provisions would have the effect of subordinating the Notes to the claims of certain other creditors of the Issuer, including the holders of notes issued under the Securitisation.***

Following the occurrence of certain events under the Romulus Facilities Agreement, including without limitation (a) the credit rating assigned to the Issuer by S&P or Moody's being equal to or lower than "BB" by S&P or "Ba2" by Moody's, respectively, (b) certain financial covenants not being met or (c) an event of default having occurred under the Romulus Facilities Agreement (each a **"Sweep Event"**) and until the relevant Sweep Event is waived or remedied, there will be a number of consequences, including the diversion of the Issuer's available cash pursuant to the Romulus Facilities Agreement and the AdR Account Bank Agreement, whereby the Issuer will be required to apply all amounts standing to the credit of its accounts (subject to certain exceptions) to make prepayments, payments in respect of, and/or to cash-collateralise, certain of its indebtedness (but not the Notes) in accordance with the Pre-Enforcement Priority of Payments (as defined in the Conditions).

In addition, in the 12 or 24 months prior to the maturity of certain non-amortising indebtedness of the Issuer (including the notes issued under the Securitisation), the Issuer will be required to apply all amounts standing to the credit of its accounts (subject to certain exceptions) to cash-collateralise certain of its indebtedness (but not the Notes) in accordance with the Securitisation Documents.

These provisions have the effect of diverting the Issuer's cash in priority to the service of certain of its indebtedness, but not the Notes, thereby effectively subordinating the claims of the Noteholders to the claims of certain other creditors of the Issuer, including the holders of notes issued under the Securitisation. See "*Refinancing Plan and Description of Other Indebtedness – Securitisation Documents*".

***The Collateral securing the Secured Notes is granted to the AdR Security Agent and enforcement is subject to the terms of the AdR STID. The Collateral is not available to holders of Unsecured Notes.***

Until the Conversion Date any security for the Secured Notes will be subject to and regulated by the Securitisation Documents. Only the AdR Security Agent is entitled to enforce the Security Documents and will only do so in accordance with the AdR STID. The AdR Security Agent will regulate the security for the benefit of all of the Issuer's secured creditors and not just the Noteholders. There can therefore be no assurance that the Noteholders will be able to control or direct the AdR Security Agent in relation to the enforcement of the Security. As a result of the Securitisation, Secured Noteholders may not have access to or control over any relevant Security that they might otherwise expect and will be bound by the decisions of the relevant creditor instructing group. See "*The security interests in the Collateral will not be granted directly to the holders of the Secured Notes*" below. Any creditor groups that are able to give directions to the AdR Security Agent may have interests that are different from those of the Noteholders and may choose to elect to pursue remedies under the Security Documents at a time or in a manner that is adverse to the Noteholders. The AdR STID also provides for the release of claims and of certain security interests (including the Collateral) under certain circumstances.

Other creditors not party to the AdR STID could commence enforcement action against the Issuer, the Issuer could seek protection under applicable bankruptcy laws, or the Collateral could otherwise be impaired or reduced in value. In addition, depending on the level of indebtedness incurred by the Issuer where creditors are party to the AdR STID, the Noteholders may not comprise the requisite majority of the senior creditors for the purposes of instructing the AdR Security Agent. See "*The decisions of Noteholders under the Programme are subject to the terms of the AdR STID and decisions taken by other creditors under the AdR STID may affect the Programme*" above and "*Intercreditor and Account Bank Arrangements*".

Secured Notes may be converted to Unsecured Notes at the option of the Issuer upon the occurrence of a Conversion Event. There can therefore be no assurance that holders of the Secured Notes will obtain the benefit of the Collateral or that upon the occurrence of an Event of Default such Collateral would be available to Noteholders.

Holders of Unsecured Notes should be aware that after an Event of Default they will not have the benefit of any of Collateral. In addition holders of Unsecured Notes should note that after an acceleration and upon the enforcement of the Collateral, payment of interest and principal on the Unsecured Notes are subordinated to the payment of all other amounts payable by the Issuer pursuant to the Priority of Payments.

***The value of the Collateral may not be sufficient to secure the obligations under the Secured Notes.***

The value of the Collateral securing the Secured Notes may fluctuate over time and may not be sufficient to secure the obligations under the Secured Notes. Not all of the Issuer's assets will secure the Secured Notes. The value of the Collateral and the amount to be received upon an enforcement of the Collateral will depend upon many factors, including, among others, the ability to sell the Collateral in an orderly sale, whether or not the business is sold as a going concern, economic conditions where operations are located, the availability of buyers for the relevant Collateral and any fees, taxes or duties required to be paid under applicable law in connection with the enforcement of the Collateral. The book value of the Collateral should not be relied on as a measure of realisable value for such assets. All or a portion of the Collateral may be illiquid and may have no readily

ascertainable market value. Likewise, there can be no assurance that there will be a market for the sale of the Collateral, or, if such a market exists, that there will not be a substantial delay in its liquidation. In addition, the pledges, shares and ownership interests of an entity may be of no value if that entity is subject to an insolvency or bankruptcy proceeding because all or part of the obligations of the entity must first be satisfied, leaving little or no remaining assets in the entity.

The Collateral will also be subject to any and all exceptions, defects, encumbrances, liens and other imperfections permitted under the Security Documents. The existence of any such exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of the Collateral, as well as the ability of the AdR Security Agent to realise or sell such Collateral. See “*It may be difficult to realise the value of the Collateral securing the Secured Notes*” below.

***The rights of holders of the Secured Notes in the Collateral may be adversely affected by the failure to perfect the security interests in the Collateral.***

Under applicable law, a security interest in certain tangible and intangible assets can only be properly perfected, and its priority retained, through certain actions undertaken by the secured party and/or the grantor of the security. The liens in the Collateral securing the Secured Notes may not be perfected with respect to the claims of the Secured Notes if either the Issuer or the AdR Security Agent (as the case may be) fail or are unable to take the actions required to be taken in order to perfect any of these liens. Such failure may result in the invalidity of the relevant security interest in the Collateral or adversely affect the priority of such security interest in favour of the Secured Notes against third parties, including a trustee in bankruptcy and other creditors who claim a security interest in the same collateral.

***The granting of the security interests in the Collateral in connection with the issuance of the Secured Notes may create hardening periods for such security interests in accordance with applicable laws.***

The extension and/or confirmation of existing security interests or the granting of new security interests in the Collateral in connection with the issuance of the Secured Notes may create hardening periods for such security interests in accordance with applicable laws. The applicable hardening period for these new security interests will run from the moment each such security interest has been granted (whether by extension and/or confirmation or otherwise), perfected or recreated. In each case, if the security interest granted, perfected or recreated were to be enforced before the end of the respective applicable hardening period, it may be declared void and/or it may not be possible to enforce it. In addition, the granting of a shared security interest to secure future indebtedness may restart or reopen hardening periods under certain applicable laws. The applicable hardening period may run from the moment such security interest is amended, granted or perfected. If the security interest granted were to be enforced before the end of the respective applicable hardening period, it may be declared void or ineffective and/or it may not be possible to enforce it. See “*The grant of Collateral to secure the Secured Notes might be challenged or voidable in an insolvency proceedings*” below.

***The security interests in the Collateral will not be granted directly to the holders of the Secured Notes.***

The security interests in the Collateral that will secure the obligations of the Issuer under the Secured Notes will not be granted directly to the holders of the Secured Notes. Rather they will be granted in favour of the AdR Security Agent. The Security Documents and the AdR STID will also provide that only the AdR Security Agent shall have the right to enforce the relevant Collateral. As a consequence, holders of the Secured Notes (and in respect to the Collateral located in Italy, holders of the Secured Notes in relation to which the relevant perfection formalities acknowledging their status as secured creditors are not perfected at the time of the enforcement) will not have direct security interests and will not be entitled to take enforcement action in respect of the Collateral securing the Secured Notes, except through the Trustee who will (subject to the provisions of the Security

Documents and the AdR STID) provide instructions to the AdR Security Agent in respect of the Collateral. See “*The Collateral securing the Secured Notes is granted to the AdR Security Agent and enforcement is subject to the terms of the AdR STID*” above.

***The providers of the security interests securing the Secured Notes will have control over the Collateral and the sale of particular assets could reduce the pool of assets securing the Secured Notes.***

The Security Documents will allow the relevant provider of the security interest securing the Secured Notes to remain in possession of, retain exclusive control over, freely operate, and collect, invest and dispose of any income from, the relevant Collateral. So long as no “default” or “event of default” under the Conditions would result therefrom (as determined pursuant to the terms of the AdR STID), the relevant security provider, may, among other things, and subject to the terms of the applicable Security Document, without any release or consent by the AdR Security Agent or the Trustee, conduct ordinary course activities with respect to certain of the Collateral such as selling, factoring, abandoning or otherwise disposing of such Collateral and making ordinary course cash payments, including repayments of indebtedness. Any of these activities could reduce the value of the Collateral, which could reduce the amounts payable to Noteholders from the proceeds of any sale of the Collateral in the case of an enforcement.

***It may be difficult to realise the value of the Collateral securing the Secured Notes.***

The Collateral securing the Secured Notes will be subject to any and all exceptions, defects, encumbrances, liens and other imperfections permitted under the Security Documents (as defined in the Conditions) and the AdR STID Transaction Documents and accepted by other creditors that have the benefit of a priority security interest in the relevant Collateral from time to time, whether on or after the date the relevant Series of Secured Notes are first issued. The existence of any such exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of the Collateral securing the Secured Notes, as well as the ability of the AdR Security Agent to realise or sell such Collateral. Furthermore, the ranking of security interests in the Collateral can be affected by a variety of factors, including, among others, the timely satisfaction of perfection requirements, statutory liens or re-characterisation under applicable laws.

The security interests will be subject to practical problems generally associated with the realisation of security interests in collateral. For example, the AdR Security Agent may need to obtain the consent of a third party to enforce a security interest or the enforcement of certain security may be subject to certain specific requirements. There can be no assurance that the AdR Security Agent will be able to obtain any such consent or promptly satisfy such requirements. Likewise, there can be no assurance that the consent of any third party will be given when required to facilitate a sale of any secured asset. Accordingly, the AdR Security Agent may not have the ability to sell that asset, and the value of the Collateral may, as a consequence, significantly decrease.

***The grant of Collateral to secure the Secured Notes might be challenged or voidable in an insolvency proceeding.***

The grant of Collateral to secure the Secured Notes may be voidable by the grantor or by an insolvency trustee, liquidator, receiver or administrator or by other creditors, or may be otherwise set aside by a court, or be unenforceable if certain events or circumstances exist or occur, including, among others, if the grantor is deemed to be insolvent at the time of the grant, or if the grant permits the secured parties to receive a greater recovery than if the grant had not been given and an insolvency proceeding in respect of the grantor is commenced within a legally specified “clawback” period following the grant. To the extent that the grant of any security interest in the Collateral is voided, holders of the Secured Notes would lose the benefit of the relevant security interest.

***The insolvency laws of the Republic of Italy may not be as favourable to holders of Secured Notes as insolvency laws of another jurisdiction with which Noteholders may be familiar.***

The rights of holders under the Secured Notes will be subject to the insolvency and administrative laws of, amongst others, the Republic of Italy. Such proceedings are likely to be complex and costly and otherwise may result in greater uncertainty and delay regarding the enforcement of the rights of holders of the Secured Notes. The bankruptcy laws of Italy may be less favourable to Noteholders' interests as a creditor than the bankruptcy laws of any other jurisdiction that Noteholders may be familiar with, including in respect of priority of creditors, the ability to obtain post-petition interest and the ability to influence proceedings and the duration thereof, and this may limit Noteholders' ability to receive payments due on the Secured Notes. In addition, in actions brought in countries outside of England, courts may choose to apply their own law rather than the law of England, which governs the Trust Deed and the Secured Notes. The application of foreign law may limit Noteholders' ability to enforce Noteholders' rights under the Secured Notes.

***There are circumstances other than repayment or discharge of the Secured Notes under which the Security securing the Secured Notes will be released automatically, without the consent of holders of the Secured Notes or the consent of the Trustee.***

Under various circumstances, the Security securing the Secured Notes may be released automatically without the consent of the holders of the Secured Notes or the Trustee, including:

- on the Conversion Date following the occurrence of any Conversion Event under Condition 5(d) (*Conversion*);
- in connection with certain asset disposals, if such asset disposal is permitted under the terms of the Security Documents and/or the AdR STID; and
- in connection with certain enforcement actions taken by certain creditors in accordance with the AdR STID, as further described under "*It may be difficult to realise the value of the Collateral securing the Secured Notes*" above.

### **Risks of High Leverage**

***The Issuer's leverage may have significant adverse financial and economic effects on the Issuer.***

As at 30 September 2013, the Issuer had approximately Euro 788.8 million of indebtedness. The Issuer's leverage could increase the Issuer's vulnerability to a downturn in its business or economic and industry conditions and have significant adverse consequences, including but not limited to:

- limiting the Issuer's ability to obtain additional financing to fund future working capital, capital expenditure, investment plans, strategic acquisitions, business opportunities and other corporate requirements;
- requiring the dedication of a substantial portion of the Issuer's cash flow from operations to the payment of principal of, and interest on, the Issuer's indebtedness, which would make such cash flow unavailable to fund the Issuer's operations, capital expenditure, investment plans, business opportunities and other corporate requirements; and
- limiting the Issuer's flexibility in planning for, or reacting to, changes in the Issuer's business, the competitive environment and the industry.

Any of these or other consequences or events could have a material adverse effect on the Issuer's ability to satisfy its debt obligations, including its obligations under the Notes.

The Issuer will need to incur additional indebtedness in the future in order, among other things, to enable it to refinance Notes and other debt and to finance future working capital, capital expenditure, investment plans, strategic acquisitions, business opportunities and other corporate requirements.

Any such indebtedness could mature prior to the Notes or could be senior, if secured, to the Unsecured Notes. The incurrence of additional indebtedness would also increase the aforementioned leverage-related risks.

In addition, the terms and conditions of the Notes, the Romulus Facilities Agreement and the AdR STID place certain limitations on the incurrence of additional secured and unsecured indebtedness of the Issuer. See “*The Issuer has established a Securitisation whose documentation affects the Programme significantly and limits the powers of the Trustee under the Programme.*” and “*The Group is subject to restrictive covenants under the Securitisation Documents which could impair the Group’s ability to run its business.*” There can be no assurance that the Group will be able to raise future finance on terms that are economically viable or at all. An inability to raise future finance in order to, amongst other things, finance future capital expenditure and refinance its indebtedness (including the Notes) could have a material adverse effect on the Group’s business, financial condition and results of operations. See “*Use of Proceeds*” and “*Refinancing Plan and Description of Other Indebtedness — Proposed Refinancing Plan*”.

***The Group is subject to exposure on its hedging arrangements.***

A portion of the Group’s indebtedness bears interest at variable rates or is denominated in a currency other than Euro. The Group has, to date, hedged a significant portion of its interest and exchange rate exposure under such indebtedness. In the nine months ended 30 September 2013, the Group’s overall interest and exchange rate exposure amounted to 50% of the Group’s indebtedness. An increase in the interest rates on the Group’s indebtedness or unfavourable movements in exchange rates may reduce the Issuer’s ability to repay the Notes and its other indebtedness and to finance operations and future business opportunities.

***The Issuer requires a significant amount of cash to service its debt, and its ability to generate sufficient cash depends on many factors beyond its control.***

The Issuer’s ability to make payments on and to refinance its debt and to fund working capital and capital expenditures, will depend on its future operating performance and ability to generate sufficient cash. This depends, to some extent, on general economic, financial, competitive, market, legislative, regulatory and other factors, many of which are beyond the Issuer’s control, as well as the other factors discussed in these “**Risk Factors**”.

No assurances can be given that the businesses of the Issuer will generate sufficient cash flows from operations or that future debt and equity financing will be available in an amount sufficient to enable the Issuer to pay its debts as they become due, including the Notes, or to fund other liquidity needs.

If the Issuer’s future cash flows from operations and other capital resources (including borrowings under existing or future credit facilities) are insufficient to pay its obligations as they mature or to fund liquidity needs, the Issuer may be forced to:

- reduce or delay participation in certain non-Concession related business activities, including complementary activities;
- sell certain non-core business assets;
- obtain additional debt or equity capital; or
- restructure or refinance all or a portion of its debt, including the Notes, on or before maturity.

No assurances can be given that the Issuer would be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all. In addition, the terms of the Issuer’s debt, including the Romulus Facilities Agreement and the AdR STID and the terms and conditions of the Notes, limit, and any future debt may limit, the ability of the Issuer to pursue any of these alternatives.

***Any future credit rating downgrade may impair the Issuer's ability to obtain financing and may significantly increase the Issuer's cost of indebtedness.***

Credit ratings affect the cost and other terms upon which the Issuer is able to obtain financing (or refinancing). Rating agencies regularly evaluate the Issuer and their ratings of the Issuer's default rate and existing capital markets debt are based on a number of factors, some of which are outside of the Issuer's control. For example, any future downgrade of the Republic of Italy's long-term credit rating may also affect the Issuer's credit rating. On 7 March 2013, Standard & Poor's Rating Services Europe Limited upgraded its ratings assigned to the Issuer from "BB+" to "BBB-" with a positive outlook. This was followed on 11 March 2013 by an upgrade by Moody's Investors Service Ltd. which increased the rating assigned to the Issuer's long term debt from "Ba2" to "Baa3" with a stable outlook. Standard & Poor's Rating Services Europe Limited and Moody's Investors Service Ltd. are registered under Regulation (EC) No. 1060/2009 on credit rating agencies of 16 September 2009, as amended.

Notwithstanding such upgrades, any future downgrade of the Issuer may impose a more restrictive covenant regime on the Issuer and may impede the Issuer's ability to obtain financing on commercially acceptable terms, or on any terms at all, or it may interfere with the Issuer's ability to implement its corporate strategy. See also *"In the period prior to maturity of certain indebtedness, such indebtedness would have to be collateralised. In addition, following the occurrence of certain events, including a downgrading of the Issuer, a 'sweep event' would be triggered under the Securitisation. These provisions would have the effect of subordinating the Notes to the claims of certain other creditors of the Issuer, including the holders of notes issued under the Securitisation"*. There can be no assurance that future credit ratings downgrades of the Issuer will not occur. The occurrence of any of these events could have a material adverse effect on the Issuer's business, financial condition and results of operations and/or could have an adverse effect on the market price of the Notes.

***Sintonia S.p.A. owns a significant percentage of the Issuer's capital stock and exercises control over the Issuer, and following the Merger, Atlantia S.p.A. will own a significant percentage of the Issuer's capital stock and exercise control over the Issuer, and their interests may conflict with those of the Noteholders.***

As at the date of this Offering Circular, Sintonia S.p.A. ("**Sintonia**") controlled indirectly, through Gemina S.p.A. ("**Gemina**"), more than 95% of the capital stock of the Issuer. As a result, Sintonia is able to exercise effective control over the Issuer. Sintonia is indirectly controlled through Edizione S.r.l. ("**Edizione**") by Benetton family members.

Following the Merger (as defined in *"Business Description of the Group — Recent Developments"*), Atlantia S.p.A. ("**Atlantia**") will control directly more than 95% of the capital stock of the Issuer. As a result, Atlantia will be able to exercise effective control over the Issuer. As at the date of this Offering Circular, Sintonia was the controlling shareholder of Atlantia, holding 47.96% of the capital stock of Atlantia. See *"Corporate Governance — Shareholders"* for more information.

Circumstances may occur in which the interests of Sintonia and, following the Merger, Atlantia, could be in conflict with the interests of the Noteholders. In addition, Sintonia and, following the Merger, Atlantia, may pursue certain transactions that in its view will enhance its equity investment, even though such transactions may not be in the interest of the Noteholders.

***The Group is exposed to credit risk***

In its commercial and financial activities, the Group is exposed to the risk that its counterparties might not be able to discharge all or part of their obligations, whether these involve payment for goods already delivered and services rendered or payment of the expected cash flows under financial derivatives contracts. In order to minimise such risks, the Group assesses in advance the creditworthiness of each counterparty with which it may establish its largest exposures on the basis of

information supplied by independent providers and internal rating models. In connection with non-regulated and commercial activities, this process provides for the attribution of an exposure limit for each relevant counterparty, the request for appropriate guarantees for exposures and periodic monitoring of such exposure limits, while for regulated activities such appropriate guarantees may not be always required. For information on AdR activities, see “*Business Description of the Group — Overview*”. Notwithstanding such risk management policies, default by one or more significant counterparties of the Group could have a material adverse effect on the Group’s business, financial condition and results of operations. In particular, for further information on AdR’s exposure towards Alitalia, see “*Business Description of the Group — Recent Developments*”.

## **FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME**

### **Risks related to the Notes generally**

*There are certain risks related to the structure of a particular issue of Notes.*

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential Noteholders. Set out below is a description of the most common such features (but is not intended to be an exhaustive description):

#### *Fixed Rate Notes*

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

#### *Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer’s ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than the prevailing rates on its Notes.

#### *Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

### ***The Notes may not be a suitable investment for all Noteholders.***

Each potential Noteholder must determine the suitability of that investment in the light of its own circumstances. In particular, each potential Noteholder should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential Noteholder's currency;
- understand thoroughly the terms of the Notes; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential Noteholder should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential Noteholder's overall investment portfolio.

***The Issuer may amend the economic terms and conditions of the Notes without the prior consent of all holders of such Notes.***

The Trust Deed and the Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting, and Noteholders who voted in a manner contrary to the majority. Any such amendment to the Notes, which may include, without limitation, lowering the ranking of the Notes, reducing the amount of principal and interest payable on the Notes, changing the time and manner of payment, changing provisions relating to redemption, limiting remedies on the Notes, and changing the amendment provisions. In addition, at any time prior to the AdR STID Unwinding Date, all such amendments must be made in accordance with the terms of the AdR STID. See "*The decisions of Noteholders under the Programme are subject to the terms of the AdR STID and decisions taken by other creditors under the AdR STID may affect the Programme.*" These and other changes may adversely impact Noteholders' rights and may adversely impact the market value of the Notes.

The Conditions also provide that the Trustee may, without the consent of Noteholders (subject, at any time prior to the AdR STID Unwinding Date, to the AdR STID) agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed, (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 12 (*Meetings of Noteholders, Modification, Waiver and Substitution*) of the Terms and Conditions of the Notes. Up to the AdR STID Unwinding Date, the Conditions shall be read in conjunction with the Securitisation Documents.

***There may be possible withholding tax on payments under the Notes.***

Under European Council Directive 2003/48/EC (the "**Savings Directive**") regarding the taxation of savings income, each Member State is required to provide the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a paying agent (within the meaning of the Savings Directive) for, an individual resident in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments (unless they elect otherwise), deducting tax at the rate of 35% as from 1 July 2011. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

A number of non-EU countries including Switzerland, and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a paying agent (within the meaning of the Savings Directive) within its jurisdiction to, or collected by such a paying agent (within the meaning of the Savings Directive) for, an individual resident in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

On 13 November 2008, the European Commission published a detailed proposal for amendments to the Savings Directive. The European Parliament approved an amended version of this proposal on 24 April 2009. If any of those proposed changes are made in relation to the Savings Directive they may amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State or other jurisdiction that has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor the Paying Agents nor any other person would be obliged to pay additional amounts to the Noteholders or to otherwise compensate Noteholders for the reduction in the amounts that they will receive as a result of the imposition of such withholding tax. However, the Issuer is required to maintain a Principal Paying Agent with a specified office in a Member State that will not be obliged to withhold or deduct tax pursuant to the Savings Directive or any law implementing or complying with, or introduced in order to conform to, such Directive.

***Change of law.***

The Notes are governed by English law in effect as at the date of this Offering Circular, save that provisions convening meetings of Noteholders and the appointment of a Noteholders' Representative in respect of any Series of Notes are subject to compliance with mandatory provisions of Italian law. The Security Documents, if any, will be governed by Italian law. No assurance can be given as to the impact of any possible judicial decision or change to English law and/or Italian law (where applicable) or administrative practice after the date of this Offering Circular.

***Notes subject to optional redemption by the Issuer.***

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, a Noteholder generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential Noteholders should consider reinvestment risk in light of other investments available at that time (*see also "The Issuer may redeem the Notes prior to maturity and Noteholders may be unable to reinvest the proceeds of any such redemption in comparable securities"*, below).

***The Issuer may redeem the Notes prior to maturity and Noteholders may be unable to reinvest the proceeds of any such redemption in comparable securities.***

Unless in the case of any particular Tranche of Notes the applicable Final Terms specifies otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Italy or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes the applicable Final Terms specifies that the Notes are redeemable at the Issuer's option or in certain other circumstances, the Issuer may

choose to redeem those Notes at times when prevailing interest rates may be relatively low (*see also* “Notes subject to optional redemption by the Issuer” above). In such circumstances a Noteholder may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes.

***Because the Global Notes are held by Euroclear and Clearstream, Luxembourg, Noteholders will have to rely on their procedures for transfer, payment and communication with the Issuer.***

Notes issued under the Programme may be represented by one or more Global Notes, which will be deposited with a common depository or a common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note and the applicable Final Terms, Noteholders will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, Noteholders will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by one or more Global Notes, the Issuer will discharge its payment obligations under the Notes by making payments to the common depository or common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer cannot assure holders that the procedures of Euroclear and Clearstream, Luxembourg will be adequate to ensure that holders receive payments in a timely manner. A holder of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

#### ***Denominations.***

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If Definitive Notes are issued, Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

#### **Risks related to the market generally**

***No prior market for Notes — if an active trading market does not develop for the Notes, the Notes may not be able to be resold.***

##### *The secondary market generally*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than

conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

*Fluctuations in exchange rates may adversely affect the value of Notes.*

The Issuer will pay principal and interest on the Notes in the Specified Currency (as defined in the applicable Final Terms). This presents certain risks relating to currency conversions if a Noteholder's financial activities are denominated principally in a currency or currency unit (the "**Noteholder's Currency**") other than the Specified Currency. These include the risk that there may be a material change in the exchange rate between the Specified Currency and the Noteholder's Currency or that a modification of exchange controls by the applicable authorities with jurisdiction over the Noteholder's Currency will be imposed. The Issuer has no control over the factors that generally affect these risks, such as economic, financial and political events and the supply and demand for the applicable currencies. In recent years, exchange rates between certain currencies have been volatile and volatility between such currencies or with other currencies may be expected in the future. An appreciation in the value of the Noteholder's Currency relative to the Specified Currency would decrease (i) the Noteholder's Currency equivalent yield on the Notes, (ii) the Noteholder's Currency equivalent value of the principal payable on the Notes and (iii) the Noteholder's Currency equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Noteholders may receive less interest or principal than expected, or no interest or principal.

*Credit ratings may not reflect all risks.*

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will not necessarily be the same as the rating(s) assigned to the Issuer from time to time or to other Notes issued under the Programme. In addition, real or anticipated changes in the Issuer's credit ratings or the credit ratings of the Notes will generally affect the market value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**") from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings will be disclosed in the Final Terms.

*Legal investment considerations may restrict certain investments.*

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential Noteholder should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge

of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk based capital or similar rules.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the Issuer to refinance the Group's indebtedness and/or for the Group's general corporate purposes, including capital expenditures and investments in accordance with the New Regulatory Framework. See "*Refinancing Plan and Description of Other Indebtedness — Proposed Refinancing Plan*".

## THE ISSUER

### AdR

#### *General*

On 12 February 1974, Aeroporti di Roma S.p.A. was incorporated as a joint stock company (*società per azioni*) under the laws of Italy and became the exclusive concessionaire for the management and development of the Rome airport system. Upon the privatisation of Aeroporti di Roma S.p.A., on 31 July 2000, Leonardo S.p.A. (a company vehicle established for the purpose of acquiring holdings in airport management companies) acquired 51.148% of the share capital of Aeroporti di Roma S.p.A. from IRI S.p.A. (now Fintecna S.p.A.). This equity investment was increased to 95.860% following the public offerings (obligatory and residual) launched by Leonardo S.p.A. to acquire the remaining shares of Aeroporti di Roma S.p.A., pursuant to Article 106 of Legislative Decree No. 58 of 24 February 1998. The offerings were completed on 6 November 2000 and 23 March 2001 with other shares in Aeroporti di Roma S.p.A. purchased on the open market. Subsequently, the shares of Aeroporti di Roma S.p.A. were delisted from the Italian Stock Exchange and Aeroporti di Roma S.p.A. was merged into Leonardo S.p.A. on 21 May 2001, with Leonardo S.p.A. changing its name to Aeroporti di Roma S.p.A.. See “*Business Description of the Group — History and Development*” and “*Corporate Governance — Shareholders*” for further information on the history of AdR as well as its shareholders. AdR is registered with the Companies’ Registry in Rome (*Registro delle Imprese di Roma*) under number 13032990155.

Pursuant to AdR’s by-laws the corporate purpose of AdR is the construction and operation of airports or parts thereof, as well as the operation of any activity associated with or complementary to air traffic of any kind or specialty.

AdR’s corporate purpose also includes the management of the Rome airport system (Fiumicino and Ciampino) pursuant to law No.755 of 10 November 1973 (as subsequently amended), as well as the management of other airports or airport systems; the design and construction of infrastructures and modernisation, maintenance, innovation, completion and enlargement works regarding the Rome airport system and other airports, and the relevant appurtenances; the management of airport services, as well as of other services associated with or useful for the operation of the Rome airport system and of other airports, including through contracts or sub-concessions; the provision of consulting services to third parties on matters relating to airport systems; the incorporation of companies end entities, with a similar or like business, or in any case associated with its own business, as well as the acquisition and disposal of stakes in the same companies and entities deemed useful for the achievement of the corporate object; the issue of any guarantee, including collateral, in favour of third parties, and in general any commercial, industrial, financial, security or real estate transaction, also secured by guarantees, that may be deemed necessary or desirable for the achievement of its corporate purpose. The aforesaid activities may be performed both in Italy and abroad.

#### *Share Capital*

The authorised and subscribed share capital of AdR as at the date hereof is Euro 62,224,743 fully-paid up, divided into 62,224,743 registered, ordinary shares with a nominal value of Euro 1.00 each. See also “*Capitalisation and Indebtedness*”.

As at the date of this Offering Circular, Sintonia S.p.A. controls, indirectly through Gemina S.p.A., 95.90 % of the capital stock of AdR. For further information on the share capital and control of AdR, see “*Corporate Governance — Shareholders*”.

For further information on the merger by way of incorporation of Gemina S.p.A into Atlantia S.p.A, see “*Business Description of the Group — Recent Developments — Merger by way of incorporation of Gemina into Atlantia*”.

### ***Registered Office***

The registered office of AdR is at Via dell'Aeroporto di Fiumicino, 320, 00054 Fiumicino (RM), Italy and its main telephone number is +39 06 65951.

### ***Board of Directors***

The current Board of Directors (*Consiglio di Amministrazione*) of AdR was appointed by a resolution of AdR's shareholders' meeting held on 9 April 2013, and will hold office until the shareholders' meeting called for the purpose of approving AdR's financial statements for the year ending 31 December 2015. The Board of Directors is composed of not less than seven and not more than fifteen members who are elected for a period of not more than three years and may be re-elected. The current members of the Board of Directors comprises ten members. See "*Corporate Governance — Management — Board of Directors*" for further information on the composition of the Board of Directors of AdR.

For the purposes of their function as members of the Board of Directors of AdR, the business address of each of the members of the Board of Directors is the registered office of AdR.

### ***Board of Statutory Auditors***

The current Board of Statutory Auditors (*Collegio Sindacale*) of AdR was appointed by a resolution at the AdR's shareholders' meeting held on 9 April 2013. The Board of Statutory Auditors will hold office until the shareholders' meeting called for the purpose of approving AdR's financial statements for the year ending 31 December 2015. The current Board of Statutory Auditors is composed of five members. See "*Corporate Governance — Management — Board of Statutory Auditors*" for further information.

For the purposes of their function as members of the Board of Statutory Auditors of AdR, the business address of each of the members of the Board of Statutory Auditors is the registered office of AdR.

### ***Financial Statements***

AdR's financial year ends on 31 December of each calendar year. AdR is required under Italian law to publish annual reports. Copies of the latest annual report and annual audited consolidated and non-consolidated financial statements and the latest unaudited semi-annual and interim consolidated financial statements of AdR will be made available at the specified offices of the Paying Agents for so long as any of the Notes remain outstanding and at the registered office of AdR, in each case free of charge.

### ***Business***

AdR's principal activity consists of managing Fiumicino and Ciampino airports.

### ***Organisational Structure***

See "*Business Description of the Group*" for further information on the organisational structure and principal activity of AdR and the Group.

## CAPITALISATION AND INDEBTEDNESS

The following table sets forth the consolidated capitalisation and indebtedness of AdR as at 30 September 2013 and as at 31 December 2012, on a historical basis, and should be read in conjunction with the financial statements incorporated by reference in this Offering Circular.

	<b>As at 31 December 2012</b>	<b>As at 30 September 2013</b>
	<i>(in thousands of euro)</i>	
Current financial liabilities .....	523,899	9,957
Cash and other current financial assets <sup>(1)</sup> .....	(437,066)	(139,529)
<b>Short-term net borrowing</b> .....	<b>86,833</b>	<b>(129,572)</b>
<b>Medium/long-term net borrowing</b> <sup>(2)</sup> .....	<b>786,610</b>	<b>918,340</b>
<b>Net debt</b> <sup>(3)</sup> .....	<b>873,443</b>	<b>788,768</b>
Equity attributable to non controlling interests .....	827	685
Equity attributable to owners of the parent .....	1,054,824	1,158,707
<i>of which:</i>		
Issued share capital .....	62,225	62,225
Reserves and retained earnings .....	729,720	992,599
Profit (loss) for the period .....	262,879	103,883
<b>Total equity</b> .....	<b>1,055,651</b>	<b>1,159,392</b>
<b>Total capitalisation</b> <sup>(4)</sup> .....	<b>1,929,094</b>	<b>1,948,160</b>

(1) Consists of cash and cash equivalents of Euro 393,418 thousand and Euro 113,998 thousand as of 31 December 2012 and 30 September 2013, respectively, and other current financial assets (term deposits restricted to debt service guarantee under the AdR Account Bank Agreement) of Euro 43,648 thousand and Euro 25,530 thousand as of 31 December 2012 and 30 September 2013, respectively.

(2) Consists of medium/long-term borrowings of Euro 789,369 thousand net of bonds, purchased in the market by AdR, for Euro 2,759 thousand as of 31 December 2012 and Euro 921,099 thousand net of bonds, purchased in the market by AdR, for Euro 2,759 thousand as of 30 September 2013.

(3) The Group net debt is calculated by aggregating current and non current financial liabilities and subtracting current and non current financial assets and cash and cash equivalents.

(4) Total capitalisation is calculated by aggregating net debt, as defined in note (3), and total equity.

There have been no material changes in the capitalisation of AdR since 30 September 2013.

For a summary of the material terms of the Group's principal financing agreements, see "Refinancing Plan and Description of Other Indebtedness".

## SELECTED FINANCIAL DATA

The selected historical consolidated financial data (i) as at and for the years ended 31 December 2011 and 2012, (ii) as at and for the six months ended 30 June 2012 and 2013 and (iii) as at and for the nine months ended 30 September 2012 and 2013 set out below were prepared in accordance with Italian GAAP and have been derived from, and are qualified in their entirety by reference to, the consolidated financial statements of AdR and the notes thereto incorporated by reference in this Offering Circular.

In order to facilitate comparability with the financial statements prepared by other issuers on the international eurobond market, the consolidated financial statements of AdR as at and for the year ended 31 December 2012 and the interim consolidated financial statements of AdR as at and for the six months ended 30 June 2013 have been restated in accordance with IFRS, as set forth in “*Annex I – Restated Financial Data*”. See “*Annex I – Restated Financial Data*”. The financial information in “*Annex I - Restated Financial Data*” does not include comparative figures and explanatory notes, as would be required by the IFRS adopted by the European Union. As a result, the information is not a complete set of financial statements of the Group and cannot be considered a first-time adoption of IFRS. The interim consolidated financial statements of AdR as at and for the nine months ended 30 September 2013 and 2012 have not been restated in accordance with IFRS.

The consolidated financial statements as at and for the years ended 31 December 2011 and 2012, incorporated by reference in this Offering Circular, and the consolidated restated financial data as at and for the years ended 31 December 2012, attached to this Offering Circular, have been audited by Deloitte & Touche S.p.A. See “*Presentation of Financial and Other Data*” for further information.

The consolidated financial statements as at and for the six months ended 30 June 2012 and 2013, incorporated by reference in this Offering Circular have been reviewed by Deloitte & Touche S.p.A. and Ernst & Young S.p.A., respectively. See “*Presentation of Financial and Other Data*” for further information.

The consolidated financial statements as at and for the nine months ended 30 September 2012 and 2013 incorporated by reference in this Offering Circular have not been audited. See “*Presentation of Financial and Other Data*” for further information.

There are certain differences between Italian GAAP and IFRS and, as a result, the Italian GAAP financial information presented for the years ended 31 December 2011 and 2012 and for the six months ended 30 June 2012 and 2013 is not directly comparable to the IFRS financial information that will be presented by the Issuer starting with the financial year ending 31 December 2013. In order to provide to the reader a more appropriate comparison between the Italian GAAP and IFRS financial data, the Italian GAAP financial information included in this section have been reclassified using the IFRS statements presentation that the Issuer will adopt starting with the financial year ending 31 December 2013.

Noteholders should read the tables below in conjunction with the consolidated restated financial statements of AdR and the notes thereto attached elsewhere in this Offering Circular. See “*Annex I – Restated Financial Data*”.

## Consolidated statements of financial position at 31 December 2011 and 2012

	<u>31 December 2011</u>	<u>31 December 2012</u>	<u>31 December 2012</u>
	<u>Italian GAAP</u>	<u>Italian GAAP</u>	<u>IFRS Restated</u>
	<i>(in thousands of euro)</i>		
<b>Non-current assets</b>			
<b>Tangible assets</b> .....	<b>189,075</b>	<b>177,039</b>	<b>9,272</b>
Intangible assets deriving from concession rights.....	1,601,718	1,552,435	2,001,660
Other intangible fixed assets.....	262,893	262,409	3,723
<b>Intangible assets</b> .....	<b>1,864,611</b>	<b>1,814,844</b>	<b>2,005,383</b>
Equity Investments.....	2,313	2,316	2,216
Other non-current financial assets.....	—	—	9,555
Deferred tax assets, net.....	40,624	45,613	137,702
Other non-current assets.....	26,923	29,330	26,572
<b>Total non-current assets</b> .....	<b>2,123,546</b>	<b>2,069,142</b>	<b>2,190,700</b>
<b>Current assets</b>			
Inventories.....	11,346	2,363	2,363
Contract work in progress.....	7,148	8,117	359
Trade receivables.....	183,529	163,758	171,641
Other current financial assets.....	56,112	43,648	45,557
Current tax assets.....	—	11,022	11,022
Other current assets.....	12,000	12,661	9,597
Cash and cash equivalents.....	174,425	393,418	393,510
Assets from discounted operation/assets held for sale.....	—	—	—
<b>Total current assets</b> .....	<b>444,560</b>	<b>634,987</b>	<b>634,069</b>
<b>Total assets</b> .....	<b>2,568,106</b>	<b>2,704,129</b>	<b>2,824,769</b>

## Consolidated statements of financial position at 31 December 2011 and 2012

	31 December 2011	31 December 2012	31 December 2012
	Italian GAAP	Italian GAAP	IFRS Restated
	<i>(in thousands of euro)</i>		
<b>Shareholders' equity</b>			
Share capital .....	62,225	62,225	62,225
Reserves and retained earnings .....	688,228	729,720	555,928
Profit/(loss) for the year .....	41,492	262,879	235,756
<b>Equity attributable to owners of the parent .....</b>	<b>791,945</b>	<b>1,054,824</b>	<b>853,909</b>
Share capital and reserves .....	179	603	563
Profit/(loss) for the year .....	424	224	212
<b>Equity attributable to non-controlling interests .....</b>	<b>603</b>	<b>827</b>	<b>775</b>
<b>Total equity .....</b>	<b>792,548</b>	<b>1,055,651</b>	<b>854,684</b>
<b>Non-current liabilities</b>			
Provisions for employee benefits .....	24,792	22,091	21,334
Provisions for repair and replacement obligations .....	—	—	167,284
Other provisions .....	69,790	53,465	53,465
<b>Non-current provisions .....</b>	<b>94,582</b>	<b>75,556</b>	<b>242,083</b>
Bond issued .....	—	—	626,639
Medium/long-term borrowings .....	1,297,869	789,369	89,085
Non-current derivatives .....	—	—	132,321
<b>Non-current financial liabilities .....</b>	<b>1,297,869</b>	<b>789,369</b>	<b>848,045</b>
<b>Total non-current liabilities .....</b>	<b>1,392,451</b>	<b>864,925</b>	<b>1,090,128</b>
<b>Current liabilities</b>			
Provisions for repair and replacement obligations .....	—	—	97,055
Other provisions .....	14,543	17,604	17,604
<b>Current provisions .....</b>	<b>14,543</b>	<b>17,604</b>	<b>114,659</b>
<b>Trade payables .....</b>	<b>133,077</b>	<b>107,948</b>	<b>109,740</b>
Current portion of medium/long-term financial liabilities .....	89,274	523,899	523,542
Current derivatives .....	191	—	111
<b>Current financial liabilities .....</b>	<b>89,465</b>	<b>523,899</b>	<b>523,653</b>
Current tax liabilities .....	18,761	4,629	4,629
Other current liabilities .....	127,262	129,473	127,276
<b>Total current liabilities .....</b>	<b>383,108</b>	<b>783,553</b>	<b>879,957</b>
<b>Total shareholders' equity and liabilities .....</b>	<b>2,568,106</b>	<b>2,704,129</b>	<b>2,824,769</b>

## Consolidated income statements for the year ended 31 December 2011 and 2012

	31 December 2011	31 December 2012	31 December 2012
	Italian GAAP	Italian GAAP	IFRS Restated
	<i>(in thousands of euro)</i>		
Revenues from airport management.....	613,962	598,178	543,663
Revenue from construction services.....	9,219	2,832	9,141
Other operating income.....	17,716	23,911	6,476
<b>Total revenues.....</b>	<b>640,897</b>	<b>624,921</b>	<b>559,280</b>
<b>Raw and consumable materials.....</b>	<b>(80,461)</b>	<b>(72,349)</b>	<b>(38,902)</b>
<b>Service costs.....</b>	<b>(112,709)</b>	<b>(102,944)</b>	<b>(143,419)</b>
<b>Staff costs.....</b>	<b>(125,084)</b>	<b>(122,137)</b>	<b>(108,351)</b>
Concession fees.....	(8,173)	(8,110)	(8,110)
Lease expenses.....	(3,697)	(3,379)	(3,376)
Provisions/(utilisations) for repair and replacement.....	—	—	(22,461)
Other provisions, net.....	(20,512)	(2,687)	(2,610)
Other costs.....	(16,859)	(32,717)	(28,866)
<b>Other operating costs.....</b>	<b>(49,241)</b>	<b>(46,893)</b>	<b>(65,423)</b>
Amortisation of tangible assets.....	(21,454)	(20,946)	(4,338)
Amortisation of intangible assets deriving from concession rights.....	(49,284)	(49,284)	(61,340)
Amortisation of other intangible assets.....	(45,368)	(48,675)	(2,871)
<b>Amortisation and depreciation.....</b>	<b>(116,106)</b>	<b>(118,905)</b>	<b>(68,549)</b>
<b>(Impairment losses)/reversals of impairment losses.....</b>	<b>—</b>	<b>(10)</b>	<b>(10)</b>
<b>Total costs.....</b>	<b>(483,601)</b>	<b>(463,238)</b>	<b>(424,654)</b>
<b>Operating profit.....</b>	<b>157,296</b>	<b>161,683</b>	<b>134,626</b>
<b>Financial income.....</b>	<b>3,396</b>	<b>2,608</b>	<b>9,749</b>
Financial expenses from discounting of provisions for repair and replacement.....	—	—	(12,610)
Financial interest.....	(68,965)	(69,182)	(71,119)
Other financial expenses.....	(6,042)	(1,193)	(6,192)
<b>Financial expenses.....</b>	<b>(75,007)</b>	<b>(70,375)</b>	<b>(89,921)</b>
<b>Foreign exchange gains/(losses).....</b>	<b>33</b>	<b>28</b>	<b>(5,937)</b>
<b>Financial expenses, net.....</b>	<b>(71,578)</b>	<b>(67,739)</b>	<b>(86,109)</b>
<b>Extraordinary income losses.....</b>	<b>128</b>	<b>216,580</b>	<b>—</b>
<b>Profit before tax from continuing operations.....</b>	<b>85,846</b>	<b>310,524</b>	<b>48,517</b>
Current tax expense.....	(52,626)	(52,864)	(39,417)
Deferred tax income and expense.....	8,696	5,443	16,286
<b>Income tax (expense)/benefit.....</b>	<b>(43,930)</b>	<b>(47,421)</b>	<b>(23,131)</b>
<b>Profit/(loss) from continuing operations.....</b>	<b>41,916</b>	<b>263,103</b>	<b>25,386</b>
Profit/(loss) from discontinued operations.....	—	—	210,582
<b>Profit/(loss) for the year.....</b>	<b>41,916</b>	<b>263,103</b>	<b>235,968</b>
Profit/(loss) for the year attributable to the group.....	41,492	262,879	235,756
Profit/(loss) attributable to non-controlling interests.....	424	224	212

## Consolidated statements of financial position at 30 June 2013

	<u>30 June 2013</u>	<u>30 June 2013</u>
	<u>Italian GAAP</u>	<u>IFRS Restated</u>
	<i>(in thousands of euro)</i>	
<b>Non-current assets</b>		
<b>Tangible assets</b> .....	<b>174,823</b>	<b>7,949</b>
Intangible assets deriving from concession rights .....	1,527,793	1,977,585
Other intangible fixed assets .....	278,635	4,600
<b>Intangible assets</b> .....	<b>1,806,428</b>	<b>1,982,184</b>
Equity investments .....	2,316	2,216
Other non-current financial assets .....	465	465
Deferred tax assets, net .....	48,707	142,421
Other non-current assets .....	29,322	26,564
<b>Total non-current assets</b> .....	<b>2,062,061</b>	<b>2,161,800</b>
<b>Current assets</b>		
Inventories .....	2,458	2,458
Contract work in progress .....	5,489	274
Trade receivables .....	200,441	206,410
Other current financial assets .....	24,969	26,368
Current tax assets .....	8,323	8,323
Other current assets .....	12,994	10,458
Cash and cash equivalents .....	113,445	113,537
<b>Total current assets</b> .....	<b>368,119</b>	<b>367,828</b>
<b>Total assets</b> .....	<b>2,430,180</b>	<b>2,529,628</b>

## Consolidated statements of financial position at 30 June 2013

	<b>30 June 2013</b>	<b>30 June 2013</b>
	<b>Italian GAAP</b>	<b>IFRS Restated</b>
	<i>(in thousands of euro)</i>	
<b>Shareholders' equity</b>		
Share capital .....	62,225	62,225
Reserves and retained earnings .....	992,599	805,758
Profit/(loss) for the year .....	44,133	29,653
<b>Equity attributable to owners of the parent</b> .....	<b>1,098,957</b>	<b>897,636</b>
Share capital and reserves .....	827	775
Profit/(loss) for the year .....	(199)	(206)
<b>Equity attributable to non-controlling interests</b> .....	<b>628</b>	<b>569</b>
<b>Total equity</b> .....	<b>1,099,585</b>	<b>898,205</b>
<b>Non-current liabilities</b>		
Provisions for employee benefits .....	21,562	20,270
Provisions for repair and replacement obligations .....	—	155,226
Other provisions .....	56,600	56,600
<b>Non-current provisions</b> .....	<b>78,162</b>	<b>232,096</b>
Bond issued .....	—	614,889
Medium/long-term borrowings .....	941,119	233,394
Non-current derivatives .....	—	126,423
<b>Non-current financial liabilities</b> .....	<b>941,119</b>	<b>974,706</b>
<b>Total non-current liabilities</b> .....	<b>1,019,281</b>	<b>1,206,802</b>
<b>Current liabilities</b>		
Provisions for repair and replacement obligations .....	—	113,620
Other provisions .....	16,642	16,642
<b>Current provisions</b> .....	<b>16,642</b>	<b>130,262</b>
<b>Trade payables</b> .....	<b>128,972</b>	<b>139,373</b>
Current portion of medium/long-term financial liabilities .....	10,301	10,174
Current derivatives .....	13	117
<b>Current financial liabilities</b> .....	<b>10,314</b>	<b>10,291</b>
Current tax liabilities .....	13,933	13,933
Other current liabilities .....	141,454	130,762
<b>Total current liabilities</b> .....	<b>311,315</b>	<b>424,621</b>
<b>Total shareholders' equity and liabilities</b> .....	<b>2,430,180</b>	<b>2,529,628</b>

## Consolidated income statements for the six months ended 30 June 2012 and 2013

	30 June 2012	30 June 2013	30 June 2013
	Italian GAAP	Italian GAAP	IFRS Restated
	<i>(in thousands of euro)</i>		
Revenues from airport management.....	290,145	300,592	300,929
Revenue from construction services.....	2,258	4,123	8,916
Other operating income.....	5,967	5,116	2,690
<b>Total revenues.....</b>	<b>298,370</b>	<b>309,831</b>	<b>312,535</b>
<b>Raw and consumable materials.....</b>	<b>(39,230)</b>	<b>(17,519)</b>	<b>(17,521)</b>
<b>Service costs.....</b>	<b>(52,727)</b>	<b>(49,047)</b>	<b>(93,197)</b>
<b>Staff costs.....</b>	<b>(63,400)</b>	<b>(57,536)</b>	<b>(56,601)</b>
Concession fees.....	(3,823)	(13,190)	(13,190)
Lease expenses.....	(1,609)	(1,570)	(1,570)
Provisions/(utilisations) for repair and replacement .....	(140)	—	2,763
Other provisions, net.....	(3,692)	(4,103)	(4,103)
Other costs.....	(7,783)	(10,382)	(9,607)
<b>Other operating costs.....</b>	<b>(17,047)</b>	<b>(29,245)</b>	<b>(25,707)</b>
Amortisation of tangible assets.....	(10,593)	(10,417)	(2,287)
Amortisation of intangible assets deriving from concession rights.....	(24,642)	(24,642)	(30,665)
Amortisation of other intangible assets .....	(23,231)	(25,638)	(1,333)
<b>Amortisation and depreciation.....</b>	<b>(58,466)</b>	<b>(60,697)</b>	<b>(34,285)</b>
<b>(Impairment losses)/reversals of impairment losses.....</b>	<b>(6)</b>	<b>—</b>	<b>—</b>
<b>Total costs.....</b>	<b>(230,876)</b>	<b>(214,044)</b>	<b>(227,311)</b>
<b>Operating profit.....</b>	<b>67,494</b>	<b>95,787</b>	<b>85,224</b>
<b>Financial income.....</b>	<b>1,113</b>	<b>893</b>	<b>1,292</b>
Financial expenses from discounting of provisions for repair and replacement.....	—	—	(7,269)
Financial interest.....	(33,760)	(23,466)	(24,893)
Other financial expenses.....	(801)	(167)	(14,696)
<b>Financial expenses.....</b>	<b>(34,561)</b>	<b>(23,633)</b>	<b>(46,858)</b>
<b>Foreign exchange gains/(losses).....</b>	<b>15</b>	<b>(1)</b>	<b>12,395</b>
<b>Financial expenses, net.....</b>	<b>(33,433)</b>	<b>(22,741)</b>	<b>(33,172)</b>
<b>Extraordinary income losses.....</b>	<b>(2,559)</b>	<b>56</b>	<b>—</b>
<b>Profit before tax from continuing operations.....</b>	<b>31,502</b>	<b>73,102</b>	<b>52,052</b>
Current tax expense.....	(20,183)	(32,630)	(32,768)
Deferred tax income and expense.....	2,470	3,462	10,163
<b>Income tax (expense)/benefit.....</b>	<b>(17,713)</b>	<b>(29,168)</b>	<b>(22,605)</b>
<b>Profit/(loss) from continuing operations.....</b>	<b>13,789</b>	<b>43,934</b>	<b>29,447</b>
Profit/(loss) from discontinued operations .....	—	—	—
<b>Profit for the year.....</b>	<b>13,789</b>	<b>43,934</b>	<b>29,447</b>
Profit/(loss) for the period attributable to the group.....	13,552	44,133	29,653
Profit/(loss) attributable to non-controlling interests .....	237	(199)	(206)

## Consolidated balance sheet as of 30 September 2013

	30 September 2013
	<u>Italian GAAP</u>
	<i>(in thousands of euro)</i>
<b>Fixed assets</b>	
<b>Intangible fixed assets</b>	
Incorporation and development costs .....	70
Industrial patent and intellectual property rights.....	456
Concessions, licenses, trademarks and similar rights.....	1,517,887
Leasehold improvements in process and advances .....	61,394
Other .....	225,598
<b>Total intangible fixed assets .....</b>	<b>1,805,405</b>
<b>Tangible fixed assets</b>	
Land and buildings.....	65,565
Plant and machinery.....	49,709
Industrial and commercial equipment .....	842
Other assets .....	1,658
Fixed assets in progress and advances .....	57,770
<b>Total tangible fixed assets .....</b>	<b>175,544</b>
<b>Non current financial assets</b>	
Investments .....	2,316
Amounts due from others: .....	467
Other securities: .....	2,758
<b>Total non current financial assets .....</b>	<b>5,541</b>
<b>Total fixed assets .....</b>	<b>1,986,490</b>
<b>Current assets</b>	
<b>Inventories</b>	
Raw, ancillary and consumable materials .....	2,430
Contract work in progress .....	6,590
<b>Total inventories .....</b>	<b>9,020</b>
<b>Receivables</b>	
Due from clients.....	246,917
Due from associated undertakings.....	483
Due from parent companies.....	12,871
Due from tax authorities .....	18,026
Deferred tax assets .....	40,788
Due from others: .....	29,478
<b>Total receivables.....</b>	<b>348,563</b>
<b>Current financial assets</b>	
Cash on hand in banks .....	113,998
<b>Total current assets.....</b>	<b>471,581</b>
<b>Accruals and deferrals.....</b>	<b>2,138</b>
<b>Total assets.....</b>	<b>2,460,209</b>

## Consolidated balance sheet as of 30 September 2013

	30 September 2013
	<b>Italian GAAP</b>
	<i>(in thousands of euro)</i>
Share capital .....	62,225
Share premium reserve .....	667,389
Legal reserve .....	12,462
Other reserves.....	85
Retained earnings/(losses) .....	312,663
Group income/(loss) for the period.....	103,883
<b>Group shareholders' equity</b> .....	<b>1,158,707</b>
Minority interest in shareholders' equity.....	685
<b>Total consolidated shareholders' equity</b> .....	<b>1,159,392</b>
<b>Allowances for risks and charges</b> .....	<b>57,477</b>
<b>Employee severance indemnities (esi)</b> .....	<b>21,726</b>
<b>Payables</b>	
Due to banks:.....	230,272
Due to other financial institutions.....	700,783
Advances: .....	13,827
Due to suppliers.....	116,067
Due to associated undertakings.....	971
Due to parent companies.....	334
Taxes due.....	102,482
Due to social security agencies.....	5,795
Other payables: sundry creditors .....	35,582
<b>Total payables</b> .....	<b>1,206,113</b>
<b>Accruals and deferrals</b> .....	<b>15,501</b>
<b>Total shareholders' equity and liabilities</b> .....	<b>2,460,209</b>

## Consolidated income statement for the nine months ended 30 September 2013

	<b>30 September 2013</b>	<b>30 September 2012</b>
	<b>Italian GAAP</b>	<b>Italian GAAP</b>
	<i>(in thousands of euro)</i>	
<b>Revenues</b>		
Revenues from sales and services.....	504,399	473,169
Changes in contract work in progress.....	(1,527)	738
Capitalized costs and expenses.....	7,287	2,665
Other income and revenues: .....	23,011	7,388
<b>Total revenues.....</b>	<b>533,170</b>	<b>483,960</b>
<b>Operating costs</b>		
for raw, ancillary and consumable materials, finished goods and goods for resale.....	27,160	65,819
for services .....	75,969	77,806
for leased assets.....	24,349	8,784
for staff.....	85,582	93,227
Amortization, depreciation and write-downs .....	99,222	97,122
Changes in raw, ancillary and consumable materials, finished goods and goods for resale.....	(66)	(2,722)
Provisions for risks.....	2,927	6,963
Other provisions.....	—	210
Other operating costs .....	7,337	7,863
<b>Total costs.....</b>	<b>(322,480)</b>	<b>(355,072)</b>
<b>Difference between revenues and operating costs.....</b>	<b>210,690</b>	<b>128,888</b>
<b>Finance income/(costs)</b>		
Income from equity investments: .....	1,239	1,734
Interest expense and other financial charges: .....	(33,541)	(52,850)
Foreign exchange gains/(losses).....	2	27
<b>Total finance income/(costs).....</b>	<b>(32,300)</b>	<b>(51,089)</b>
<b>Adjustments to financial assets.....</b>	<b>—</b>	<b>(6)</b>
<b>Extraordinary items</b>		
Income.....	14,513	225,334
Expenses.....	(19,369)	(14,396)
<b>Total extraordinary items .....</b>	<b>(4,856)</b>	<b>210,938</b>
<b>Pre-tax income/(loss).....</b>	<b>173,534</b>	<b>288,731</b>
<b>Income tax for the period, current, deferred and prepaid:.....</b>	<b>(69,793)</b>	<b>(38,926)</b>
<b>Income/(loss) for the period .....</b>	<b>103,741</b>	<b>249,805</b>
Group interest.....	103,883	249,423
Minority interest.....	(142)	382

## BUSINESS DESCRIPTION OF THE GROUP

### Overview

AdR manages the Rome airport system pursuant to a concession granted by the Italian Ministero delle infrastrutture e dei trasporti (the “**Ministry of Infrastructure and Transportation**”, or the “**MIT**”) and expiring on 30 June 2044 (the “**Concession**”, for further information on the Concession see “*Regulatory Framework*” below).

The Rome airport system (the “**Rome Airport System**”) consists of (i) the “**Leonardo da Vinci**” international airport, located in Fiumicino, Rome (“**Fiumicino Airport**” or “**Fiumicino**”) and (ii) the “**Giovan Battista Pastine**” airport located in Ciampino, Rome (“**Ciampino Airport**” or “**Ciampino**” and together with Fiumicino, the “**Airports**”).

The Rome Airport System is the most important airport infrastructure in Italy, serving approximately 41.6 million passengers in the year ended 31 December 2012. Fiumicino and Ciampino are the only commercial airports serving the Rome metropolitan area and the Lazio region and, as such, benefit from a large catchment area which includes approximately 12 million people. The Airports are also well connected to the main cities in central Italy.

In particular, Fiumicino Airport is the largest airport in Italy and the seventh largest airport in Europe, in terms of traffic volumes,<sup>1</sup> and constitutes an essential link for the movement of goods and people throughout Italy and Europe. Fiumicino Airport mainly serves carriers operating scheduled flights to domestic and international destinations. In recent years, traffic growth at Fiumicino Airport has primarily been due to international flights and, during 2012, the airport attracted more than 37 million passengers. In 2012, over 100 airlines flew from Fiumicino to approximately 200 destinations worldwide. Furthermore, Fiumicino is one of only a small group of European airports that are capable of handling new wide body aircraft, such as the Airbus A380. On the other hand, Ciampino Airport mainly serves low-cost carriers, charter flights, express couriers and private jets. Ciampino Airport also serves official aeronautical activities of the Italian government and the Italian Air Force and the Italian State is entitled to use the infrastructure of Ciampino Airport. For a more detailed description of the Airports, see “*Business Description of the Group — Infrastructure*”, below.

AdR generates revenues from the following business segments:

- the aeronautical business, which includes regulated activities directly connected with the management and operation of the Airports, but excludes baggage handling activities; and
- the non-aeronautical business, which includes real estate activities and commercial activities (such as, *inter alia*, travel retail, car parks, advertising and food and beverage businesses).

The revenues of the Group for the years ended 31 December 2011 and 2012 amounted to Euro 620.0 million and Euro 602.2 million, respectively, and the net profits for the same periods amounted to Euro 41.9 million and Euro 263.1 million respectively. For the nine months ended 30 September 2012 and 2013, the revenues of the Group amounted to Euro 474.0 million and Euro 503.0 million, respectively, and the net profits for the same periods amounted to Euro 249.8 million and Euro 103.7 million, respectively.

The table below provides a breakdown of AdR Group’s revenues by business segments for the years ended 31 December 2011 and 2012 and for the nine months ended 30 September 2012 and 2013.

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<sup>1</sup> Source: Airports Council International Europe (*ACI Europe*)

	Years ended 31 December				Nine months ended 30 September			
	2011		2012		2012		2013	
	<i>Euro in millions</i>	<i>% of Group revenues</i>	<i>Euro in millions</i>	<i>% of Group revenues</i>	<i>Euro in millions</i>	<i>% of Group revenue</i>	<i>Euro in millions</i>	<i>% of Group revenue</i>
Aeronautical business.....	323.5	52.2%	321.7	53.4%	247.3	52.2%	345.6	68.7%
Non-aeronautical business .....	296.5	47.8%	280.5	46.6%	226.7	47.8%	157.4	31.3%
<b>Total</b> .....	<b>620.0</b>	—	<b>602.2</b>	—	<b>474.0</b>	—	<b>503.0</b>	—

For further information regarding AdR’s revenues derived from the aeronautical and non-aeronautical businesses, see “*Business Description of the Group — Business Activities and Revenue Generation*” below.

The decrease of non-aeronautical revenues is mainly attributable to the sale of AdR Retail S.r.l., the company which operated the direct retail business of the Group, to LS Travel Retail Italia. For more information on such sale and non-aeronautical revenues, see “*Business Description of the Group — The AdR Group — Business Portfolio Model*” and “*Business Description of the Group — Business Activities and Revenue Generation — Non-aeronautical activities*” below.

## History and Development

### *Incorporation of Aeroporti di Roma*

Ciampino Airport was opened in 1916 to serve both civilian and military purposes and remained the only airport serving the Rome area until the opening of Fiumicino Airport on 15 January 1961.

Italian law No. 755 of 10 November 1973 (the “**Law No. 755/73**”) established the Rome Airport System providing that its management be assigned for a 35-year period (i.e., from 1 July 1974 through 30 June 2009) to a company whose majority ownership was to be held, directly or indirectly, by the Istituto per la Ricostruzione Industriale (“**IRI**”). On 12 February 1974, IRI incorporated “Aeroporti di Roma”- Società per la gestione del sistema aeroportuale della Capitale S.p.A. (the “**Former AdR**”).

### *The Original Concession*

On 26 June 1974, the Former AdR and the MIT entered into the *Convenzione per la gestione unitaria del sistema aeroportuale della Capitale costituito dall’aeroporto intercontinentale “Leonardo da Vinci” di Roma - Fiumicino e dall’aeroporto di Ciampino* (the “**Original Concession**”). The Original Concession entered into full force and effect on 1 July 1974 and set out the terms and conditions for the management and operation of the Rome Airport System.

The initial term of the Concession was subsequently extended until 30 June 2044 by Article 14, paragraph 3, of Italian law decree No. 333 of 11 July 1992, amended and converted into Italian law No. 359 of 8 August 1992, as interpreted by Article 10, paragraph 1, of Italian law No. 57 of 5 March 2001.

### *The privatisation of Aeroporti di Roma*

On 25 February 1999, a decree issued by the Italian Prime Minister set out the procedure for the privatisation of the Former AdR, pursuant to which the shareholding held by the Italian government through IRI and its subsidiaries (equal, to 54.2% of Former AdR’s share capital) was disposed of as follows:

- (i) a portion equal to 3% of the Former AdR’s share capital was sold to the Region of Lazio, the Province and the Municipality of Rome and the Municipality of Fiumicino; and
- (ii) the remaining 51.2% of the Former AdR’s share capital indirectly held by the Italian government was sold to Italtipetroli S.p.A., Falck S.p.A., Gemina S.p.A. and Impregilo S.p.A. (collectively, the “**Private Shareholders**”), as described below.

On 23 June 2000, the Private Shareholders acquired the right to buy from IRI 51.2% of the ordinary shares of the Former AdR (the “**IRI Shares**”). On 17 July 2000, the Private Shareholders designated Leonardo S.p.A. (“**Leonardo**”) as the purchaser of the IRI Shares. The share capital of Leonardo was entirely owned by Leonardo Holding S.A., a company incorporated under the laws of the Grand Duchy of Luxembourg whose share capital was divided as follows: 16% was held by Compagnia Italtipetroli S.p.A., 31% by Falck S.p.A., 42% by Gemina S.p.A. and 11% by Impregilo S.p.A.

In the last quarter of 2000, Leonardo launched a mandatory tender offer for the outstanding shares of Former AdR. As a result of these transactions, in 2001, Leonardo held 95.9% of the Former AdR’s share capital.

On 13 March 2001, the board of directors of each of Leonardo and the Former AdR approved the proposed merger (by incorporation of the Former AdR into Leonardo), and Leonardo was renamed Aeroporti di Roma S.p.A. (the current AdR).

### ***The New Regulatory Framework***

In December 2012, AdR entered into, and the Rome Airport System became governed by, the Concession, which replaces and supersedes the Original Concession.

The Concession provides that: (i) AdR is entitled to an increase in passenger tariffs, applied from 9 March 2013 (by approximately Euro 10 to Euro 26 per passenger in 2013, as average unit revenue from all regulated services), with annual increases implemented from 2014 onwards, and (ii) AdR is required to implement an investment plan (providing for investments of approximately Euro 2.7 billion by 2021 and Euro 12 billion by 2044) in order to develop the Airports infrastructure and increase the capacity and quality of the Rome Airport System.

For risks relating to the New Regulatory Framework, see “*Risk Factors — Risks Relating to the Implementation of the Investment Plan*”, and for a detailed description of the new regulatory framework see “*Regulatory Framework*”.

### **Key Strengths**

#### ***Strategically advantaged location***

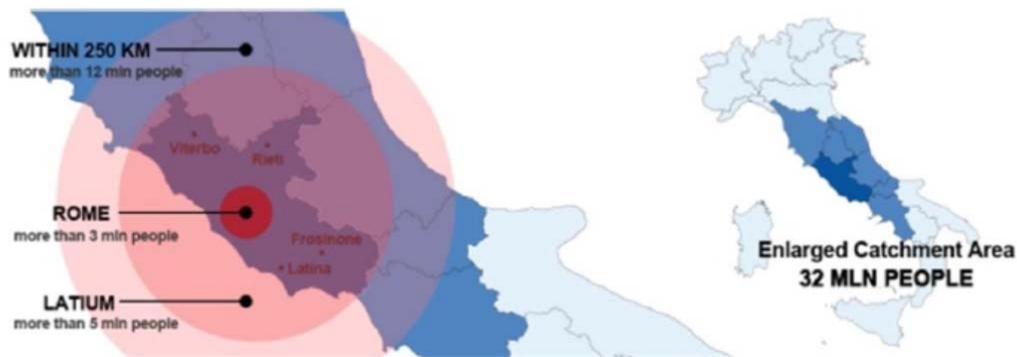
The Airports are the only commercial airports serving Rome and the Lazio region. Rome is the largest city in Italy with a population of approximately 3 million people and one of the leading international tourist destinations, attracting more than 8 million international visitors<sup>2</sup> in 2012 (an increase of 5.6 % from 2011).

Rome is not only a tourist destination, but, as the political center of Italy, it is home to the Italian government, foreign embassies and the headquarters of many leading multinational corporations with business activities in Italy. Additionally, Vatican City, the centre of Roman Catholicism and one of the most sought after destinations in global religious and secular tourism, is located in Rome.

The potential catchment population of the Rome Airport System is equal to approximately 12 million people within a radius of 250 km around Rome. In addition, in the absence of any other major local airport hub for long haul flights, Fiumicino Airport serves an even greater catchment area that extends to Central-Southern Italy, the Tyrrhenian islands and beyond, with a population of approximately 32 million people. In addition, thanks to an excellent road and rail network, both Fiumicino and Ciampino are easy to access from the main cities in Central Italy.

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<sup>2</sup> Source: Bilateral Tourism Board in Lazio

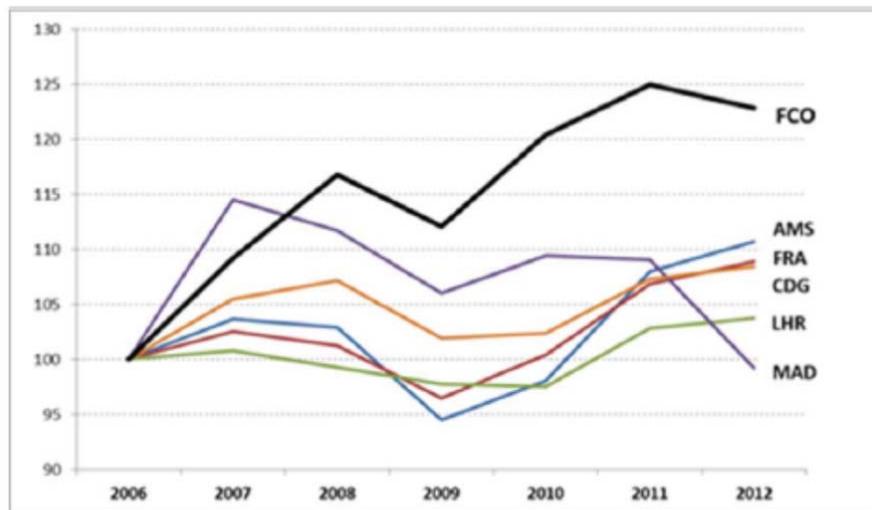


Compared to other European hubs, the Rome Airport System benefits from a strategic advantage due to its geographic position: located in the centre of the Mediterranean basin; oriented to the fast growing markets of the Middle East, the Far East and Africa; and efficiently positioned to serve transit traffic to and from the Americas. In 2012, 52% of the traffic at Fiumicino related to SkyTeam, which is comprised of 19 member alliance of airlines operating from Paris and Amsterdam hubs.

Finally, Fiumicino enjoys the potential for a major physical expansion to the north of the current airport, which could constitute a significant competitive advantage in the medium – long term as compared to other European hubs which, in some cases, suffer from capacity limitations caused by constraints on further expansion of their infrastructure.

**Traffic resilience**

The Rome Airport System proved to be relatively resilient to global traffic shocks, including major economic downturns. As shown below, in the 2007-2012 period, Fiumicino outperformed its five main competitors in the European airport sector in terms of transfer traffic (namely, London Heathrow, Paris Charles De Gaulle, Amsterdam Schiphol, Frankfurt airport and Madrid Barajas).

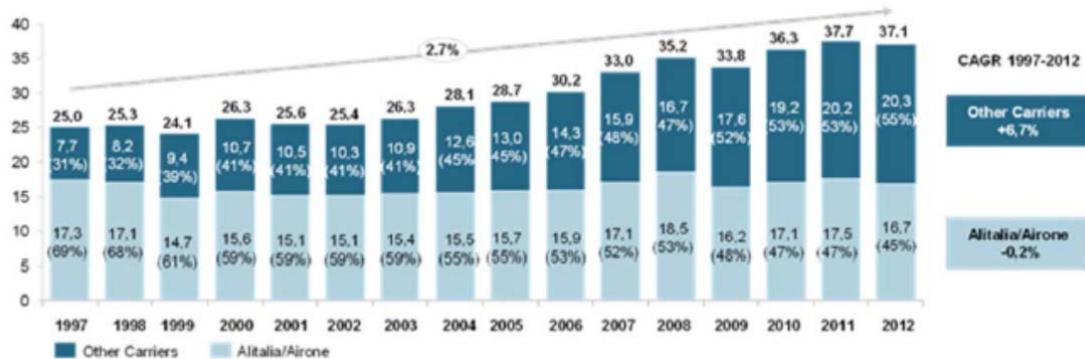


*Passenger traffic –Fiumicino vs. Top 5 EU airports (2006 = base 100)*

Leveraging on its geographical location and its vicinity to Rome, Fiumicino enjoys passenger traffic driven largely by market demand, rather than by available capacity. In spite of the relative weakness of Italy’s main domestic carrier, Alitalia, Fiumicino’s location, combined with the robust performance of foreign carriers, has enabled it to enjoy consistent growth in previous years. Indeed, over the last

15 years Fiumicino’s growth was entirely generated by carriers other than Alitalia, which recorded substantially flat volumes over the period, as shown below.

*Fiumicino Passenger traffic – Alitalia/AirOne<sup>3</sup> vs. Other Carriers*



Source: AdR internal data and analysis

**Diversified income sources**

AdR earns income from a variety of sources including, without limitation, charges paid by airlines for aeronautical services, concession fees from retail and food & beverage operators, revenues from car parks and advertising activities, as well as leases of the Airports premises.

The Rome Airport System serves a wide range of airlines, including, without limitation, Alitalia (which is the principal carrier), British Airways, Air France, Lufthansa, Ryanair, EasyJet and Blue Panorama. Fiumicino and Ciampino serve a range of market segments, including: (i) business and leisure travellers, (ii) origin, destination and transfer passengers; (iii) long and short haul routes; and (iv) full-cost, low-cost and charter carriers.

The Rome Airport System serves over 200 routes, with a significant market diversification: based on traffic volumes for the year ended 31 December 2012, domestic, European and extra-European destinations accounted for 31%, 44%, 25%, respectively, while for the nine months ended 30 September 2013, domestic, European and extra-European destinations accounted for 30%, 42%, 28%, respectively.

A significant portion of the AdR customer base originates outside of Italy, therefore reducing the exposure to the local economy.

**Non-aeronautical business potential value**

At airports such as Fiumicino, revenues from non-aeronautical activities represent a significant part of total revenues, growing at a faster pace, on a “like-for-like” basis, than aeronautical revenues or traffic volumes and producing higher profit margins.

AdR shows an increased market potential in retail activities when compared with other airports’ with a similar traffic mix; furthermore such increased market potential is expected to be sustained by an increase in high-spending passengers as set out in AdR’s business development plan which includes a focus on optimising retail layouts and leveraging luxury brands. In this regard, AdR sold its direct retail business activities to LS Travel Retail Italia (a company of the Lagardère group). As a result, AdR has shifted from direct management of retail outlets to outsourcing of such activities and collecting royalties based on turnover. See also “Business Description of the Group — The AdR

<sup>3</sup> AirOne is the Alitalia’s smart carrier.

*Group — Business Portfolio Model” and “Business Description of the Group — Business Activities and Revenue Generation — Non-aeronautical activities” below.*

The real estate activities also show growth potential based on the increased demand potential expected from the expansion of Fiumicino airport (captive) and new demand (non-captive) by attracting activities currently established in the area surrounding Fiumicino.

The potential value of other non-aeronautical business (such as the car parking and the advertising businesses) is still primarily linked to the increase in traffic volume and the implementation of the development plans that AdR plans to implement (either alone or with the involvement of third parties) to maximise the business profitability of such activities.

### ***Stable and favourable New Regulatory Framework***

The New Concession and Economic Regulation Agreement included in the New Regulatory Framework (each as defined in the section headed “*Regulatory Framework*”, below) signed by AdR and *Ente Nazionale per l’Aviazione Civile* (“**ENAC**”), the Italian Civil Aviation Authority, on 25 October 2012 and approved by the Italian Prime Minister on 21 December 2012, defines a coordinated set of clear, transparent and stable rules, valid until the end of the concession period, which aim to allow AdR to pursue its development plan and access the capital markets.

The main features of the New Regulatory Framework are:

- The central role of the investment plan to expand capacity and enhance service level in line with world class standards;
- A new tariff scheme includes the following:
  - a regulatory asset base (RAB) model, with respect to the regulated aeronautical activities;
  - a pure “dual till” model, with respect to the non-aeronautical activities;
  - mechanisms to reward efficiency and quality achievements;
  - costs that guarantee and protect the return on capital;
  - a simplified pricing system through service bundling;
- Effective risk management to address deviations from traffic projections and unfavorable exogenous events; and
- Clarifies the rights and obligations of AdR, as concessionaire, and MIT/ENAC, as competent supervisory authorities, under certain circumstances, including issues potentially leading to an early termination.

For further information on the New Regulatory Framework, see “*Regulatory Framework*” and for risks relating to the New Regulatory Framework, see “*Risk Factors — Risks Relating to the Implementation of the Investment Plan*”.

### **Business Strategy**

AdR’s strategy is to strengthen its competitive position by efficiently managing the Rome Airport System by offering high quality services and safety standards, which should allow AdR to promptly respond to growing traffic volumes.

In the medium to long term, AdR aims to achieve a leadership position among the European airports, in order to become a key player in terms of size and value creation for shareholders. The main goals of AdR are as follows:

- be among the leading airports in Europe in terms of the volume of passenger traffic and overall airport experience;
- be the primary gateway to Italy and a leading hub for Southern Europe;
- provide a world-class level of service, benchmarked globally;
- support the sustained development of Italy by facilitating trade and tourism;
- serve as an engine for economic growth for the Lazio Region and Italy as a whole;
- provide a reasonable return on capital and ensure sustained value creation for its shareholders; and
- implement a conservative financial policy.

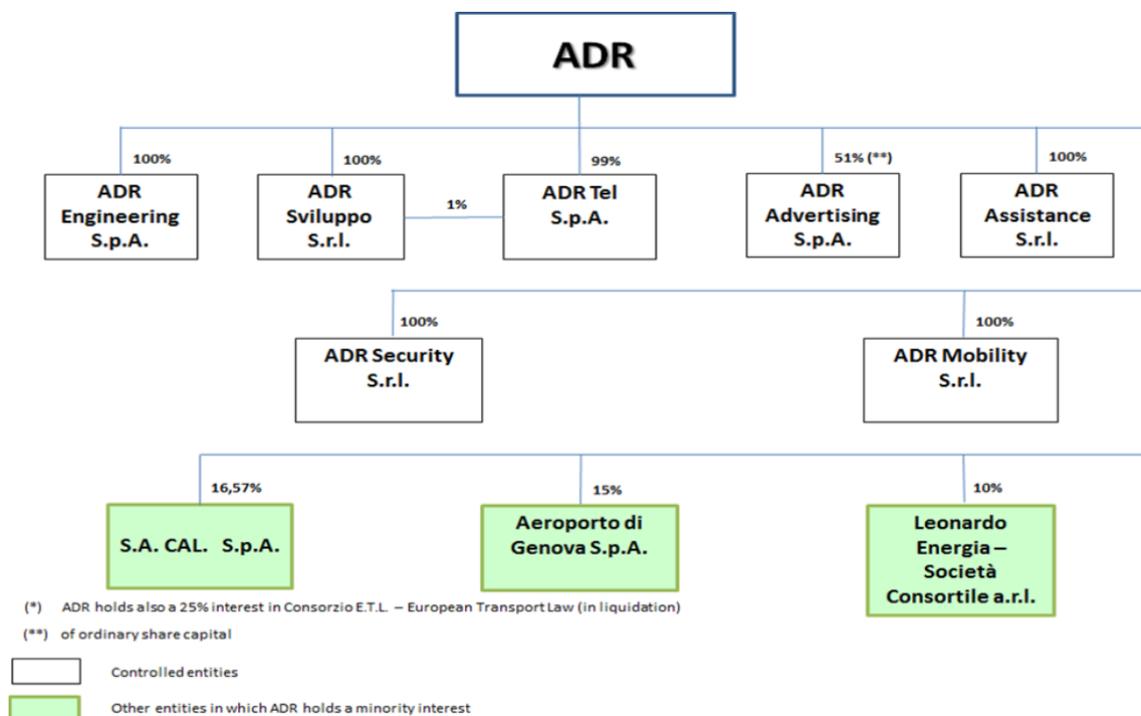
To support and develop the Airports, AdR will focus on developing the appropriate infrastructure, creating a strong service culture, pursuing operational safety, excellence and cost efficiency, and providing users with wide-range of choices.

To ensure increasing passenger traffic volumes, AdR will continue to support the success of the major airlines operating at the Airports, whilst at the same time seek to attract new airlines.

### **The AdR Group**

#### ***The AdR Group – Structure diagram***

The following diagram sets forth the structure of the AdR Group as at the date of this Offering Circular.



### ***Business Portfolio Model***

In 2012, AdR carried out a thorough review of the business segments of the Group and launched a new business portfolio strategy aimed at its core aeronautical business.

In this context, in May 2012, AdR completed a corporate reorganisation of certain non-core businesses, spinning off the “**Direct Retail Business**”, the “**Car Park Business**” and the “**Security Business**” (each as defined below) into three separate wholly-owned subsidiaries. In addition, AdR launched a separate competitive auction processes to sell its interest in the Direct Retail Business and the Car Park Business, aimed at enhancing the value of these profitable non-core businesses. In September 2012, AdR completed the sale of AdR Retail S.r.l., which operated the Direct Retail Business for the Group (“**AdR Retail**”), to LS Travel Retail Italia. The process for the disposal of AdR Mobility (as defined below), which operated the Car Park Business, was suspended, as AdR was not willing to accept any of the offers received. As at the date hereof, AdR may seek to sell AdR Mobility in the future.

Upon completion of the foregoing process, as far as the aeronautical activities are concerned, AdR’s business portfolio strategy provides that AdR manages the Airports’ infrastructure and operates, through wholly-owned dedicated subsidiaries, (i) the Security Business, which is conducted by AdR Security (as defined below) and (ii) the ground assistance to reduced mobility passengers, which is conducted by AdR Assistance (as defined below). AdR no longer conducts, directly or indirectly, any baggage handling activities after the disposal of this business in 2007.

As far as the non-aeronautical business is concerned, AdR is pursuing a strategy aimed at leveraging the involvement of third parties and attracting the specialised operators, such as, for example, with respect to the Direct Retail Business (see below).

In particular, the sale of the traditional airport “core categories” (perfumes, cosmetics, typical high quality wines, gastronomic products, spirits and tobacco) in the Airports (the “**Direct Retail Business**”) is managed by LS Travel Retail Italia (part of the Lagardère Group) pursuant to a 14-year

retail sub-concession agreement and a warehouse (*magazzini*) and other State properties (*beni demaniali*) sub-concession agreement entered into with AdR, which provides for annual payments of royalties equal to, on average, 32.5% of the turnover generated by AdR Retail. In addition, approximately 90 retailers operate more than 140 shops in the Airports, offering various categories of goods targeted at different kinds of passengers according to the different areas of the Airports, and approximately 10 retailers operate in the food and beverage sector in the Airports through more than 45 restaurants and bars.

Other commercial activities, such as the advertising business on the Airports' premises and the Car Parking Business, are currently operated through the subsidiaries AdR Advertising (as defined below) and AdR Mobility S.r.l., respectively. AdR is investigating different models to continue to carry out its advertising business.

Finally, real estate activities on the Airports' premises are managed through single tenants (such as the Hilton hotel) or multi-tenants (in the case of several buildings, offices and areas rented by third parties) on the basis of building rights (*diritti di superficie*) pursuant to Italian law.

In the context of the reorganisation of its non-core businesses, in October 2012, AdR disposed of the ground support equipment maintenance business (the "**GSE Maintenance Business**") which includes the maintenance of vehicles (*e.g.*, ramps, tractors and buses) owned by third parties (mainly baggage handling companies) in the Airports, together with assets, contracts, rights, liabilities, personnel (71 units) and employees related thereto (*cessione di ramo d'azienda*).

## **AdR**

AdR is a joint stock company (*società per azioni*) incorporated under Italian law. Its registered office is at Via dell'Aeroporto di Fiumicino, 320, 00054 – Fiumicino (Rome), Italy and it is registered with the Companies' Register of Rome under number 13032990155, Fiscal Code 13032990155 and VAT Number 06572251004. AdR may be contacted by telephone at +39 06 65951. AdR's website is [www.adr.it](http://www.adr.it).

AdR's terms of incorporation shall last until 31 December 2050, subject to extension. See "*The Issuer*" for information on the Issuer's corporate objects and "*The Issuer*", "*Capitalisation and Indebtedness*" and "*Corporate Governance — Shareholders*" for information on the Issuer's share capital.

## **AdR's subsidiaries**

The paragraphs below provide a brief description of AdR's subsidiaries

### *AdR Advertising S.p.A.*

AdR Advertising S.p.A. ("**AdR Advertising**") is a joint stock company (*società per azioni*) incorporated under Italian law as a joint venture between AdR and IGPDecaux S.p.A. ("**IGPDecaux**"). AdR holds 51% of ordinary shares in AdR Advertising and 25.5% of its total share capital, whilst the remaining ordinary shares and 100% of the saving shares are held by IGPDecaux. AdR Advertising manages the advertising spaces in the Rome Airport System pursuant to a lease agreement (*contratto di affitto di ramo di azienda*) for the advertising branch entered into with AdR in 2003 and which is currently set to expire on 31 December 2013. Under the terms of this agreement, AdR Advertising agreed to pay to AdR a payment based on AdR Advertising's turnover. For the period ending 31 December 2012, the revenues of AdR Advertising was to Euro 16.4 million, representing a decrease of 7.1% with respect to 2011 (reflecting the trend in the advertising market generally). As a result, the payment to AdR in 2012 was Euro 12.9 million (a decrease of Euro 1.0 million as compared to 2011).

#### *AdR Engineering S.p.A.*

AdR Engineering S.p.A. (“**AdR Engineering**”) is a joint stock company (*società per azioni*) incorporated under Italian law and wholly-owned by AdR. AdR Engineering operates in the airport engineering services field, providing integrated services for the design and construction of large infrastructure (including design, work supervision and technical advice). It is currently involved mainly in the design and supervision of the infrastructure development plan for Fiumicino and Ciampino. For the year ended 31 December 2012, the revenues of AdR Engineering were mainly derived from a mandate given by AdR and were Euro 5.4 million, a decrease of 14% as compared to 2011.

#### *AdR Tel S.p.A.*

AdR Tel S.p.A. (“**AdR Tel**”) is a joint stock company (*società per azioni*) incorporated under Italian law and wholly-owned by AdR. AdR Tel provides telecommunication services and manages the telecommunication systems in the Airports. For the year ended 31 December 2012, AdR Tel had revenues of Euro 10.7 million, a decrease of 3.3% as compared to 2011, which was mainly due to a reduction of the investments made by AdR in the development of its telecommunications systems.

#### *AdR Assistance S.r.l.*

AdR Assistance S.r.l. (“**AdR Assistance**”) is a limited liability company (*società a responsabilità limitata*) incorporated under Italian law and wholly-owned by AdR. AdR Assistance provides ground handling assistance to reduced mobility passengers departing from, in transit to or arriving at Fiumicino and Ciampino, in compliance with Regulation No. 1107/2006/EC. and on the basis of a service contract entered into with AdR in July 2008. For the year ended 31 December 2012, AdR Assistance had revenues of Euro 16.4 million, an increase of 11.3% as compared to 2011, due to an increase in the fees payable for the activities performed at Fiumicino.

#### *AdR Mobility S.r.l.*

AdR Mobility S.r.l. (“**AdR Mobility**”) is a limited liability company (*società a responsabilità limitata*) incorporated under Italian law and wholly-owned by AdR. AdR Mobility was incorporated in May 2012 by AdR contributing in kind its branch of business (*conferimento di ramo d'azienda* pursuant to Italian law) assets and personnel at Fiumicino to operate multi-level and long-stay car parks (the “**Car Park Business**”), together with any rights and liabilities related thereto. AdR Mobility operates the Car Park Business pursuant to, *inter alia*, a 14-year sub-concession agreement entered into with AdR. For the year ended 31 December 2012 AdR Mobility had revenues of Euro 27.3 million.

#### *AdR Security S.r.l.*

AdR Security S.r.l. (“**AdR Security**”) is a limited liability company (*società a responsabilità limitata*) incorporated under Italian law and wholly-owned by AdR. AdR Security was incorporated in May 2012 by AdR contributing in kind its branch of business (*conferimento di ramo d'azienda* pursuant to Italian law) assets and services for personnel security checks and surveillance on assets in the Airports (the “**Security Business**”). AdR Security operates the Security Business pursuant to an exclusive management and services agreement (*appalto di servizi*) with AdR. For the year ended 31 December 2012, AdR Security had revenues of Euro 25.4 million.

#### *AdR Sviluppo S.r.l.*

AdR Sviluppo S.r.l. (“**AdR Sviluppo**”) is a limited liability company (*società a responsabilità limitata*) incorporated under Italian law and wholly-owned by AdR. AdR Sviluppo’s aim is to promote and develop real estate initiatives in the Airports. As at the date hereof, AdR Sviluppo is not operational. As of 31 December 2012, shareholders’ equity was Euro 104,323.

## AdR's other minority equity interests

AdR holds the following minority equity interests which had a total equity value of Euro 2.2 million as of 31 December 2012:

- a 16.57% equity interest in S.A.CAL. S.p.A., a joint stock company (*società per azioni*) in charge of the management of the Lamezia Terme airport;
- a 15% equity interest in Aeroporto di Genova S.p.A., a joint stock company (*società per azioni*) in charge with the management of the Genoa airport; and
- a 10% interest in Leonardo Energia – Società Consortile a r.l. (“**Leonardo Energia**”) and the remaining 90% is held by Fiumicino Energia S.r.l. (“**Fiumicino Energia**”), which is controlled by the AdR’s reference shareholder. Leonardo Energia is a limited liability consortium (*società consortile*) that manufactures, transforms and transports electrical and thermal power for the benefit of the consortium partners, through the management of: (i) the new cogeneration plant built at Fiumicino and owned by Fiumicino Energia, made available to Leonardo Energia pursuant to a business unit lease agreement (*contratto di affitto di azienda*) and (ii) the thermal power plant made available by AdR pursuant to a sub-concession agreement.

## Employees

As of 31 December 2012, the Group had 2,227 employees, a decrease of 14% compared to 31 December 2011. The decrease was mainly due to the sale of AdR Retail in October 2012 and of the GSE maintenance business in November 2012.

As of 30 September 2013, the Group had 2,504 employees, an increase of 12.4% compared to 31 December 2012. The increase was mainly due to the seasonal increase in travel demand during the summer.

## Business Activities and Revenue Generation

The AdR Group operates in the aeronautical and non-aeronautical business segments at the Fiumicino and Ciampino Airports, and generates both aeronautical and non-aeronautical revenues.

The table below provides a breakdown of the Group’s revenues by area of activity for the years ended 31 December 2011 and 2012, and for the nine months ended 30 September 2012 and 2013.

	Years ended 31 December				Nine months ended 30 September			
	2011		2012		2012		2013	
	<i>Euro in millions</i>	<i>% of Group revenues</i>	<i>Euro in millions</i>	<i>% of Group revenues</i>	<i>Euro in millions</i>	<i>% of Group revenue</i>	<i>Euro in millions</i>	<i>% of Group revenue</i>
Aeronautical business.....	323.5	52.2%	321.7	53.4%	247.3	52.2%	345.6	68.7%
Non-aeronautical business .....	296.5	47.8%	280.5	46.6%	226.7	47.8%	157.4	31.3%
<b>Total.....</b>	<b>620.0</b>	<b>—</b>	<b>602.2</b>	<b>—</b>	<b>474.0</b>	<b>—</b>	<b>503.0</b>	<b>—</b>

## Aeronautical activities

Aeronautical activities directly connected with the airport management business segment include airport charges, centralised infrastructures, security services and other related activities.

The table below shows the breakdown of revenues from AdR Group’s aeronautical activities by sub-sector for the years ended 31 December 2011 and 2012, and for the nine months ended 30 September 2012 and 2013.

	Year ended 31 December		Nine months ended 30 September	
	2011	2012	2012	2013
	<i>Euro in millions</i>	<i>Euro in millions</i>	<i>Euro in millions</i>	<i>Euro in millions</i>
Airport charges.....	181.6	179.0	137.7	253.2
Centralised infrastructures .....	40.5	41.6	31.9	13.0
Security services.....	70.4	68.3	52.6	55.8
Other aeronautical activities .....	31.0	32.8	25.1	23.6
<b>Total aeronautical revenues.....</b>	<b>323.5</b>	<b>321.7</b>	<b>247.3</b>	<b>345.6</b>

### *Airport charges*

Revenues related to airport charges consist of:

- *landing and take-off fees and parking charges:*
  - For the year ended 31 December 2012, such charges amounted to Euro 56.9 million, recording a decrease of 2.5% due to a 4.9% reduction in the volume of traffic from the previous year. This reduction was partly mitigated by a slight increase in non-EU traffic (which is characterised by a higher unit fee) and an increase in fees on 6 June 2012 aimed at bringing them in line with the target inflation (+1.5% subsequently adjusted to 2.0% from 12 December 2012);
  - For the nine months ended 30 September 2013, these charges amounted to Euro 72.4 million, with a 65.8% increase as compared to 2012 due to the reduced number of movements (down 4.5%) and the higher unit fee. The increase in fees derived from (i) the correction of the previous adjustment to target inflation from 1.5% to 2.0%, from 12 December 2012 and (b) the increase in passenger tariffs upon approval of the New Regulatory Framework, applied from 9 March 2013 (which include 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);
- *passengers boarding charges:*
  - For the year ended 31 December 2012, these charges amounted to Euro 119.2 million, a 0.9% decrease compared to 2011. Such decrease was due to an 8.1% reduction in the number of domestic passengers handled, which was offset by a 3.2% increase in non-EU passengers (having a higher unit fee) and the adjustment in fees to reflect target inflation rate;
  - For the nine months ended 30 September 2013, these charges amounted to Euro 178.7 million, an increase of 94.4% compared to the first nine months of 2012. The reduction in passenger traffic was offset by the positive effects from the adjustment of fees to inflation and, in particular, from the adjustment of the fees that took place pursuant to the New Regulatory Framework, which included passenger boarding fees, and related costs, regarding centralised infrastructures for services directly attributable to passengers (such as baggage handling systems, passenger check-in computerised systems, public announcement and information);
- *cargo charges:*
  - For the year ended 31 December 2012, such fees amounted to Euro 2.9 million, a 6.2% decrease as compared to 2011, attributable to a 5.5% reduction in the volume of goods transported compared to the previous year;
  - In the nine months ended 30 September 2013, revenues amounted to Euro 2.1 million, an increase of 0.9% as compared to 2012 due to the increase in transport

of goods compared to the previous year (increase of 0.4%). Although the New Regulatory Framework allows for higher fees, AdR determined to temporarily increase fees in 2013 due to the state of the cargo market.

#### *Centralised infrastructures*

Revenues related to centralised infrastructure derive, in particular, from:

- *the baggage handling system (“BHS”)*. This system receives all departing baggage via the conveyor belts linked to check-in desks, and delivers it to one of the 42 baggage loading bays (according to destination) via a tunnel system on two levels which transports and sorts baggage automatically. The BHS can handle up to 12,000 items of baggage per hour, or 200 per minute. Destinations are identified using a bar code system;
- *the passenger loading bridges* connecting airport terminal gate to an aircraft, allowing passengers to board and disembark without going outside;
- *the centralised electricity supply and pre-flight charging*, an electricity supply of approximately 400Hz is provided for aircraft in service areas, so that aircraft can be charged pre-flight via fixed equipment;
- *the centralised purification plant and treatment of on-board waste*, a chemical purification of waste water discharged from aircraft must be carried out at AdR’s central purification plant;
- an automated freight container handling system;
- *the fixed plant aircraft fuel storage and distribution* comprising fuel storage systems, distribution networks and supply points at aircraft parking spaces at Fiumicino and is managed by SERAM S.p.A; and
- *Centralised IT and public information and address systems*. The airport information system used to input and relay items of general interest and passenger information.

For the year ended 31 December 2012, revenues deriving from centralised activities amounted to Euro 41.6 million, a 2.8% increase compared to the previous year. For the nine months ended 30 September 2013, the management of centralised infrastructures recorded a turnover of Euro 13 million, a decrease of 59.3% compared to the same period of the previous year. Such decrease is attributable to (a) a 82.7% decrease in revenues from the baggage handling systems (since 9 March 2013 such revenues are accounted for under airport charges-passenger boarding charges) and (b) a 28.2% decrease in revenues deriving from loading bridges (such decrease is due to fewer movements and the new lower fee set out in the New Regulatory Framework).

#### *Security services*

For the year ended 31 December 2012, revenues from security activities amounted to Euro 68.3 million, a 2.9% decrease compared to the previous year. Such revenues are attributable to:

- passengers and hand baggage checks; and
- hold baggage screening.

For the nine months ended 30 September 2013, security activities (including security checks on passengers and carry-on and checked baggage, explosive detection checks, other security checks requested) generated revenues of Euro 55.8 million, an increase of 6.1% compared to the previous year. This result was due to the increased unit fees provided under the New Regulatory Framework, which offset lower passenger traffic.

### *Other aeronautical activities*

For the year ended 31 December 2012 and for the nine months ended 30 September 2013, revenues from other aeronautical activities amounted to Euro 32.8 million and Euro 23.6 million, respectively. Such revenues are attributable to:

- *assistance to passengers with reduced mobility provided through AdR Assistance:*
  - for the year ended 31 December 2012, such activity generated revenues of Euro 16.3 million, an increase of 11.5% compared to 2011. Such increase is mainly due to different unit fees applied in 2012, but which was partially mitigated by the reduction in passenger traffic;
  - for the nine months ended 30 September 2013, revenues amounted to Euro 12.7 million, a 3.0% increase compared to 2012, due to the different unit fees applied in 2012 (mainly the increase in the Euro unit fee for Fiumicino from Euro 0.74 to 0.91 from 1 May 2012, which was offset in part by the reduction in passenger traffic);
- *passengers check-in desk:*
  - for the year ended 31 December 2012, these activities generated revenues Euro 11.4 million, a 2.5% increase compared to the previous year;
  - for the nine months ended 30 September 2013, revenues from such activities, which amounted to Euro 8.9 million, a 2.8% increase compared to 2012, due to the combined effect of the reduction in outgoing flights and the new methods to use the desks. This effect was compounded from 9 March 2013 by the increase in the unit fees provided under the New Regulatory Framework;
- *other aeronautical revenues*, such as those for use of common assets (*beni di uso comune*), baggage handling (*facchinaggio*) and left luggage, self-service trolleys and other related activities.
  - for the year ended 31 December 2012, revenues for these activities amounted to Euro 5.1 million, largely in line with those generated in 2011;
  - for the nine months ended 30 September 2013, such revenues, equal to Euro 2.0 million, decreased compared to 2012 (a decrease of 52.3%) since the fees for common assets have been included in landing and take-off fees from 9 March 2013.

### *Non-aeronautical activities*

Non-aeronautical activities of the AdR Group include real estate activities, commercial activities (including sales, sub-concessions and utilities, car parks, advertising, shops and food and beverage outlets) and other related activities.

The table below shows a breakdown of revenues from AdR Group's non-aeronautical activities by sub-sector for the years ended 31 December 2011 and 2012, and for the nine months ended 30 September 2012 and 2013.

	Year ended 31 December		Nine months ended 30 September	
	2011	2012	2012	2013
	<i>Euro in millions</i>	<i>Euro in millions</i>	<i>Euro in millions</i>	<i>Euro in millions</i>
Real estate activities.....	61.9	62.3	47.2	42.6
Retail outlets directly managed <sup>(1)</sup> .....	89.3	69.0	69.0	—
Sub-concession of retail outlets.....	57.4	70.9	48.1	71.6
Car parks.....	31.6	29.8	23.3	21.0
Advertising.....	20.0	18.3	14.3	9.1
Other non-aeronautical activities.....				
<i>Canteen</i> .....	7.4	3.8	3.8	—
<i>Contract work in progress</i> .....	5.6	3.8	3.5	2.6
<i>Other</i> .....	23.2	22.6	17.6	10.6
<b>Total non-aeronautical revenues.....</b>	<b>296.5</b>	<b>280.5</b>	<b>226.7</b>	<b>157.4</b>

(1) In September 2012, AdR completed the sale of AdR Retail S.r.l., the newco operating the direct retail business, to LS Travel Retail Italia. Revenues generated by AdR Retail S.r.l. have been substituted by royalties under the agreement with LS Travel Italia Retail.

\* AdR no longer carries out the management of canteens for airports operators; such activity is managed directly by the service supplier to which AdR provided spaces and equipment through sub-concession.

As at 31 December 2012 and as at 30 September 2013, non-aeronautical income represented 46.6% and 31.3%, respectively, of AdR Group's total revenues.

Non-aeronautical revenues decreased by 5.4% from Euro 296.5 million in 2011 to Euro 280.5 million in 2012 and by 30.6% from Euro 226.7 million as at 30 September 2012 to Euro 157.4 million in the same period of 2013.

The reduction in non-aeronautical revenues is mainly due to the sale of AdR Retail to LS Travel Retail Italia in September 2012 (see "*Business Description of the Group — The AdR Group — Business Portfolio Model*"), which resulted in a decrease of revenues from retail outlets directly managed from Euro 89.3 million to Euro 69.0 million for the year ended 31 December 2012, as compared to 31 December 2011, and from Euro 69 million to Euro 0 million for the nine months ended 30 September 2013, as compared to 30 September 2012. Such decrease has been partly offset by an increase in revenues deriving from sub-concession of retail outlets from Euro 57.4 million to Euro 70.9 million for the year ended 31 December 2012, as compared to 31 December 2011, and from Euro 48.1 million to Euro 71.6 million for the nine months ended 30 September 2013 as compared to 30 September 2012, in connection with the entering into the sub-concession agreement with LS Travel Retail Italia. The disposal of the Business Retail Activities resulted in a decrease of costs for raw materials and goods for resale of Euro 8.1 million for the year ended 31 December 2012, as compared to 31 December 2011, and Euro 36.0 million for the nine months ended 30 September 2013, as compared to 30 September 2012.

In addition, the performance of the non-aeronautical segment was also driven by the increase in the average spend per passenger for commercial activities, attributable to the improved traffic mix (i.e. the increase in non-EU passengers with a higher propensity to purchase), shorter lines at security checks and the business development actions. Royalties also increased following a strategic review and implementation of new strategy, and the improved conditions of the currency exchange contracts in the first nine months of 2012.

#### *Real estate activities*

Revenues deriving from real estate activities are attributable to:

- revenues from retail and other sub-concessions deriving from fees and utilities at the Airports; and

- other fees charged on the basis of the volume of activities carried out (such as revenues from jet catering activities, hotels and car hire).

#### *Retail activities*

For the year ended 31 December 2012, revenues arising from sub-concession of retail outlets amounted to Euro 70.9 million, a 23.4% increase compared to 2011. In the first nine months of 2013 such revenues amounted to Euro 71.6 million, a 48.8% increase compared to the same period in 2012 (an increase of 8.8% on a like for like basis, excluding the royalties from core categories - for further information see below).

Commercial activities benefited from a favourable passenger traffic mix linked to the increase in volume of non-EU passengers, as compared to the number of domestic passengers. The reduction in the amount of time passengers spent at security (recorded as from May 2012) has also contributed to this growth by shortening lines and thus increasing the time passengers have available for shopping.

Revenues arising from the retail outlets are mainly attributable to:

- *core categories (perfumes, cosmetics, typical high quality wines and gastronomic products, spirits and tobacco)*: royalties arising from the sub-concession agreement entered into between AdR and AdR Retail, from 1 October 2012 to 31 December 2012, amounted to Euro 7.3 million. For the nine months ended 30 September 2013, the royalties generated by the retail outlets under sub-concession in favour of LS Travel Retail Italia amounted to Euro 23.1 million. Such royalties were impacted by the restructuring and extension works on the area allocated to retail sales which were recently completed;
- *specialist retail*: revenues for such royalties amounted to Euro 33.7 million, a 13.5% increase decrease in absolute terms and a 16.2% increase in terms of average revenue per passenger. The “luxury” and “fine food” segments continued to record a positive overall growth of 25.7% and a 12.5% increase in average revenue per passenger, respectively. For the nine months ended 30 September 2013, revenues from royalties amounted to Euro 24.4 million, down by 0.3% in absolute terms and up 1.8% in terms of average revenue per passenger. Such increase is attributable to the general positive performance of the segments included in specialist retail, despite the loss of area available for specialist retail businesses in favour of core categories. In particular, “Luxury” and “Clothing” have registered an increase of 1.8%;
- *food and beverage*: revenues in this segment amounted to Euro 22.9 million, an overall increase of 7% and an increase of 9.5% in revenue per passenger. For the nine months ended 30 September 2013, revenues amounted to Euro 17.6 million, in line with the figures of the previous year for the period, despite the numerous restructuring activities conducted in the first half (up 1.2% for revenue per passenger). The business benefitted from new openings and the new price list effective from 1 March; and
- *other commercial services provided to passengers*: the passenger service activities recorded revenues equal to Euro 7.0 million, an overall increase of 9.6% and a 12.1% increase in terms of unit revenues compared to 2011. For the nine months ended 30 September 2013, the passenger service activities recorded revenues equal to Euro 6.5 million, rising by 10.7% compared to the same period of 2012 and by 13.3% in terms of unit revenues, attributable essentially to the renewed current exchange activities and related contractual conditions.

AdR managed directly the retail outlets until 30 April 2012. Following the reorganisation of certain non-core businesses, the Group managed retail outlets through AdR Retail up to 30 September 2012, the date on which AdR Retail was transferred to LS Travel Retail Italia (for further information, see “*Business Description of the Group — The AdR Group — Business Portfolio Model*”, above). Revenues deriving from retail outlets up to 30 September 2012 amounted to Euro 69 million. With

effect from 1 October 2012, such activity is no longer directly managed by the Group's companies, but through sub-concession agreements.

#### *Car parks*

For the nine months ended 30 September 2013 revenues were equal to Euro 21.0 million, a 9.7% decrease compared to the same period of the previous year. Such revenues were attributable to:

- *car parking for passengers*: revenues amounted to Euro 17.5 million, a 12.0% overall decrease compared to the same period in 2012, principally as a result of a reduction in domestic passengers at the Airports, which decreased by 13.1% in Fiumicino and 3.2% at Ciampino; and
- *car parking for airport operators*: revenues amounted to Euro 3.5 million, recording a 3.4% increase compared to the same period in 2012.

As at the date of this Offering Circular, the “**Car Park Business**” is managed by AdR Mobility (see “*Business Description of the Group — The AdR Group — Business Portfolio Model*”, above).

#### *Advertising activities*

Revenues from this segment derive from the sale of advertising space to third parties, both outside and inside the terminals, on signs, billboards, illuminated signs, promotional displays, advertising towers, giant product models and baggage trolleys. As at 31 December 2012, such revenues amounted to Euro 18.3 million, an 8.7% decrease compared to 2011. Such decrease is attributable to persistent difficulties experienced by the sector and the discontinuation, in the last quarter of 2012, of the advertising activity at the shops which had been disposed of following the sale of AdR Retail. As at and for the nine months ended 30 September 2013 there has been a 36.2% decrease compared to the same period of 2012, with revenues of Euro 9.1 million.

As at the date of this Offering Circular, the advertising business in the Airports is conducted by AdR Advertising (see “*Business Description of the Group — AdR — AdR's subsidiaries*”, above).

#### *Other non-aeronautical activities*

Revenues from other non-aeronautical activities are mainly attributable to:

- *food and beverage*: in the first six months of 2012 such activities generated revenues of Euro 3.8 million. As from 1 July 2012, the management of canteens for airport operators is no longer carried out by AdR. Such activities are directly carried out by the third party service supplier to which AdR provides spaces and equipment through a sub-concession agreement;
- *contracts for work in progress*: revenues deriving from such activities, substantially comprising revenues for refunds of 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, amounted to Euro 2.6 million for the first nine month of 2013, compared to Euro 3.5 million generated in the same period of the previous year;
- *other revenues* including, without limitation, those deriving from maintenance services provided to third parties (up to 1 November 2012, see “*Business Description of the Group — The AdR Group — Business Portfolio Model*”, above), cleaning fees and biological wastewater treatment, and sales. Such revenues totalled Euro 22.6 million for the year ended 31 December 2012 and Euro 10.6 million for the nine months ended 30 September 2013.

The tables below show key performance indicator data of non-aeronautical activities for Fiumicino and Ciampino, respectively, for the years ended 31 December 2011 and 2012.

	Main indicators of non-aeronautical activities of Fiumicino		
	31 December	31 December	Change%
	2011	2012	
Shop average spending (€/departing passenger).....	12.36	12.96	4.9%
Retail area per million of passengers (m <sup>2</sup> ).....	698	718	2.8%
Food and beverage average spending (€/departing passenger).....	4.18	4.40	5.3%
Food and beverage outlet per million of passengers (m <sup>2</sup> ).....	615	637	3.6%
Passenger car parking average spending (€/arriving passenger).....	1.81	1.72	(5.0)%

	Main indicators of non-aeronautical activities of Ciampino		
	31 December	31 December	Change%
	2011	2012	
Shop average spending (€/departing passenger).....	4.66	4.14	(11.2)%
Retail area per million of passengers (m <sup>2</sup> ).....	340	381	12.0%
Food and beverage average spending (€/departing passenger).....	2.90	2.84	(2.1)%
Food and beverage outlet per million of passengers (m <sup>2</sup> ).....	195	231	9.2%
Passenger car parking average spending (€/arriving passenger).....	0.98	1.03	5.1%

The tables below show key data of non-aeronautical activities for Fiumicino and Ciampino, respectively, for the nine-month period ended 30 September 2012 and 2013.

	Main indicators of non-aeronautical activities of Fiumicino		
	30 September 2012	30 September 2013	Change%
Shop average spending (€/departing passenger).....	12.70	12.98	2.2%
Retail area per million of passengers (m <sup>2</sup> ).....	933	932	–
Food and beverage average spending (€/departing passenger).....	4.40	4.44	0.9%
Food and beverage outlet per million of passengers (m <sup>2</sup> ).....	836	796	(4.7)%
Passenger car parking average spending (€/arriving passenger).....	1.75	1.59	(9.5)%

	Main indicators of non-aeronautical activities of Ciampino		
	30 September 2012	30 September 2013	Change%
Shop average spending (€/departing passenger).....	4.10	3.66	(10.7)%
Retail area per million of passengers (m <sup>2</sup> ).....	490	452	(7.8)%
Food and beverage average spending (€/departing passenger).....	2.84	2.81	(1.1)%
Food and beverage outlet per million of passengers (m <sup>2</sup> ).....	274	274	0.1%
Passenger car parking average spending (€/arriving passenger).....	1.03	0.97	(6.2)%

## Traffic

### *The Rome Airport System*

#### *Development of passenger traffic*

For the year ended 31 December 2012, approximately 41.6 million passengers used the Rome Airport System, a 2.2% decrease compared to the same period in the previous year. In terms of capacity, a decrease has been registered in movements (*i.e.*, numbers of takeoffs and landings, down 4.9%), aircraft tonnage (*i.e.*, maximum weight at which is allowed to takeoff, down 3.9%) and seats (*i.e.*, the total number of seats available in the aircraft, down 3.4%).

The chart below contains a breakdown of the main traffic data of the Rome Airport System.

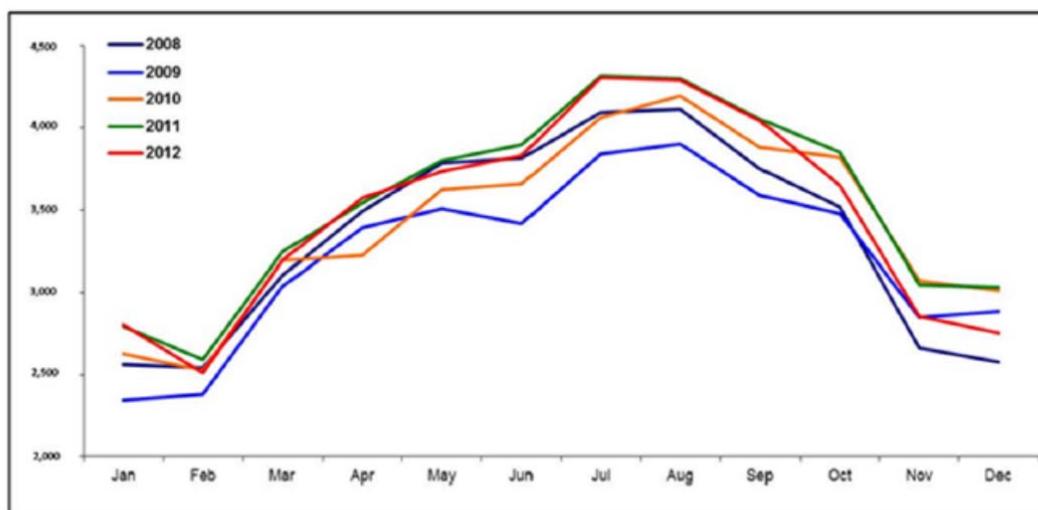
	Rome Airport System		
	Movements	Passengers	Cargo (kilos)
2003 .....	337,961	28,075,845	147,374,499
2004 .....	353,921	30,675,613	153,733,564
2005 .....	367,075	32,928,219	152,968,572
2006 .....	379,542	35,134,383	147,408,810
2007 .....	400,481	38,349,336	153,617,834
2008 .....	406,005	40,018,165	157,062,189
2009 .....	382,082	38,622,838	143,966,346
2010 .....	383,309	40,909,255	171,680,518
2011 .....	383,210	42,480,476	161,678,214
2012 .....	364,516	41,562,107	152,790,529
2013 (as of 30 September) .....	268,304	31,618,552	113,270,000

Source: AdR internal data and analysis

In line with the evolution of total passenger volumes and offered capacity, the average load factor (i.e., the percentage of seats utilised out of total seats offered), reached 71.8%, with an increase of 0.9% with respect to the same period in 2012.

#### Seasonal trends

The graph and the table below show the monthly trend of passenger traffic for the Rome Airport System with respect to the last five years. In 2012, certain events have negatively affected the volume of traffic at the Rome Airport System, such as the snow and adverse weather conditions in February 2012 and days lost through strike action, which led to an overall estimated loss of approximately 130,000 passengers and the cancellation of more than 700 flights.



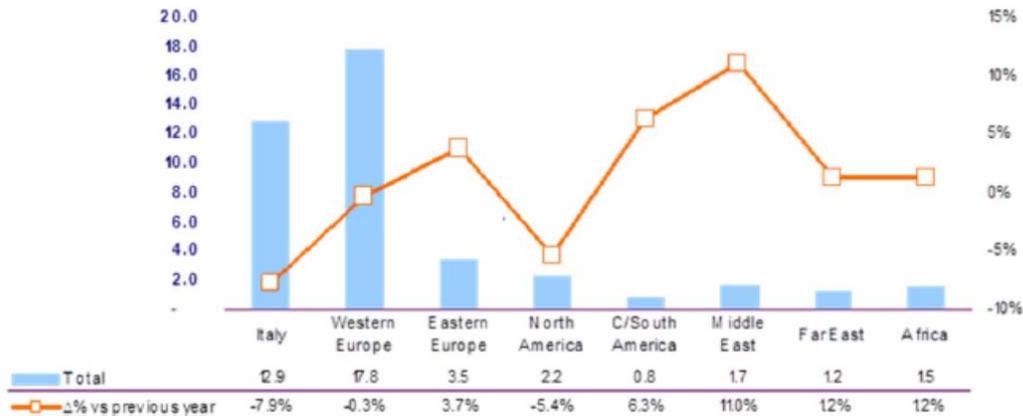
Note: numbers in thousands units.

Rome Airport System

	2008	2009	2010	2011	2012	2013
January.....	2,561,227	2,345,060	2,627,096	2,793,331	2,803,041	2,524,133
February.....	2,542,183	2,381,302	2,523,708	2,593,448	2,512,223	2,420,319
March.....	3,103,651	3,307,078	3,192,461	3,242,417	3,196,398	3,080,752
April.....	3,492,448	3,391,609	3,226,126	3,545,064	3,576,046	3,450,322
May.....	3,784,148	3,510,132	3,622,606	3,800,841	3,737,667	3,735,384
June.....	3,818,520	3,416,311	3,661,100	3,900,204	3,833,770	3,892,002
July.....	4,094,078	3,841,156	4,063,662	4,319,650	4,309,455	4,232,449
August.....	4,117,202	3,900,960	4,198,687	4,305,109	4,290,233	4,245,913
September.....	3,750,498	3,588,762	3,885,010	4,053,372	4,042,201	4,037,278
October.....	3,520,104	3,475,462	3,823,430	3,850,797	3,651,291	—
November.....	2,660,085	2,847,617	3,071,250	3,045,971	2,855,937	—
December.....	2,574,021	2,887,389	3,014,119	3,030,272	2,753,845	—
	<b>40,018,165</b>	<b>38,622,838</b>	<b>40,909,255</b>	<b>42,480,476</b>	<b>41,562,107</b>	<b>31,618,552</b>

Geographic distribution for the year ended 31 December 2012

In terms of the level of passenger traffic by geographic area for the year ended 31 December 2012, with the sole exception of Italy (down 7.9%) and North America (down 5.4%), all the other areas show a positive change, particularly the Middle East (up 11.0%) and Central South America (up 6.3%).



The graph below shows that, in the year ended 31 December 2012, non-EU passenger traffic constituted the main growth driver for the Rome Airport System (up 3.1%, leading to a 24.7% share of total traffic).



### Geographic distribution for the nine months ended 30 September 2013

In terms of the level of passenger traffic by geographic area for the nine months ended 30 September 2013, with the sole exception of Italy (down 7.9%), Europe outside of the EU (down 0.6%), North America (down 2.3%) and Far East (down 1.9%), all the other areas show a positive change, particularly the Middle East (up 4.6%), Africa (up 1.5%), Europe EU (up 0.7%) and Central South America (up 0.1%).

The graph below shows that, in the nine months ended 30 September 2013, EU passenger traffic constituted the main growth driver for the Rome Airport System (up 0.7%, leading to a 45.7% share of total traffic).



### Traffic composition at Roman airport system

#### Passengers' profile

In the year ended 31 December 2012 and in the nine months ended 30 September 2013, 75% and 74%, respectively, of the Airports traffic was origin and destination (“O&D”) traffic, whilst 25% and 26%, respectively, was represented by transfer and transit (“T&T”) traffic. Compared to T&T passengers, O&D passengers are generally less dependent on airline decisions regarding airport choice. In the case of T&T passengers, the airport choice is often driven by airlines’ network strategy and ease of connection. O&D traffic is less volatile than T&T traffic, and, accordingly, provides stable resilient revenues, and the prospect of a stable rate of growth.

	Passengers of the Rome Airport System	
	O&D	T&T
2008 .....	29,622,487	10,395,678
2009 .....	29,103,614	9,519,224
2010 .....	30,416,233	10,493,022
2011 .....	32,075,003	10,405,473
2012 .....	31,109,668	10,452,439
2013 (as of 30 September 2013)	23,338,358	8,280,194

T&T: Transit+ Transfer passengers

O&D: Total passengers less T&T

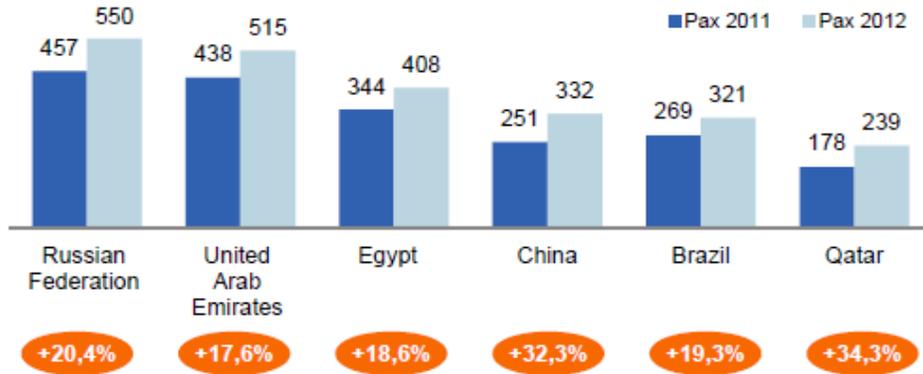
### Fiumicino Airport

Fiumicino is the main airport in Italy and the seventh airport in Europe in terms of volumes of traffic. Fiumicino is Alitalia’s hub and the SkyTeam alliance’s South European hub.

In the year ended 31 December 2012, passenger traffic at Fiumicino amounted to over 37 million passengers, a decrease of 1.7% compared to 2011. In particular, international passenger traffic increased by 2%, due to the performance of both the passengers travelling to/from the European

Union (up 1%) and those to/from non-EU destinations (up 3.7%), whilst passengers flying domestic routes decreased by 8.7% compared to 2011. The average flight load factor for 2012 was 71.3% and registered an increase of 1.1% compared to the previous year. As at 31 December 2012, Alitalia – the main passenger carrier in Fiumicino – accounted for approximately 77.9 % of domestic passenger traffic and 29.7% of international passenger traffic operated in the airport.

The following diagram sets out data on traffic related to key international destinations for the years ended 31 December 2011 and 2012.



The following diagrams set out the percentage change in the traffic composition at Fiumicino Airport for the year ended 31 December 2012 as compared to the same period in 2011.



In the nine months ended 30 September 2013, passenger traffic at Fiumicino amounted to over 28.1 million passengers, a decrease of 2.4% compared to the same period in 2012. In particular, international passenger traffic increased by 0.4%, due to the performance of passengers travelling to/from the European Union (up 0.9%), despite a reduction in passengers to/from non-EU destinations (down 0.4%), whilst passengers flying domestic routes decreased by 8.2% compared to the same period in 2012. The average flight load factor for the nine months ended 30 September 2013 was 73.8% and registered an increase of 1.9% compared to the same period in the previous year. As at 30 September 2013, Alitalia – the main passenger carrier in Fiumicino – accounted for approximately 81% of domestic passenger traffic and 30.8% of international passenger traffic operated in the airport.

The following diagrams set out the percentage change in the traffic composition at Fiumicino Airport for the nine months ended 30 September 2013 as compared to the same period in 2012.



### ***Traffic composition for Fiumicino Airport***

The negative domestic performance was mainly due to (i) the unfavourable macroeconomic scenario, (ii) the financial difficulties of Blu Panorama and Meridiana and (iii) the general reduction in low-cost flights, as well as the reduction in the flights operated by Alitalia.

Figures regarding EU and non-EU destinations are influenced by the fact that Croatia became part of the EU on 1 July 2013 and Switzerland adopted certain EU regulations on civil aviation (namely on safety and security matters), which were recognised as from 1 July 2013. Otherwise traffic figures of EU and non-EU destinations would have accounted for, respectively, a decrease of 1.4% and an increase of 3.0%.

In particular, passenger traffic volume at Fiumicino airport is strongly linked to the health of Alitalia, as the main carrier at Fiumicino, which in the nine months to 30 September 2013 registered an overall reduction in passengers of 0.6% compared to the previous year, attributable to the drop recorded in the domestic Italian segment (down 4.7%), whilst the EU and non-EU segment recorded an increase of 5.9% and 2.9%, respectively. Adjusted Alitalia figures to account for the changes in recognition of Croatia and Switzerland described above would result in traffic figures of EU and non-EU destinations for, respectively, an increase of 4.3% and 4.5%.

In 2012 and the first nine months of 2013, AdR has increased the routes offered to countries/markets with higher growth and development rates and higher added value, including:

- Russia, with the new connections of Transaero to Moscow and Saint Petersburg, the increased frequency of Alitalia and Aeroflot Russian flights to Moscow and Rossiya Airlines flights to Saint Petersburg;
- Turkey, with increased frequency of Turkish Airlines flights to Istanbul;
- Brazil, with increased frequency of Alitalia flights to Rio de Janeiro; and
- China, with increased frequency of China Eastern flights to Shanghai.

This expansion also involved the States of the former Soviet Union (Azerbaijan Airlines to Baku, Alitalia and Meridiana to Yerevan, Uzbekistan Airlines to Tashkent, Wizz Air to Chişinău) and the Middle East and Israel (Saudi Arabian to Jeddah and Riyadh, Alitalia to Abu Dhabi and EasyJet to Tel Aviv) as well as the opening of new routes within the European Union (such as Jet2.com to

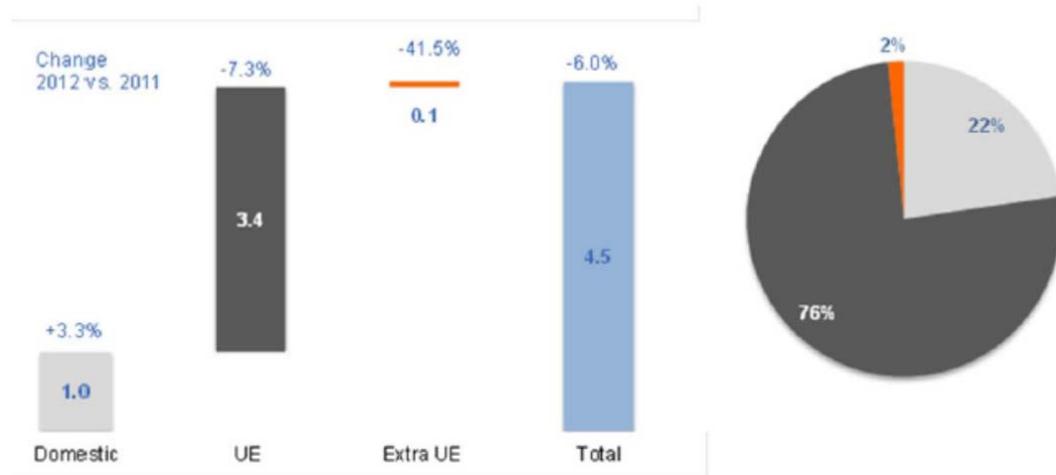
Glasgow and Newcastle, Monarch Airlines to Birmingham and London Luton, Alitalia to Zurich, Vueling and Transavia France to Nantes, Norwegian Airlines to London, and Eurolot to Rzeszów).

**Ciampino Airport**

In the year ended 2012, Ciampino maintained the daily maximum limit of a hundred commercial flights, had a drop of 6% passenger traffic compared to 2011, and had a load factor equal to 76.2% (a slight decrease of 0.4% as compared to 2011).

The reduced passenger traffic volume is partly attributable to the nine day airport shutdown which took place from 24 September to 2 October 2012, due to the need to carry out maintenance work on the airstrip. This shutdown caused the transfer of more than 1,000 flights and approximately 115,000 passengers from Ciampino to Fiumicino. These effects were compounded by the reduction in the flights operated by Ryanair, the main carrier at Ciampino Airport, by approximately 25% starting from November 2012, as part of its reduction of flights across various European airports due to weaker demand and rising fuel prices.

The following diagrams set out the percentage change in the traffic composition at Ciampino Airport for the year ended 31 December 2012 as compared to 2011.



In the nine months ended 30 September 2013, Ciampino maintained the daily maximum limit of a hundred commercial flights, had a slight increase of 0.01% passenger traffic compared to the same period in 2012, and had a load factor equal to 79.1% (an increase of 3.5%) from the same period in 2012).

The reorganisation of Ryanair’s flights in early 2013 led to a reduction in flights (a decrease of 8.0%) and fewer seats available (a decrease of 4.4%).

The following diagrams set out the percentage change in the traffic composition at Ciampino Airport for the nine months ended 30 September 2013 as compared to the same period in 2012.



### **Traffic composition for Ciampino Airport**

In the nine months ended on 30 September 2013 passenger traffic operated in the airport was stable compared to the same period in 2012. In particular, international passenger traffic increased by 1.0%, due to the numbers of both the passengers travelling to/from the European Union (a decrease of 0.2%) and those to/from non-EU destinations (an increase of 64.0%), whilst the number of passengers flying on domestic routes decreased by 3.5% compared to the same period in 2012.

## **Infrastructure**

### **Description of the current Rome Airport System**

AdR is entitled to use the State properties (*beni demaniali*) (areas, buildings and plants) comprising Fiumicino and Ciampino for the purpose of managing the Rome Airport System (for further information on the assets regime, see “Regulatory Framework”).

	<u>Fiumicino</u>	<u>Ciampino</u>
Runways.....	4	1
Passenger Terminals.....	4	2
Check-in desks.....	355	31
Information desks.....	8	1
Gates.....	83	17
Totem-mounted intercom systems to assist disabled passengers.....	13	2
<b>Total pay car and motor bike parking spaces.....</b>	<b>20,657</b>	<b>1,799</b>
Shops.....	138	8
Food and beverage areas.....	36	6

### **Fiumicino Airport**

#### *Overview*

Fiumicino Airport mainly serves carriers operating scheduled flights to domestic, international and intercontinental destinations.

In recent years it has mostly been the international flights which have supported the growth in the volume of air traffic at Fiumicino and, during 2012, the airport attracted more than 37 million passengers.

The huge number of Italian domestic and intercontinental connected destinations serviced by Fiumicino makes it the preferred airport in Italy for transfers and stop-overs in relation to long haul flights

#### *The Site*

At the date of this Offering Circular, Fiumicino Airport covers a total area of approximately 16 km<sup>2</sup> near the small town of Fiumicino, located approximately 30 km from the centre of Rome. Fiumicino is located near the Tyrrhenian coast.

#### *The Terminals*

There are four terminals (T1, T2, T3 and T5) and 5 boarding areas (B, C, D, G and H). Terminal 3 is connected with a people mover to a “satellite” (boarding area G, a detached pier). Fiumicino’s terminals are contained in a single complex, linked internally (save for T5) and covering a total surface area of over 350,000 m<sup>2</sup>. The main terminal complex is organised around a central area served by a dual level access road and is linked by walkways to the railway station connecting Fiumicino Airport to various parts of Rome, including the Termini railway station in the centre of Rome, and multi-storey car parks.

**Terminal 1** was opened to passengers in November 2000 and serves the main carrier Alitalia and the SkyTeam Alliance for Schengen and domestic flights. T1 is comprised of three levels:

- Ground floor, arrivals: five baggage claim belts, retail and food and beverage shops;
- First floor, departures: 72 check in desks, retail, food and beverage shops, VIP lounges, security facilities; and
- Mezzanine floor: Departures, retail and food and beverage shops.

**Terminal 2** only processes departing passengers on ground floor level. Eighteen check-in desks are provided as well as security check points, offices and food and drink facilities. The terminal is dedicated to low fare carriers. The current layout and configuration of this terminal have been in place since 2009.

**Terminal 3** occupies a central area of Fiumicino Airport and was the original international flight terminal, further expanded in 1999.

T3 is dedicated to processing domestic, Schengen and non-Schengen flights and comprises three levels:

- Ground floor, arrivals: immigration processing, eight baggage claim belts, customs, offices, retail and food and beverage shops;
- First floor, departures: 215 check-in desks, security and immigration facilities, retail and food and beverage shops;
- Mezzanine floor: retail and food and beverage shops, airside lounges.

Terminal 5 was opened in 2008 and is dedicated to North American and Israeli flights, which require specific security procedures.

#### *Boarding areas:*

- Boarding area B (pier) has 27 boarding gates, 13 equipped with loading bridges and 14 bus gates at the ground level;
- Boarding area C has 16 bus gates, 7 (C1-C7) at the ground level and 9 (C8-C16) at the departure level;

- Boarding area D (pier) has 10 boarding gates equipped with loading bridges;
- Boarding area G (satellite) has 14 boarding gates, 11 of which equipped with loading bridges for wide body aircrafts and 3 bus gates.
- Boarding area H (pier) has 16 boarding gates, of which two boarding gates equipped with loading bridges only for departure passengers.

The people mover system was completed in November 1999 and consists of an automated passenger transport system with vehicles running on tracks which carry passengers between the West Satellite (boarding area G) and Terminal 3. The system runs on overhead tracks to avoid interfering with the movement of vehicles operating on the ramp.

#### *Runways and airside*

Fiumicino Airport has four runways, certificated as “4F” according to ICAO requirements. Runways 16R/34L and 16L/34R are approximately 3.9 km long and are located approximately 4 km apart, parallel to the coast. Runway 07/25 is approximately 3.3 km long and is perpendicular to the other runways. Runway 16C/34C, which is approximately 3.6 km long, is also located parallel to the RWY 16L/34R and is used as a backup runway during extraordinary maintenance on 16L/34R. All of Fiumicino’s runways, are well equipped with modern navigation aids and a precision Instrument Landing System (ILS) up to CAT. IIIb suitable for precision approaches.

Fiumicino Airport currently operates with a total capacity of 125 aircraft apron areas, which are where aircraft are parked, loaded, unloaded, refueled and boarded, located south of runway 07/25 of which 122 are for passengers aircraft (87 are remote and 35 are contact stands) and 3 for cargo aircraft. The total parking stands are divided in 43 parking spaces for large capacity aircraft and 82 for medium capacity aircraft.

According to “4F” certification, Fiumicino Airport has infrastructures with suitable characteristics, systems and instrument for A380 operations.

The aircraft taxiway system covers a total of approximately 31 km.

#### *Centralised infrastructures*

In 2000, ENAC identified the “**Centralised Infrastructures**” at Fiumicino as the infrastructures that, for reasons relating to costs, complexity or effect on the environment, cannot be subdivided or fragmented and accordingly must be managed by AdR. AdR is required to carry out the management of the Centralised Infrastructures on the basis of transparent, objective and non-discriminatory criteria that guarantee access to service providers and self-handling users. For further information on the centralised infrastructures managed by AdR, see “*Business Description of the Group — Business activities and revenue generation — Aeronautical activities — Centralised infrastructure*”, above.

#### *Access to Fiumicino*

Fiumicino Airport is served by the Rome-Fiumicino motorway, the Rome-Civitavecchia motorway and other primary regional routes.

Fiumicino Airport is also currently served by a local regional train, the FM1 and a direct train, the Leonardo Express, both of which connect Fiumicino Airport with the center of Rome.

The internal road network (*beni demaniali*) within the Airport itself connects Fiumicino Airport to: (i) the railway station linking Fiumicino Airport to various parts of Rome; (ii) multi-storey car parks; (iii) Fiumicino Airport’s central area (where AdR’s headquarters and airport offices are based); (iv) the Hilton hotel complex; and (v) cargo city complex and economy parking in the east of the Airport premises.

## ***Ciampino Airport***

### *Overview*

Ciampino Airport mainly serves low-cost carriers, charter flights, express-courier, general aviation activities and State flights (such as those carrying Ministers and members of other State authorities).

### *The Site*

At the date of this Offering Circular, Ciampino Airport covers a total area of approximately 2.2 km<sup>2</sup> near the small town of Ciampino, located approximately 14 km southeast of the centre of Rome.

### *The Terminals*

There are two terminals, one for commercial aviation (low-cost and charter flights) and one for general aviation (including aero-taxi).

### *Runways and airside*

Ciampino Airport has one runway of approximately 2,320 m which is suitable for commercial flights. ENAC posed certain rules restricting the weight and type of aircraft permitted to use Ciampino Airport.

Ciampino airport currently operates with a total capacity of 80 aircraft apron areas, of which 51 are for commercial aviation and 29 are for general aviation, excluding an aircraft apron area reserved to military aircraft.

## **The Group's Investment Programme**

### **Historical capital expenditure**

Notwithstanding that none of the expected tariffs increase (other than those strictly related to the inflation starting from 2009) referred to in the AdR's sale and purchase agreement dated 23 June 2000 were recognised to AdR, the investments made by AdR in the period 2001 – 2011 totalled approximately Euro 1 billion.

The Group's maintenance activities are focused on maintaining adequate levels of quality, safety and proper functioning of the Rome Airport System as required by the competent Italian authorities and by international standards.

### ***The new investment and development plan***

The New Regulatory Framework envisages investments of approximately Euro 12 billion by 2044, Euro 2.7 billion of which will be for the expansion of the current terminals, the construction of the fifth runway and the northward expansion of Fiumicino Airport.

In particular, the new infrastructure is expected to allow AdR to meet expected demand during the concession period while supporting the constant improvement of the service level offered to passengers.

The initial phase includes the completion of the current infrastructure projects at Fiumicino South with the aim of improving the operation of the airport in line with the level of traffic expected in the next 10 to 15 years. The project, approved by ENAC on 22 July 2011, provides for the construction of further flight and terminal infrastructures until the saturation of the current site, thus aligning Fiumicino Airport facilities with those of the main European hubs. The main objectives of the completion project are to:

- reach the capacity of 55 million passengers per year in the short to medium term;

- support the growth in traffic with suitable airside infrastructure;
- improve the quality of the service offered to passengers;
- complete the use of the areas inside the current site;
- ensure full compliance with applicable environmental laws and urban compatibility; and
- strengthen the connection system and accessibility to the airport.

A second phase, to be implemented upon the expropriation of new land, includes the expansion of the airport to the north of the current runway 07-25. The completion of such development plan is expected to increase the overall capacity of Fiumicino from 55 to more than 100 million passengers per year. The expansion of the airport will be in line with the best international practices in terms of efficiency, energy savings, technology and architectural opportunities.

### ***Projected capital investment***

The main projects and works to be implemented by AdR to comply with its obligations under the New Regulatory Framework are summarised below.

- **Plan for the completion of South-Fiumicino**
  - Approximately Euro 2.7 billion capital expenditures expected in the period 2013-2021.
  - Expansion of capacity from current 35 million passengers to 57 million passengers per year.
  - Apron extension from 122 to 166 aircraft stands. Runway's refurbishment: visual aids, pavement. Additional 39 boarding bridges (from 35 to 74).
  - Construction of fourth runway.
  - New terminals and Pier: Pier A, Pier F, Pier J, boarding areas E, Ti Extension, T3 extension, T4. New Hold baggage Screen and Baggage handling system in T1 and T3
  - Terminal Refurbishment: T3, T1, Boarding Areas C, D, for an aggregate 180,000 m<sup>2</sup> of additional area available.
  - Landside works: new automatic people mover to connect cargo city and remote car park to the terminal system. New freeway junction close to cargo city
  - Car Park works: 6 new car park garages, refurbishment of short term car park and terminal curbside.
  - Restoration and maintenance works: all plant and system will be refurbished and improved. New Ceiling, new T3 check in hall
- **Development of North- Fiumicino**
  - Approximately Euro 7.0 billion capital expenditures. Timing and strategy of execution dependent on actual traffic potential.
  - Expected capacity of 90 million passengers per year.
  - Preparatory activities: water drainage, soil excavation.

- 1,300 hectares of airport area extension, with up to 650,000 sqm of new terminal area available and up to 173 aircraft stands (of which 70% having loading bridge), which allows high operational flexibility.
- Airside works: new 5<sup>th</sup> runways and related taxiways, apron.
- Terminals works: processor and 2 piers for Schengen and non Schengen flights.
- Landside works: highway junction, airport primary roads, curbside and internal road system.
- Parking works: car park garage and remote car park.
- Restoration and maintenance works.
- Construction of an environmental park of 50 hectares; high percentage of renewable energy.
- **Ciampino Airports**
  - Airside works: apron refurbishment, runway refurbishment
  - Terminals works: refurbishment of commercial aviation terminal and new general aviation terminal
  - Restoration and maintenance works: of all building and infrastructure due to create a “city airport”

As at 30 September 2013, the investments carried out by the Group amounted to Euro 83.5 million. For further information on the investments carried out in the first nine months of 2013, as well as the projects completed or launched in the same period, see pages 28-32 of the unaudited consolidated nine-month financial statements of the Issuer as at 30 September 2013 incorporated by reference in this Offering Circular (see “*Incorporation by reference*”).

## **Insurance**

AdR is liable for any damage caused to persons or things as a consequence of the activity carried out during the performance of the concession. Therefore, the Group maintains insurance policies as protection against risks associated with the management of the Rome Airport System as well as in relation to the activities of its subsidiaries.

In particular, pursuant to the New Regulatory Framework, AdR must obtain an insurance policy with a leading insurance company for all assets that AdR allocates to airport management and to cover the following risks: (i) fire, as consequence, or not, of gross negligence b its employees or third parties; (ii) falling airplanes, or parts thereof, or things transported by them; (iii) explosion of steam engines; (iv) risks connected with solid, liquid and gas combustion plants, electrical systems in general and plants operated by radioactive substances; (v) heating and air conditioning system; and (vi) damage deriving from natural events.

In addition, AdR is bound to put in place an insurance policy to cover risks connected with the carrying out of its activities within the airport, for any damage that may be caused to the entities present within the Airports and/or to third parties. Most of the aforesaid insurance policies have been entered into with the Assicurazioni Generali Group.

The New Regulatory Framework provides that in case of accidents, the compensation for damage liquidated in accordance with the insurance policy shall be paid by the insurance company to AdR, which is in turn required to cure the damage, subject to its right to require that the payment be made to its financial creditors to the extent the relevant financing arrangements so require.

If the value for which compensation is due, as a consequence of damages ascribable to AdR's responsibility, exceeds the individual limits of responsibility covered by the aforesaid policies, the relevant cost is to be borne entirely by AdR.

## **Environment**

AdR's activities have a significant impact on the environment. As a result, the Group has gradually adopted policies, procedures, technical and organisational solutions and instruments aimed at analysing and regulating its operations related to land, landscape, green spaces, flora, fauna and water. AdR's activities are focused on environmental management strategy which has been integrated into its operation.

## **Legal Proceedings**

As part of the ordinary course of business, companies within the AdR Group are subject to a number of civil, administrative and tax proceedings relating to the management and development of the Rome Airport System, including, without limitation, disputes on the validity and effectiveness of the New Regulatory Framework. The Group has carried out a review of its ongoing litigation and provisions in the consolidated financial statements were made where the disputes were likely to result in a negative outcome and a reasonable estimate of the amount involved could be made. As at 30 September 2013, AdR had a provision in its consolidated financial statement for legal proceedings amounting to Euro 55.1 million. AdR believes that none of these proceedings, individually or in the aggregate, will have a material adverse effect on its or the Group's business, financial condition or prospects. For a description of risks arising from legal proceedings, see "*Risk Factors*".

In certain cases, where the negative outcome of disputes was merely possible, no specific provisions were made in AdR's consolidated accounts in accordance with the principles and procedures governing the preparation of financial statements. In addition, the Group is involved in certain minor civil proceedings, for which no provisions for contingent liabilities were made, as the impact of any negative outcome could not be estimated.

A summary of the most significant proceedings is set out in the section of the unaudited consolidated semi annual financial statements of the Issuer for the period ended 30 June 2013 headed "Information concerning disputes" and in the section of the unaudited consolidated quarterly financial statements of the Issuer as at 30 September 2013 headed "*Litigation*", both incorporated by reference into this Offering Circular (see "*Incorporation by reference*").

On 19 February 2013, ENAC communicated to AdR that the European Commission requested information to the Italian government in relation to airport fees charged by AdR in order to ascertain full compliance with the Agreement between the EU and the Swiss Confederation dated 21 January 1999. In such context, ENAC invited AdR to apply EU fees to Swiss carriers. On 3 June 2013, ENAC informed AdR that a non-compliance procedure was about to be started by the European Commission and that should the Republic of Italy be ordered to pay damages in this respect, such damages should have been borne by AdR. On 28 June 2013, AdR informed ENAC that, following the Board of Directors' resolution passed on 26 June 2013, AdR would have charged Swiss carriers the fees applicable to EU flights from 1 July 2013. For further information, see "*Regulatory Framework - Regulations enacted during the third quarter of 2013*", below.

Furthermore, with respect to the proceeding included in the sub-section headed "Tax Indemnity" of the unaudited consolidated interim financial statements of AdR as at and for the nine months ended 30 September 2013, in addition to the disclosure set forth therein, it should be noted that following the hearing held on 27 September 2013, AdR made provisions in its consolidated financial statements.

***Litigation concerning the “Aeroporto Leonardo da Vinci – Progetto di completamento di Fiumicino South”***

On 8 August 2013, the Italian Ministry of the Environment, in agreement with the Italian Minister of Cultural Heritage and Tourism issued the Environmental Impact Assessment (“**VIA**”) containing 40 regulations with respect to the “*Aeroporto Leonardo da Vinci – Progetto di completamento di Fiumicino Sud*” project.

On 13 November 2013, AdR was served with a petition filed by the Regional agency for environmental protection (“**ARPA**”) against the Italian Ministry of the Environment and the Italian Minister of Cultural Heritage and Tourism, the Lazio Region, ENAC, the Municipality of Fiumicino, the Municipality of Rome and AdR challenging the VIA and other preliminary and subsequent measures, as well as acts connected thereto. ARPA claimed also for the partial avoidance (*annullamento parziale*) of the VIA with particular reference to those parts identifying ARPA as the competent authority to carry out the prescriptions related to the impact assessment of the “*Aeroporto Leonardo da Vinci – Progetto di completamento di Fiumicino Sud*” project.

**Recent Developments**

***Merger by way of incorporation of Gemina into Atlantia***

At the date of this Offering Circular, approximately 95.90% of the AdR share capital is held by Gemina, a company that has taken part in AdR’s privatisation process and starting from 2007 has developed its core business in the area of airport infrastructure.

In January 2013, Gemina, the holding company of AdR, and Atlantia S.p.A. (“**Atlantia**”), the holding company of the group consisting of Autostrade per l’Italia S.p.A. (“**ASPI**”) – a company wholly owned by Atlantia – and its subsidiaries operating the motorway business in Italy and abroad, commenced a preliminary analysis of the industrial, financial, economic and legal conditions for a business combination.

In April 2013, the shareholders’ meeting of both Atlantia and Gemina approved the merger by way of incorporation of Gemina into Atlantia (the “**Merger**”). Pursuant to the merger project, all the existing shares (including the saving shares) of Gemina will be cancelled and exchanged for Atlantia ordinary shares for an exchange ratio of (i) 1 Atlantia newly issued ordinary share with a Euro 1 par value ranking equally in all respects with Atlantia’s existing ordinary shares at the effective date of the Merger for every 9 ordinary shares of Gemina and (ii) 1 Atlantia newly issued ordinary share with a Euro 1 par value ranking equally in all respects with Atlantia’s existing ordinary shares at the effective date of the Merger for every 9 Gemina saving shares. In order to serve the Merger, Atlantia shareholders’ meeting held on 30 April 2013, resolved upon a Euro 164,025,376.00 share capital increase divided into No. 164,025,376 ordinary shares of a nominal value of Euro 1 each.

In April 2013, Atlantia informed Gemina that, in the context of the criminal proceeding brought by the Florence Public Prosecutor’s Office against certain ASPI managers for alleged breach of environmental regulations in the construction of the Variante di Valico, the Italian Ministry of the Environment, in its capacity as civil party (*parte civile*) in the above criminal proceeding, filed a claim for environmental damages estimated to be Euro 810,000,000.00 against ASPI (jointly and severally liable with the managers).

Following such events, the Board of Directors of Gemina resolved that the potential risk of a negative outcome for ASPI was not sufficient to require a revision of the exchange ratio set out in the Merger project. However, the respective Board of Directors of Atlantia and Gemina resolved to amend the Merger project providing for the issue of No. 164,025,376 contingent value rights (the “**Contingent Value Rights**”) with a view to grant to the holders of Gemina’s ordinary and savings shares protection against potential negative effects on Atlantia’s capital, should a court ruling adverse to ASPI be rendered. The Contingent Value Rights are to be granted free of charge to the holders of Gemina’s ordinary and savings shares, who will receive Atlantia ordinary shares when the Merger

becomes effective, in the ratio of 1 Contingent Value Right for each Atlantia ordinary share. Upon occurrence of certain conditions related to the proceeding involving ASPI, the Contingent Value Rights will entitle their holders to receive Atlantia newly-issued ordinary shares. Accordingly, Atlantia shareholders' meeting resolved upon an up to Euro 18,455,815.00 share capital increase divided into No. 18,455,815 ordinary shares with a par value of Euro 1 each to be irrevocably allotted to service the Contingent Value Rights. In addition, following Consob's refusal to grant consent to the potential admission to trading on the Mercato Telematico Azionario (the screen-based market of the Italian stock exchange) of the Contingent Value Rights, the Boards of Directors of Atlantia and Gemina resolved to amend the terms and conditions of the Contingent Value Rights providing their holders with a put option exercisable within ten months from the issue date thereof and to mitigate the adverse tax effect connected to the lack of listing of such instruments.

On 8 August 2013, the respective extraordinary shareholders' meetings of Atlantia and Gemina resolved upon the deed amending the Merger project.

On 20 November 2013, Atlantia and Gemina signed the Merger deed, according to which the Merger will be effective (also for tax and accounting purposes) as of 1 December 2013, provided that (i) the deed has been registered in the Rome Companies Register and (ii) Consob approves the information circular regarding the Merger. If such conditions are not met on or before 1 December 2013, the Merger will be effective as of the later of (i) the third trading day (on the regulated market managed by Borsa Italiana S.p.A.) following Consob's approval, and (ii) the second day following the entry in the Rome Companies Register of the Merger deed.

Should the Merger become effective in accordance with the relevant provisions of Italian law, Atlantia will hold approximately 95.90% of the share capital of AdR. See "*Corporate Governance — Shareholders*".

The Merger aims to create a leading operator in Italy and a global leader in the operation of motorways and airports under concession with the aim of sharing expertise and international presence and thus developing new growth opportunities in the infrastructure sector.

#### ***Alitalia proposed capital increase***

##### *Alitalia share capital increase*

On 15 October 2013, Alitalia shareholders' meeting unanimously resolved on a share capital increase of up to Euro 300 million.

On 18 October 2013, Alitalia's shareholders Intesa Sanpaolo, Atlantia and Immsi contributed in aggregate Euro 65 million to the share capital increase, while an additional Euro 65 million were contributed by Intesa Sanpaolo S.p.A. and UniCredit S.p.A.

Subject to its internal approvals, Poste Italiane S.p.A. is also expected to subscribe for up to Euro 75 million of any shares not subscribed for.

On 14 November 2013, Air France-KLM, which as at the date of this Offering Circular holds approximately 25% of Alitalia's share capital, stated that it will not subscribe for the Alitalia share capital increase.

##### *The Group's receivables due from Alitalia*

As of 31 October 2013, the Group had Euro 101.6 million of receivables outstanding from the Alitalia group, of which Euro 31.0 million were overdue.

### ***Other significant developments***

#### *Provisional investments for 2013 and determination of tariffs to be applied from 1 March 2014*

On 15 October 2013, AdR sent ENAC a note summarising the terms of the mutual commitments, arising from the New Regulatory Framework and relating to the adjustment of the fees that must become effective on 1 March 2014. As regards the consultations with the users, it warned ENAC about the misalignment between the actual timing and the one stated in Directive 2009/12/EC (which states that, notwithstanding exceptional circumstances, at least 4 months must pass between the date of communication to the users of the proposal to amend the airport fees and the one set for their enforcement). AdR proposed to bring forward the deadline for the consultation with users to 31 October 2013.

ENAC replied with a note of 30 October 2013 communicating that it agrees with the company's proposal and indicating some possible terms, information to be given to the users and the procedural methods.

On 31 October 2013, AdR published on its website the documentation containing the information established by the Directive and set 11 November 2013 as the deadline to receive any observations from the users.

On 31 October 2013, AdR also sent a note to the Fiumicino and Ciampino associations of users, handlers and consumers to inform them about the publication on its website of the documents mentioned above, inviting users to a public meeting scheduled for 15 November 2013 at Fiumicino. The letter also introduces the main issues that will be examined during the meeting to be held on 15 November 2013 (investments, quality and the environment, traffic forecasts, operating/management costs and tariff proposal). The deadline to receive any conclusive observations from users after the meeting of 15 November 2013 is scheduled for 29 November 2013.

On 30 October 2013, AdR communicated to ENAC the following information in connection with the determination of the tariffs to be applied from 1 March 2014, pursuant to the Economic Regulation Agreement (*Contratto di programma*):

- the provisional investment for 2013 amounted to Euro 133.2 million (Euro -37.1 million compared to the previous investment schedule). Such difference is attributable to (i) price reductions gained during the tender process (Euro 7.9 million); (ii) causes that are outside AdR's control, i.e. composition with creditors of a contractor, anomalies occurred during the tender process, the effects of the delayed issue and the provisions of the Environmental Compatibility Measure ("VIA"), enforcement of the new antimafia regulations, pending procedure to approve the Investment Plan for Fiumicino Nord and uncertainty as regards the type of project development needed to obtain the approval of the relevant Airport Development Plan (Euro 19.3 million); and (iii) the general crisis of the local and national economy (Euro 10 million), which caused a reduction of investments in connection with the creation and upgrade of spaces to be used for operating and commercial purposes; and
- the amount of the regulated prices to be applied to each service from 1 March 2014.

#### ***Moody's has put the senior secured ratings of AdR and Romulus Finance s.r.l. under review for possible upgrade***

On 27 November 2013, Moody's placed the existing Baa3 senior secured ratings of AdR and Romulus, under review for upgrade.

#### ***Fitch assigned a "BBB+" rating to the long-term debt of AdR***

On 27 November 2013, Fitch assigned AdR a long-term issuer rating of "BBB+" with a "Stable" outlook.

*S&P has placed AdR on credit watch positive*

On 27 November 2013, S&P placed AdR's rating, currently being "BBB-", on credit watch positive.

## REGULATORY FRAMEWORK

*The AdR Group's core businesses are heavily regulated under EU and Italian law, and these regulations may affect the AdR Group's operating profit or the way it conducts business.*

*Although this summary contains all the information that the Issuer considers material in the context of the issue of the Notes, it is not an exhaustive account of all applicable laws and regulations. Prospective investors and/or their advisers should make their own analysis of the legislation and regulations applicable to the AdR Group and of the impact they may have on the AdR Group and any investment in the Notes and should not rely on this summary only.*

### Overview

AdR operates in a highly regulated environment and is subject to certain rules and regulations, including, *inter alia*, statutory provisions governing public utilities services and monopolies. In particular, AdR is required to operate in accordance with the New Regulatory Framework (as defined below), regulations issued by *Ente Nazionale per l'Aviazione Civile* (“**ENAC**”), the Italian Civil Aviation Authority, and other competent authorities, as well as any applicable international, European and national laws.

The Italian aviation and airport management sector is governed by a series of international treaties and protocols, standards issued by the relevant international organisations, European Union directives and regulations, Italian laws, ministerial decrees and resolutions and ENAC regulations which have been issued and amended over time, in addition to generally applicable laws and specific legislation, such as the “**Navigation Code**” (*Codice della Navigazione*), amended by Legislative Decree No. 151 of 15 March 2006, setting forth the duties and responsibilities with respect to airport management.

The main international rules governing international civil aviation are set out in the Warsaw Convention of 1929 (*Convention for the Unification of Certain Rules Relating to the International Carriage by Air*) as amended by the Hague Protocol of 1955 and the Montreal Protocol No. 4 of 1975, the Montreal Convention of 1971 (*Convention for the Suppression of Unlawful Acts against Safety of Civil Aviation*) and the Chicago Convention of 1944 (*Convention on International Civil Aviation*), as amended, as well as the Kyoto Protocol to the United Nations Framework Convention on Climate Change and standards issued by the relevant international civil aviation organisations (of which ENAC is a member as representative of the Republic of Italy), such as, *inter alios*, the International Civil Aviation Organisation (“**ICAO**”).

There is also extensive regulation at the EU level, including the treaty establishing the European Union, and the accompanying directives, regulations and decisions covering the various aspects of civil aviation, as well as “soft law” communications issued by the European Commission.

With respect to Italian legislation, the Navigation Code sets forth the regulatory framework of the civil aviation and the general principles governing the award of concessions for the management of Italian airports or airport systems. In particular, Article 704 of the Navigation Code provides that concessions can be awarded, upon ENAC's proposal, for a period of up to forty years to a provider selected through a public tender. Concessions are awarded through a Decree issued by the *Ministero delle infrastrutture e dei trasporti* (the “**Ministry of Infrastructure and Transportation**”, or the “**MIT**”) in agreement with the *Ministero dell'Economia e delle Finanze* (the “**Ministry of the Economy and Finance**” or the “**MEF**”) and, in the case of airports serving both civilian and military uses, in agreement also with the *Ministero della Difesa* (the “**Ministry of Defence**”). The award of concessions is subject to the execution of an agreement (*convenzione*) between ENAC and the company selected for the management of the relevant airport. Furthermore, ENAC and such company must enter into, within six months from the conclusion of the first financial year following the award of the concession, an economic regulation agreement (*contratto di programma*) implementing, with respect to investments, the regulations and requirements provided under resolution No. 38/2007

issued by the *Comitato Interministeriale per la Programmazione Economica* (the “**Interministerial Committee for Economic Planning**”).

Additional and/or specific legislation or regulations issued by the competent authorities may supplement the above general regulatory framework.

## **ENAC**

ENAC was established in July 1997 by Legislative Decree No. 250/1997 and is responsible for managing, controlling and supervising the Italian civil aviation sector with respect to the activities of providers of airport management services, such as AdR.

ENAC’s statutory purpose is to ensure the safety, security and quality of services rendered to the end-users of Italian airports, and the protection of passengers’ rights according to internationally agreed standards. Safety requirements include, among others, safe planning, construction, maintenance and operation of aircraft, as well as the skill assessment of air carriers and in-flight personnel. Security requirements are aimed at safeguarding passengers, both on and off-board and within the grounds of the airports, and preventing illegal acts.

In order to achieve such statutory purpose, ENAC issued the Passenger’s Charter (*Carta dei diritti del passeggero*) and the Service Charter (*Carta dei servizi*). The Service Charter sets out the minimum quality standards that airport operators are required to comply with in relation to their relevant services. The Passenger’s Charter is a practical *vade mecum* providing for international, EU and national law provisions governing the claim and compensation procedures available to passengers in case of non-compliance with applicable regulations relating to the rights of air passengers by airport operators or airline companies.

ENAC is also entrusted with other powers including, to take preliminary steps in the awarding of concessions for the management of airports, to implement applicable economic regulations and to assess and supervise relevant airport investments plans. ENAC is also very involved at a national and international level in promoting greater cooperation on environmental protection matters. This is carried out through assessment activities aimed at limiting the environmental impact on airport grounds and the surrounding areas and reducing noise and air pollution caused by aircraft.

Law Decree No. 201 of 6 December 2011 (converted into Law No. 214 of 22 December 2011) and Law Decree No. 1 of 24 January 2012, (converted into Law No. 27 of 24 March 2012), both as amended, provided for the establishment of an independent supervisory authority in the transportation sector in Italy (the “**Independent Regulatory Authority**”). The Independent Regulatory Authority is entrusted with certain regulatory and supervision powers in relation to, *inter alia*, the railways, motorways and marine sectors as well as in the airport sector. The Decree of the President of the Republic of 9 August 2013 appointed three members of the Independent Regulatory Authority for a term of seven years. However, as at the date of this Offering Circular, the Independent Regulatory Authority is not yet officially operational. Under the powers vested in Article 73 of Law Decree No. 1 of 24 January 2012, the MIT issued a directive (*atto di indirizzo*) providing for the provisional allotment of supervisory and regulatory powers until the commencement of operations of the Independent Regulatory Authority, in particular, with reference to the aviation industry. Until the Independent Regulatory Authority is operative, ENAC is temporarily vested with economic regulatory powers and the MIT is temporarily entrusted with supervisory powers. Accordingly, each of ENAC and the MIT is required to identify an independent unit within their respective organisational structure, to perform such activities.

## **The New Regulatory Framework – General**

Following the issue of a decree by the Italian Prime Minister on 21 December 2012 and the entering into of an additional deed aimed at implementing certain regulations and amendments requested by the Italian Government; on 27 December 2012, the approval process of the “Agreement (*Convenzione*) for the management of the Rome airport system and Economic Regulation Agreement

(*Contratto di programma*), pursuant to Article 17, paragraph 34-*bis*, of Italian law decree No. 78 of 1 July 2009, amended and converted into Italian law No. 102 of 3 August 2009, including the principles and criteria for its periodical update” (collectively defined as the “**New Regulatory Framework**”) between AdR and ENAC was completed.

The New Regulatory Framework includes the provisions governing the management of the Rome Airport System (the “**New Concession**”), which has replaced and superseded the Original Concession (as defined in the section headed “*Business Description of the Group — History and Development — The Original Concession*”), and the economic regulation and the new tariff system (the Economic Regulation Agreement, or “**ERA**”). Furthermore, the New Regulatory Framework sets forth (a) new detailed rules on the rights and obligations of AdR, (b) a revised investment plan and (c) a new formula for tariffs and tariff adjustments.

The main features of the New Regulatory Framework are:

- increased transparency and stability in the applicable tariff framework for the whole concession period based on a full “dual till” system (as detailed below); and
- greater clarity in the description of AdR’s rights and obligations with respect to its operation of the Rome Airport System for the whole concession period.
- In particular, from 9 March 2013, AdR benefited from regulated passengers’ tariff increases by approximately Euro 10 to approximately Euro 26 per passenger in 2013 (on average for all services provided), with annual increases to be implemented from 2014 onwards (linked to AdR’s fulfillment of certain investment criteria); and
- AdR is required to promptly implement the investment plan provided for in the New Regulatory Framework, which provides for approximately Euro 2.7 billion to be invested by 2021, up to Euro 12 billion by 2044, for the purposes of the expansion of the current terminals, the construction of an additional runway and the northbound expansion of the Fiumicino Airport. These investments are made in order to develop the infrastructure of Fiumicino and Ciampino airports, and to increase the capacity and quality of the Rome airport system.

Prior to the New Regulatory Framework, AdR has not been able to increase its aviation charges since 2001, except for some adjustments to allow for a partial inflation recovery since 2009. The prolonged lack of regulatory clarity surrounding aviation revenues has significantly affected the credit rating of AdR, as assessed by Standard & Poor’s, and AdR’s long term debt, as assessed by Moody’s, which progressively worsened after 2005: falling from “A-” to “BB+” and from “A3” to “Ba2”, respectively. Notwithstanding the continuing global financial crisis, following the approval of the New Regulatory Framework AdR has been upgraded to again become an investment grade company by Standard & Poor’s and Moody’s with a credit rating of “BBB-” and a long term debt rating of “Baa3”, respectively.

In the 10 year period between 2001 and 2011, various pieces of legislation were enacted with the aim of, *inter alia*, (i) re-defining the duties and responsibilities applicable to providers of airport management services, (ii) providing specific requirements to be included in the relevant concession agreements and (iii) pursuing the rationalisation and the efficiency of the airport management sector. Furthermore, the competent Italian authorities resolved that the development of the infrastructure of the Rome Airport System could not be delayed any further. Accordingly, discussions between AdR and ENAC regarding the New Concession and the ERA started in 2010.

In order to encourage the development of the infrastructure of the Rome Airport System, the ERA introduces a long-term tariff system which, taking into account the prevailing European standards, is based on (i) the costs of the new and improved infrastructure, (ii) the costs of the services necessary to increase efficiency, (iii) criteria designed to fairly remunerate AdR for its investments in the Rome

Airport System (without distinguishing between capital expenditures related to maintenance and those related to development) and (iv) providing tariff adjustment recalculation formulas valid for the entire term of the relationship.

As noted above, based on, *inter alia*, the investment plan and the quality of services, passengers' tariffs have increased, with further annual increases to be implemented from 2014 onwards, depending on AdR meeting its required investment criteria.

### **The New Concession – Main Concession Terms**

#### ***AdR obligations***

Under the New Concession, AdR's main obligations include, *inter alia*, to:

- manage the Rome Airport System as a set of organised assets, activities and services, directly or indirectly, in relation to aviation activities;
- develop the Rome Airport System in compliance with transport policies and technical guidelines prescribed by the Italian regulatory authorities, and based on the principle of transparency and non-discrimination;
- submit the “Airport Development Plan” (including any subsequent adjustments, changes and updates to such plan) detailing the proposed development of the airport facilities and the relevant “Economic and Financial Plan”, which is subject to ENAC’s prior approval;
- develop the Rome Airport System in compliance with the aforementioned “Airport Development Plan” and “Economic and Financial Plan”, as approved by ENAC;
- provide, in a continuous, regular, impartial and non-discriminatory manner, certain airport services falling within its responsibility, including without limitation, cleaning services, waste disposal, snow removal, waste, water and drinking water treatment, lawn mowing, maintenance of work facilities and other complementary activities connected to the effective management of the Rome Airport System;
- comply with certain financial covenants throughout the period of the Concession and, in particular ensure that:
  - the maturity of the financial indebtedness is shorter than the residual duration of the Concession;
  - the ratio of the operating cash flow to debt service (the fixed annual instalment, inclusive of interest and principal, necessary to repay the net financial indebtedness resulting from the latest approved annual accounts within the expiry of the Concession at its stated maturity date, assuming a market interest rate) based on the last approved financial statements, be not lower than 1.2:1; and
- provide for and maintain in its by-laws (i) measures aimed at preventing conflicts of interest of directors and (ii) special requirements of good standing and competence to be complied with by its directors.

In accordance with the New Concession, AdR is required to (i) maintain certain levels of quality for passenger services, as provided for in the Service Charter (*Carta dei servizi*), which was adopted by AdR pursuant to applicable laws, and (ii) submit to ENAC periodic updates containing data relating to the quality of such services.

Under the New Concession, AdR is required to pay a concession fee determined on the basis of a complex formula which depends upon, *inter alia*, traffic volumes.

### ***Asset regime***

The New Concession confers on AdR the exclusive right to use the areas, the properties and fixtures that form part of the Rome Airport System. For the entire term of the Concession, AdR is the “owner entity” pursuant to, and for the purposes of, the “Code of Traffic” (*Codice della Strada*) and the relevant regulations. The New Concession provides that the work carried out by AdR within the airports, both internal and external, will remain under the ownership of AdR until the expiry (or, otherwise, termination) of the Concession. In addition, the work carried out by sub-concessionaires (*subconcessionari*) will remain under their ownership, until the expiry (or, otherwise, termination) of each respective sub-concession, subject to the provisions set forth in the contracts regulating such sub-concessionary relationships. For further information on sub-concessions, see “—*Sub-concessions*” below.

In the case of requirements expressed by the Italian public administrations and State entities, AdR shall, on the basis of a plan defined jointly with ENAC, identify and make available the premises and areas within the airport grounds to such public administrations and State entities for the performance of their institutional duties relating to the management of aircraft, passengers and goods.

### ***Sub-concession***

Subject to ENAC’s authorisation, AdR may grant any sub-concession for the management of areas and premises intended to be used in connection with aviation activities. Following the expiry of a 30 day period after submission of AdR’s request for authorisation lapse without any reply from ENAC, the authorisation is deemed to be granted. Upon giving prior written notice to ENAC, AdR may also grant sub-concessions for the management of areas and premises intended to be used in connection with non-aviation activities, including, without limitation, commercial activities, logistics, and those activities aimed at the supply of utilities and services to public and private entities, in accordance with the utilisation plans approved by ENAC.

In any event, each sub-concession relationship is required to (i) contain a clause providing that the sub-concessionaire be bound to comply with the Service Charter (*Carta dei servizi*) and the rules and regulations applicable to the airport, (ii) be established for no longer than the term of the Concession and (iii) be terminated by operation of law in case of expiry, discontinuance due to termination, revocation or cancellation of the Concession.

Furthermore, AdR is required to ensure that third parties operating within the airport pursuant to any sub-concession arrangement will take out adequate insurance policies against all risks connected with the performance of their activities within the airport, in compliance with the applicable ENAC instructions and regulations.

### ***Extraordinary transactions***

Certain extraordinary transactions involving AdR, such as, *inter alia*, mergers, de-mergers, transfers of businesses or specific business branches, changes in the registered office or corporate purpose, or upon any winding-up, will require the prior express approval of ENAC, *provided that* should a 60-day period from the submission of AdR’s request for authorisation lapse without any reply from ENAC, the authorisation is deemed to be granted.

There are also additional limitations regarding the disposal by AdR of equity interests in its subsidiaries if certain financial covenant/parameters cannot be complied with.

ENAC’s prior approval is also required for any transactions that could result in a change of control of AdR; however, such consent is not required for any transaction that could result in a change of control of the controlling entity of AdR *i.e.* an indirect change of control of AdR.

### ***Early Termination of the Concession***

The New Regulatory Framework sets out procedures for early termination of the Concession for (i) valid public interest reasons, (ii) non-performance by AdR or ENAC of the material terms of the Concession and (iii) material changes in the legal framework of the activities carried out by AdR. In particular, the New Regulatory Framework provides for (a) revocation of the Concession for public interest reasons (*revoca per ragioni di interesse pubblico*) pursuant to Italian law, (b) discontinuance upon termination of the New Concession (*cessazione del rapporto concessorio per risoluzione della convenzione*) pursuant to Italian law and (c) withdrawal of the Concession (*decadenza dalla concessione*) pursuant to Italian law for reasons as detailed further below.

#### *Revocation of the Concession for public interest reasons (Revoca per ragioni di interesse pubblico pursuant to Italian law)*

Upon the occurrence of valid public interest reasons (*motivate esigenze di interesse pubblico* pursuant to Italian law), and upon ENAC's proposal, the Italian Minister of Infrastructure and Transport, in agreement with the Italian Minister of Economy and Finance, may issue an order of revocation of the Concession and appoint a commissioner/administrator, with such remit, responsibilities, powers and resources as deemed appropriate. The effectiveness of the inter-ministerial order is also subject to the payment by the new concessionaire taking over the Concession from AdR of a Compensation Payment (as defined below) to AdR within 30 months from the date on which the decree ordering the revocation of the Concession is enacted.

#### *Discontinuance of the Concession relationship due to termination of the New Concession (Cessazione del rapporto concessorio per risoluzione della convenzione pursuant to Italian law)*

Each of AdR and ENAC, as the case may be, may declare the New Concession terminated in the following cases:

- the procedure of approval of the Airport Development Plan submitted by AdR on 30 June 2013 is not completed within 36 months from its submission to ENAC, unless there are any interruptions of the procedure; or
- the procedure for the approval of the proposal amending the Airport Development Plan submitted, from time to time, by AdR, following changes in the legal framework or supervening needs relating to security, regularity of air transport or otherwise connected with the volume of traffic, is not completed within 180 days from its filing with ENAC; or
- following a change in the economic and financial viability of the last approved Economic and Financial Plan, due to *force majeure* events or other events beyond AdR's responsibility or material changes to the legal framework, no agreement ensuring the economic and financial balance is reached between ENAC and AdR within 180 days from such change; or
- AdR and ENAC fail to reach an agreement with respect to the formulae to be used for the calculation of the tariff levels in the subsequent 10 year tariff regulation period; or
- new legal provisions in relation to the tariff system are enacted (a) introducing changes to (i) the treatment of revenues arising from non-regulated activities, to the effect that such revenues would be allocated, wholly or partially, to full or partial recovery of the costs of the regulated activities (so called "dual till" regime, as detailed further below) and (ii) the criteria for calculation of the regulatory asset base (value of the regulatory net invested capital, the "RAB") and of the return on capital investments; and (b) imposing limitations to the profitability of regulated and/or non-regulated airport activities.

ENAC is required to justify the discontinuance of the New Concession to the MIT, which in turn is required to adopt, in agreement with the MEF, the order of discontinuance of the New Concession.

Within 60 days from the declaration of discontinuance, the MIT (in agreement with the MEF) shall appoint a commissioner/administrator, with such remit, responsibilities, powers and resources as deemed appropriate, and the procedures for the payment of the Compensation Payment (as defined below) by the entity replacing AdR in relation to the concession. As detailed above, the effectiveness of the inter-ministerial order is subject to the payment of the Compensation Payment (as defined below), which must be paid to AdR also by the replacement provider within 30 months from the date of communication of the declaration of discontinuance of the New Concession.

Until the order of discontinuance of the New Concession is effective, AdR shall continue managing the Rome Airport System.

*Withdrawal of the Concession (Decadenza dalla concessione pursuant to Italian law)*

Upon ENAC's proposal, the MIT, in agreement with the MEF, may issue an order for the withdrawal of the Concession in the following circumstances:

- material and repeated breaches of the Navigation Code;
- material and repeated breaches of the security provisions, following the imposition of sanctions by ENAC;
- failure to meet the requirements for the applicable certification pursuant to the regulation for the construction and operation of the airports;
- further material delays in implementing the investments provided for in the "Technical Ten-year Document" (*i.e.*, material delays which are unjustified and caused exclusively by AdR), following the imposition of sanctions by ENAC;
- a default is continuing notwithstanding sanctions imposed by ENAC;
- evidence that AdR is no longer capable of managing the Rome Airport System;
- more than 12 months' delay in paying the concession fee;
- failure to submit the "Technical Long-term Investment Document" on time;
- abandonment, even partial, of the management of the Rome Airport System by AdR; and
- failure to meet the financial requirements as provided for in Annex 1 to the New Regulatory Framework.

Prior to submitting a formal request for an order of withdrawal of the Concession, ENAC is required to serve a notice of reprimand on AdR and shall determine, jointly with AdR, the measures to be adopted within no less than 90 days to remedy the situation. Should the default be continuing, in whole or in part, after the lapse of the 90 day period, a further grace period, of not less than 60 days must be given by ENAC. Following the expiry of such grace period, should such default be continuing, ENAC shall submit its proposal for (i) the withdrawal of the Concession, (ii) the appointment of a commissioner/administrator (and the proposed remit, responsibilities, powers and resources thereof) and (iii) the procedures for the payment of the Compensation Payment (as defined below) also by the new manager taking over the concession.

As is the case in the previous situations described above the effectiveness of the withdrawal of the Concession is subject to the payment of the Compensation Payment (as defined below) being made within 30 months from the date of the order of withdrawal.

### ***The Compensation Payment***

In case of (i) revocation of the Concession for public interest reasons, (ii) discontinuation due to termination of the New Concession or (iii) withdrawal of the Concession, AdR is entitled in any such case to receive a compensation payment (the “**Compensation Payment**”) calculated applying the discounted unlevered free cash flow method on:

- the discounted value of the proceeds from operations relating to regulated and non-regulated activities, which can be forecasted on the date of the inter-ministerial order for the period from the date of such order up to the expiry of the Concession (net of the relevant costs, charges, investments and taxes foreseeable in the same period). The nominal discount rate shall be equal to:
  - for cash flows relating to regulated activities, the real pre-tax rate of return allowed for tariff calculations converted, consistently, into nominal post-tax rate; and
  - for cash flows relating to non-regulated activities, the nominal post-tax market remuneration rate of commercial activities having a similar profitability and risk profile; and
- the residual value of the RAB (expressed in nominal values in compliance with the regulatory accounting principles) and of the non-regulatory asset base (non-regulatory net invested capital expressed in the residual value in accordance with the regulatory accounting principles) forecasted on the expiry date of the Concession.

The market return rate of non-regulated activities referred to above will be calculated by a national or international independent public entity jointly appointed by ENAC and AdR within 30 days from the adoption of the inter-ministerial decree of revocation, discontinuation or withdrawal of the Concession, as applicable. If the parties do not agree, an independent entity will be appointed by the International Arbitration Chamber of Paris, upon request of either party and with AdR bearing the relevant costs.

The Compensation Payment determined pursuant to the foregoing formula shall be reduced, in any case, by a value corresponding to the cash flows, net of relevant costs, charges, investments and taxes, received by AdR during the management of the Concession, on the same conditions as set out in the New Concession, from the date of the relevant inter-ministerial decree to the date of transfer of the management of the Rome Airport System, and further increased by:

- the taxes that AdR is required to pay upon the collection of the Compensation Payment; and
- the interest accruing on the Compensation Payment for the period from the date of adoption of the inter-ministerial decree to the date of payment, calculated at a rate equal to the average of the 3-month Euribor rates fixed at the beginning of each quarter of the period under examination, increased by 100 basis points.

In case of withdrawal of the Concession, the Compensation Payment will be reduced by 10%, as a further penalty on AdR. In such limited circumstance and in addition to the foregoing reduction, ENAC will be entitled, pursuant to Article 1218 of the Italian Civil Code, to claim compensation for any damage caused by actions or omissions of or attributable to the concessionaire which led to the withdrawal of the Concession.

### ***Expiry of the Concession at its Stated Maturity Date***

Upon the expiry of the Concession at its stated maturity date, the State Administration shall acquire the full property, free from burdens and limitations, of the buildings, fixed plants and other infrastructure realised by AdR or by third parties within the grounds of the airport (both internal and

external), as well as any areas which have become part of the airport infrastructure following the enlargement of the airport grounds pursuant to the “Airport Development Plan”.

Within 30 months from the original stated maturity date of the Concession, AdR is entitled to receive payment of the following amounts:

- with respect to the buildings and fixed plants constructed by AdR by means of its own resources, a refund of the invested capital not yet amortised, as reported in the relevant audited accounts (*contabilità analitica regolatoria certificata*), limited to the portion of such assets assigned for the services subject to tariff regulation;
- with respect to buildings and fixed plants constructed by AdR by means of its own resources and intended for the performance of commercial activities, which as such are not subject to tariff regulation, a refund equal to the residual book value as reported in the relevant audited accounts (*contabilità analitica regolatoria certificata*), to the extent that ENAC has expressly declared in advance that they are necessary and has therefore authorised their realisation in view of their purposes related to the operation of the airports;
- with respect to movable properties and equipment acquired by AdR, the costs of which are admitted for charging purposes, a refund of the residual invested capital not yet amortised, as reported in the relevant audited accounts (*contabilità analitica regolatoria certificata*) submitted by AdR for the immediately previous financial year and in the assets book attached thereto; and
- with respect to works in progress, a refund to be calculated with sole regard to the expenses actually incurred by AdR on the aforesaid date, as reported in the work in progress statements issued by AdR (*stato di avanzamento dei lavori*).

AdR shall continue to carry on the ordinary management of the Rome Airport System until the management is transferred to the new manager. AdR is entitled to retain the cash flows relating to the management services provided from the Concession’s scheduled maturity date to the date of transfer of the Concession to the new manager.

The Economic Regulation Agreement (the “**ERA**”) and the tariffs regulation

### **Overview**

The ERA sets out principles and criteria defining the long-term tariff system and the rules of review that are applicable for the entire term of the Concession.

The ERA distinguishes between:

- **regulated activities:** the activities for which AdR is subject to regulatory oversight for the revenues it receives and for which AdR has agreed to charge airline customers with reference to a standard “building-block” mechanism as described below; and
- **non-regulated activities:** activities that are not regulated, which include, *inter alia*, (i) sub-concessions or similar agreements otherwise making available commercial space and real estate to third parties, (ii) catering and restaurants, (iii) car parks, and (iv) advertising, and for which AdR is able to determine the related charges without any regulatory oversight.

Broadly speaking, regulated activities, and therefore charges subject to regulation, are related, *inter alia*, to (i) passengers, (ii) landings and take-offs, (iii) aircraft parking and (iv) security. In addition, there is a mechanism for passing on the cost of additional regulatory measures in areas such as environment, safety, aviation legislation and licence control.

The level of regulated charges is linked to take account of the (i) operating costs incurred and (ii) depreciation charges and fair remuneration on capital invested for the provision of such services.

### ***Regulation period***

For the purposes of determining the applicable tariffs, the term of the ERA, which for the avoidance of doubt is equal to the term of the Concession, is divided into ten-year tariff regulation periods (each a “**Tariff Regulation Period**”) and each Tariff Regulation Period is in turn divided into two five-year tariff sub-periods (each a “**Tariff Sub-period**”).

In particular, on the financial year which is the penultimate year of a Tariff Sub-period (the “**Base Year**”) ENAC and AdR define:

- with respect to the succeeding Tariff Regulation Period, the investments that AdR undertakes to carry out and correlated time schedule, the quality and environmental protection indicators in relation to which AdR undertakes to achieve sustainable annual improvement targets and the target values of the quality indicators;
- with respect to the succeeding Tariff Sub-period, the regulated revenues aimed at guaranteeing to AdR the coverage of allowed management costs, additional charges that it will incur pursuant to the ERA and return on capital invested in regulated services, the traffic forecasts within the 5-year period.

For the sake of completeness, save for cases of extreme variations in the levels of air traffic with respect to forecasts leading to potential tariff review, the applicable tariffs for the first Tariff Sub-period (2012-2016) are not expected to change, except with regards to amendments linked to timing and amount of the capital expenditures.

### ***Tariff rates/formula***

The ERA introduces a long-term tariff system which, taking account of European levels and standards, is (i) linked to the costs associated with the infrastructure and the provision of the services, (ii) designed to promote efficiency, (iii) based on criteria of fair remuneration for the investments made by AdR and (iv) provides for adjustments to be made throughout the entire term of the Concession. As such, the new tariffs are linked to and conditional upon AdR’s implementation of the capital expenditures aimed at the maintenance, modernisation and expansion of the Rome Airport System and the related infrastructures, including those summarised under “*Business Description of the Group — The Group’s Investment Programme*” above.

Article 31 of the New Regulatory Framework provides a specific explanation of the various components of the tariff formula. In particular: (i) the so-called “x” component covers the allowed costs in the ‘Base Year’ (as defined therein) throughout a Tariff Sub-period; (ii) the so-called “k” component covers capital charges (allowed depreciation and remuneration in accordance with the WACC, see below) of the additional invested capital accruing within a Tariff Sub-period over the initial RAB at December 2012; (iii) the so-called “v” component covers unforeseen changes in costs associated with additional regulatory measures should they arise within a Tariff Sub-period; whereas (iv) the so-called “ε” component representing the premium/penalties payable on over/under-achievements relative to the quality/environmental standards set out in annex 10 of the New Regulatory Framework.

Upon approval of the ERA, the distinction between capital expenditures for maintenance of the airports and capital expenditures for the development and the expansion of the infrastructures has been removed, primarily due to the fact that, in contrast to the past, both are remunerated in the same manner through tariff increases and both therefore contribute to AdR’s revenues and cash flow.

In particular, the tariff rules applicable until the expiry of the Concession are based on:

- the “price cap” method, which correlates the tariffs with the costs of the services, subject to applicable economic regulation (for the sake of completeness, as at 1 January 2013, the initial

RAB value is Euro 1.8 billion, which is to be updated annually in accordance with the relevant audited financial statements);

- the “dual till” approach, pursuant to which all revenues from non-aviation activities contribute to company profits (for further information, see “—*“Dual till” or “Single till” approach*” below); and
- the provision of bonuses or penalties (as applicable) payable when the quality levels of environmental and quality standards are, respectively, above or below the minimum level and objectives set out by ENAC.

#### ***“Dual till” or “Single till” approach***

As mentioned above, there are two approaches to the economic regulation of the provision of airport management services: namely the “dual till” and the “single till” systems.

Under a “single till” approach both aeronautical and commercial airport activities are taken into consideration to determine the level of airport charges, whereas the “dual till” approach separates the regulated and non-regulated businesses and sets a “price cap” for the regulated business without consideration for the non-regulated business.

The ERA applicable to AdR has adopted the “dual till” system.

#### ***Update of the applicable tariffs***

The ERA provides a clear guidance on the methods, timing, and reasons that require the update of the economic-financial plan as of 2044, the Tariff Regulation Period and the variable contained in the mechanism of the annual fees.

Based on the foregoing, the real pre-tax weighted average cost of capital (“WACC”) for the first Tariff Regulation Period (2012 – 2016) is equal to 11.91%, which corresponds to 8.58% nominal post-tax. The ERA also provides for mechanisms and parameters for the review and update and specify (on a five or ten year basis, as the case may be) an applicable rate of return on the capital invested.

The variations in the actual levels of air traffic as compared to the respective forecasts within a +/-5% range will be to the benefit of, or charged to, AdR (as the case may be), depending on whether the amount of air traffic increases or decreases. In case of variations outside of the +5% range, 50% of the higher revenues will be allocated for future investments without any impact on the tariffs whatsoever; while in case of lower revenues outside the -5% range, 50% of such lower revenues will be included in the allowed costs for the calculation of the tariffs applicable in the following five-year regulation period. Particularly significant traffic variations may allow AdR to request the competent authorities to amend the approved investment plan.

In case of annual variations of the recorded levels of air traffic by more than +/- 6%, AdR may request to review the tariff parameters (“x”, “k”, “v”) in relation to the remaining years, on the basis of the traffic forecasts adjusted to take into account the variation occurred.

#### ***Regulations enacted within the first three quarters of 2013***

- In order to avoid that an infraction procedure be started against the Italian Government in relation to the application of different airport fees to EU and Non-EU flights, AdR, on the basis of the resolution passed by its Board of Directors on 28 June 2013, informed ENAC that it would start applying “EU” fees to flights to and from Switzerland, starting from 1 July 2013.
- On 7 October 2013, ENAC prompted the airport management companies to provide information to the carriers by 11 October 2013 in relation to the criteria for the calculation of

the new unified EU and Non-EU landing and take-off fee. On 11 October 2013, ENAC communicated that the effective date of the new unified fees for Fiumicino and Ciampino should be 1 January 2014. Following the enactment of a decree of the Italian Prime Minister dated 29 October 2013, landing and take-off fees will be unified for EU flights and non EU flights starting from 1 January 2014.

- Italian Law Decree No. 101 of 31 August 2013, converted into Law No. 125 of 30 October 2013, has introduced new regulations on airport control services, granting ENAC the power to entrust the airport operator – in compliance with EU principles – with (a) the control services for airport personnel and the crews that access the “sterile” or “secure” areas through the terminals, (b) the control services for airport personnel and any other person accessing the “sterile” or “secure” areas through points other than the internal ones and (c) the control service for the vehicles that need to reach a “sterile” or “secure” area of the grounds for the access to which special checks are required. The services must be carried out according to the procedures envisaged by the national security programme and with the supervision of the police forces as set by the local security system. Any regulatory change with consequent higher charges for the airport operator must result in the inclusion in the fee of the costs related to the regulated services.
- Lazio Regional Finance Act, approved on 29 April 2013, introduced provisions on the regional tax on aircraft noise (“**IRESA**”) which established a tax to be borne by the carriers and to be paid to the airport management companies which will periodically pay it back to the Lazio Region periodically. The tax levy planned for 2013 amounts to approximately Euro 37 million, while for 2014, which will be the first year of full implementation, such planned amount is approximately Euro 55 million. Only 10% of the proceeds generated by IRESA will be allocated to the transfer in capital account and/or current expense to the municipalities of the areas affected by airport noise pollution, as compensation to the residing population, to curb acoustic and environmental pollution. AdR has assessed the legitimacy of this measure in light of the different applications in the national context, submitting a notice to the Antitrust Authority on the anti-competitive aspects. On 30 July 2013, the Antitrust Authority accepted the findings of Assaeroporti and AdR, and consequently sent a report (pursuant to Article 21 of law No. 287/1990) to the Chairman of the Chamber and the Senate, the Prime Minister, the Presidents of the Lazio, Lombardy, Emilia Romagna, the Marche, Campania and Calabria regional boards and the Regions and State Conference, hoping that the national legislator will take into consideration its remarks with a view to solve competitiveness issues deriving from IRESA. On 6 August 2013, AdR filed a request for an opinion with the Lazio Regional Board in order for it to clarify the interpretation of the effectiveness, validity, exemption and other issues regarding IRESA.
- On 8 August 2013, the Italian Ministry of the Environment, in agreement with the Italian Minister of Cultural Heritage and Tourism issued the VIA containing 40 regulations in total that concern the works envisaged by the “*Aeroporto Leonardo da Vinci – Progetto di completamento di Fiumicino Sud*” project. AdR awaits the convening of a meeting (“*conferenza di servizi*”) in order to obtain the town-planning compliance of the same plan. For further information on the VIA, see “*Business Description of the Group – Legal proceedings – Litigation concerning the “Aeroporto Leonardo da Vinci – Progetto di completamento di Fiumicino South”*”.
- Starting from 1 July 2013, an additional increase in the municipal surcharge of Euro 2.00 on passenger boarding fees was applied, pursuant to Law No. 92 of 28 June 2012. As a consequence, the total amount of the surcharge per outbound passenger amounts to approximately Euro 7.5 for Fiumicino and Ciampino airports.

## CORPORATE GOVERNANCE

Corporate governance rules for Italian non-listed companies, such as AdR, are provided in the Italian Civil Code and, where applicable, in Legislative Decree No. 58, of 24 February 1998, as amended (the “**Financial Services Act**”), and the relevant implementing regulations.

AdR has adopted a traditional system of corporate governance, which includes a shareholders’ meeting, a board of directors and a board of statutory auditors.

Pursuant to its by-laws, the management of AdR is entrusted to a collective body made up of no fewer than seven and no more than fifteen members appointed by shareholders and one of which is jointly appointed by the Municipality of Rome, the Municipality of Fiumicino, the Province of Rome and the Region of Lazio pursuant to article 2449 of the Italian Civil Code (collectively the “**Board of Directors**”, each a “**Director**”).

Directors are appointed by the shareholders for a term determined at the relevant shareholders’ meeting, provided that such term cannot exceed three financial years. Directors can be reappointed following the expiry of their term.

The Board of Directors has broad powers to carry out the management of AdR. It is authorised to take all the steps that it deems appropriate in order to achieve AdR’s aims and corporate objectives in accordance with its corporate objects and with the exception of the powers expressly reserved by law or AdR’s by-laws.

Pursuant to AdR’s by-laws, the board of statutory auditors is composed of five auditors and two alternate auditors, each of which must meet the requirements provided for by applicable law and AdR’s by-laws (collectively the “**Board of Statutory Auditors**”). The alternate auditors will replace any statutory auditor who resigns, or is otherwise unable to continue to serve as a Statutory Auditor. The members of the Board of Statutory Auditors are appointed by the shareholders at a shareholders’ meeting and, pursuant to Article 5, Paragraph 2, item 8, of Law No. 755/73, three of such members are designated by the Italian Ministry of Economy and Finance (*Ministro dell’economia e delle finanze*), the Italian Minister of Infrastructure and Transport (*Ministro delle infrastrutture e dei trasporti*) and the Italian Minister of Economic Development (*Ministro dello sviluppo economico*), respectively. The Board of Statutory Auditors is chaired by the auditor designated by the Minister of Economy and Finance.

The members of the Board of Statutory Auditors are appointed for three financial years and may be re-elected. They may be removed only upon the occurrence of a just cause (*giusta causa* pursuant to Italian law) and with the approval of an Italian Court.

The Board of Statutory Auditors is the corporate body that, *inter alia*, must oversee AdR’s compliance with applicable laws and by-laws as well as proper administration and verify the adequacy of internal controls and accounting reporting systems.

### **Management**

#### ***Board of Directors***

The current Board of Directors of AdR is composed of ten members. The shareholders’ meeting held on 9 April 2013 appointed nine members of the Board of Directors for a period of three years (while the tenth director has been appointed by the Municipality of Rome, the Municipality of Fiumicino, the Province of Rome and the Region of Lazio thereafter). Unless there is a cause for early termination, all the members will hold office until the shareholders’ meeting convened to approve AdR’s financial statements for the financial year ending 31 December 2015.

The following table sets out the current members of the AdR's Board of Directors.

<b>Name</b>	<b>Position</b>
Fabrizio Palenzona.....	Chairman
Carlo Bertazzo.....	Executive Deputy Chairman
Lorenzo Lo Presti.....	Chief Executive Officer
Giuseppe Angiolini.....	Director
Luigi Barone <sup>(1)</sup> .....	Director
Stefano Cao.....	Director
Pier Luigi Celli.....	Director
Giovanni Castellucci <sup>(2)</sup> .....	Director
Gianni Mion.....	Director
Pierluigi Toti.....	Director

(1) Director jointly designated by the Municipality of Rome, the Municipality of Fiumicino, the Province of Rome and the Region of Lazio pursuant to article 2449 of the Italian Civil Code.

(2) Director co-opted on 25 September 2013.

For the purposes of their function as members of the Board of Directors, the business address of each of the members of the Board of Directors is AdR's registered office at Via dell'Aeroporto di Fiumicino, 320, 00054 Fiumicino (Rome), Italy.

### ***Other offices held by members of the Board of Directors***

The table below sets forth the offices on the boards of directors, boards of statutory auditors, supervisory committees or other positions other than those within the Group held by the members of its Board of Directors.

<b>Name</b>	<b>Main positions held outside the AdR Group</b>
Fabrizio Palenzona.....	Deputy Chairman of Unicredit S.p.A. Chairman of Aviva Italia S.p.A. – Assicurazioni Chairman of Gemina S.p.A. Chairman of Assaeroporti S.p.A. Honorary Chairman of Confratrasporto Chairman of AISCAT – Associazione Italiana Società Concessionarie Autostrade e Trafori Chairman of AISCAT Servizi S.r.l. Honorary Chairman of ASECAP - Association Européenne des Concessionnaires d’Autoroutes et d’Ouvrages à Péage
Carlo Bertazzo.....	Chief Operating Officer Edizione S.r.l. Director of Atlantia S.p.A. Director Sintonia S.p.A.
Lorenzo Lo Presti.....	Chairman of Telepass S.p.A. Chairman of AD Moving S.p.A.
Giuseppe Angiolini.....	Director of Prelios S.p.A. Chairman of Board of Stat. Aud. Milano Assicurazioni S.p.A. Chairman of Board of Stat. Aud. FONDIARIA-SAI S.p.A.
Stefano Cao.....	Director of Sintonia S.p.A. Director of Aeroporto di Firenze S.p.A. Management Board Member of Petrofac Limited Director of A2A S.p.A. Director of Autostrade per l’Italia S.p.A.
Pier Luigi Celli.....	Chairman of Enit S.p.A. Director of Illy Caffè’ S.p.A. Director of Unipol S.p.A.
Giovanni Castellucci.....	Chief Executive Officer of Atlantia S.p.A Chief Executive Officer of Autostrade per l’Italia S.p.A.
Gianni Mion.....	Director of Autogrill S.p.A. Director of Benetton Group S.p.A. Director of Burgo Group S.p.A. Deputy Chairman of Edizione S.r.l.
Pierluigi Toti.....	Director of Sintonia S.p.A. Chairman of Silvano Toti S.p.A. Director of Genextra S.p.A. Director of Lamaro Appalti S.p.A. Director of La Centrale Finanziaria Generale S.p.A.

### ***Senior Management***

The following table sets forth the members of AdR’s senior management, together with their current positions.

<b>Name</b>	<b>Position</b>
Antonio Sanna.....	Legal and Corporate
Vito Mangano.....	Human Resources, Organisation and Quality
Marco Troncone.....	Planning, Finance and Control
Guido Massimo Mannella.....	Tenders, Contracts and ICT
Stefano Antonio Donnarumma.....	Airport Management
Giorgio Gregori.....	Infrastructures
Fulvio Fassone.....	Commercial Services
Andrea Francesco Orsa.....	Real Estate
Roberto Mercuri.....	Institutional Affairs
Fausto Palombelli.....	Commercial Aviation
Fabio Capozio.....	Administration & Finance

## Supervisory Board

In order to implement the provisions of Legislative Decree No. 231 of 8 June 2001, AdR has established a Supervisory Board, which is currently chaired by Quirino Nicoletta and composed of Diana Strazzulli and Cinzia Versace.

### *Board of Statutory Auditors*

The shareholders' meeting held on 9 April 2013 appointed AdR's Board of Statutory Auditors for a period of three financial years, until the shareholders' meeting convened to approve AdR's financial statements for the financial year ending 31 December 2015.

Pursuant to Article 5 of the New Regulatory Framework (implementing the provisions of Article 5, Paragraph 2, item 8, of Law No. 755/73) three members of the AdR's Board of Statutory Auditors were designated by the Italian Ministry of Economy and Finance (*Ministro dell'economia e delle finanze*), the Italian Minister of Infrastructure and Transport (*Ministro delle infrastrutture e dei trasporti*) and the Italian Minister of Economic Development (*Ministro dello sviluppo economico*), respectively. The Board of Statutory Auditors is chaired by the auditor designated by the Minister of Economy and Finance.

The following table sets out the current members of the Board of Statutory Auditors.

<b>Name</b>	<b>Position</b>
Maria Laura Prislei <sup>(1)</sup> .....	Chairman
Mauro Romano <sup>(2)</sup> .....	Member
Andrea Carlo Tavecchio <sup>(3)</sup> .....	Member
Mario Tonucci .....	Member
Pier Vittorio Vietti .....	Member
Massimiliano Troiani .....	Alternate Auditor
Fabio Margara .....	Alternate Auditor

(1) Auditor designated by the Italian Minister of Economy and Finance.

(2) Auditor designated by the Italian Minister of Infrastructure and Transport.

(3) Auditor designated by the Italian Minister of Economic Development.

For the purposes of their function as members of the Board of Statutory Auditors, the business address of each of the members of the Board of Statutory Auditors is the Issuer's registered office at Via dell'Aeroporto di Fiumicino, 320, 00054 Fiumicino (Rome), Italy.

## Conflict of Interest

Except as disclosed in "*Certain relationships and related parties transactions*" below, there are no potential or existing conflicts of interest between the duties of the members of the Board of Directors and the Board of Statutory Auditors and their private interests or other duties.

## Shareholders

As at the date of this Offering Circular, prior to the effective date of the merger by way of incorporation of Gemina into Atlantia (the "**Merger Effective Date**"), Gemina is the controlling shareholder of AdR, holding 95.894% of the share capital of AdR. Sintonia is the controlling shareholder of Gemina, holding 35.931% of its share capital and it is indirectly controlled by Edizione, which is in turn indirectly controlled by members of the Benetton family.

The following table shows the main shareholders of AdR, based on AdR's shareholders register.

<b>Shareholders</b>	<b>Ownership Interest</b>
Gemina S.p.A. ....	95.894%
Chamber of Commerce of Rome .....	0.802%
Lazio Region .....	1.329%
Municipality of Rome .....	1.329%
Province of Rome .....	0.251%
Municipality of Fiumicino .....	0.100%
Others .....	0.295%
<b>Total</b> .....	<b>100.00%</b>

Source: AdR's website <http://www.AdR.it/web/aeroporti-di-roma-en-/azn-main-shareholders>.

On 20 November 2013, Atlantia and Gemina agreed to merge as soon as practicable, and, perhaps, as early as 1 December 2013. Should the Merger become effective in accordance with the relevant provisions of Italian law, Atlantia will hold approximately 95.90% of the share capital of AdR and therefore will become the controlling shareholder. For more information on the Merger, see "*Business Description of the Group — Recent Developments — Merger by way of incorporation of Gemina into Atlantia*".

As at the date of this Offering Circular, Sintonia was the controlling shareholder of Atlantia, holding 47.96% of the capital stock of Atlantia. Sintonia is indirectly controlled by Edizione, which is indirectly controlled by members of the Benetton family.

The following table shows all shareholders of Atlantia holding greater than 2.00% of the capital stock, based on publicly available filings.

<b>Shareholders</b>	<b>Ownership Interest</b>
Sintonia (and, indirectly, Edizione S.r.l.) .....	46.408%
Fondazione Cassa di Risparmio di Torino <sup>(1)</sup> .....	6.316%
Blackrock Inc. and affiliates <sup>(1)</sup> .....	5.020%
UBS AG .....	3.719%
Lazard Asset Management LLC <sup>(1)</sup> .....	2.057%
Atlantia S.p.A. <sup>(2)</sup> .....	1.941%
Free Float <sup>(1)</sup> .....	34.539%
<b>Total</b> .....	<b>100.00%</b>

(1) Source: Commissione Nazionale per le Società e la Borsa ("**CONSOB**", the Italian regulator of companies and the exchange).

(2) As at the date hereof, Atlantia held 12,860,572 treasury shares, or 1.941% of the share capital, which were purchased at an average price of €18.79 per share, for a total purchase price of €215.6 million or otherwise received as a bonus to all existing shareholders.

Under Article 3, Paragraph 6 of the New Regulatory Framework, the entity controlling AdR pursuant to Article 2359 of the Italian Civil Code is required to meet the following conditions: (i) the shareholders' equity of such entity, as recorded in the last approved audited financial statements, must be equal to, or higher than, Euro 1 million for each percentage point of participation held in AdR's share capital; (ii) it shall ensure that AdR's offices remain in Italy, for tax purposes as well as its technical and organisational responsibilities for the performance of the duties of AdR set out in Article 2 of the New Regulatory Framework; and (iii) its management body shall be composed by as many directors and statutory auditors required who meet the criteria of professionalism and, if applicable, of independence required by the Financial Services Act, and who also meet the criteria of good standing provided for the purposes of the listing on the stock exchange by the laws of the country where the entity is registered.

## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

As part of the Group's business activities, Group companies often provide goods and services to each other, as more fully described in the respective financial statements and the Group's consolidated financial statements. Material transactions between the Issuer and related parties include the following companies that have a significant direct or indirect influence on the Issuer and/or are direct or indirect subsidiaries of Gemina (and, after the Merger Effective Date, of Atlantia): Fiumicino Energia S.r.l. ("**Fiumicino Energia**"), Leonardo Energia S.c.a r.l. ("**Leonardo Energia**"), Assicurazioni Generali S.p.A. ("**Assicurazioni Generali**"), Autogrill S.p.A. ("**Autogrill**"), UniCredit S.p.A. ("**UniCredit**"), Mediobanca – Banca di Credito Finanziario S.p.A. ("**Mediobanca**"), Telepass S.p.A. ("**Telepass**") and WDFG Italia S.r.l. ("**WDFG**").

Fiumicino Energia is 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, which is also owned in part by the Issuer, and Fiumicino Energia, with respective shareholdings of 10% and 90%. Based on the agreements existing between the Issuer and Fiumicino Energia, in 2023 the co-generation plant will be transferred free of charge to the Issuer. The limited liability consortium, which also operates the thermal energy plant at Fiumicino Airport under a sub-concession from the Issuer, provides electric and thermal energy to the Airports.

Assicurazioni Generali is an insurance company with whom the Issuer has taken out its principal insurance policies.

The Group receives revenues from Autogrill and WDFG Italia, which are indirect subsidiaries of Edizione S.r.l., which is the controlling shareholder of Gemina (and, after the Merger Effective Date, of Atlantia), and from retail sub-concessions, royalties, utilities, car parks and sundry services.

Telepass, also an indirect subsidiary of Edizione S.r.l., receives revenues from the use of the Telepass user fee payment system in the Airports' car parks.

Mediobanca has several relationships with the Issuer in connection with the role played by the former in the Issuer's existing financing arrangements and also holds an interest in Gemina (and, after the Merger Effective Date, in Atlantia) sufficient to have a significant influence. Primarily, Mediobanca is the AdR Security Agent representing the AdR Secured Creditors under the AdR STID and is also administrative agent under the AdR STID, in addition to being the holder of the Issuer's Debt Service Reserve Account under the terms of the AdR Account Bank Agreement. Mediobanca is also a lender under the Euro 500 million Revolving and Term Loan Facilities Agreement, is party to certain interest rate hedging agreements with the Issuer for a notional value of Euro 25.3 million and is expected to enter into the proposed Euro 250 million Revolving Credit Facility Agreement. See "*Refinancing Plan and Description of Other Indebtedness*" and "*Intercreditor and Account Bank Arrangements*". Mediobanca is also a lender under facilities agreements to Gemina and other companies belonging to the Group and one of its directors also sits in the board of directors of Atlantia. Mediobanca is also a counterparty (as to two thirds) of a cross currency swap with Romulus to hedge interest and exchange rate risks in connection with the A4 Notes. The market value of such cross currency swap as at 30 September 2013 was Euro 134 million. The Issuer has also incurred fees and costs payable to Mediobanca for, *inter alia*, general bank commissions, advisory costs related to the transfer of AdR Mobility, the reimbursement of expenses and upfront commissions regarding certain loans to the Issuer.

UniCredit S.p.A. also has several relationships with the Issuer in connection with the role played by the former in the Issuer's existing financing arrangements and also, indirectly, holds an interest in Gemina (and, after the Merger Effective Date, in Atlantia) sufficient to have a significant influence. UniCredit acts as Account Bank for the Issuer's current accounts under the terms of the AdR Account Bank Agreement and the current accounts of other companies in the AdR Group. UniCredit is also a lender under the Euro 500 million Revolving and Term Loan Facilities Agreement, is party to certain

interest rate hedging agreements with the Issuer for a notional value of Euro 25.3 million and is expected to enter into the proposed Euro 250 million Revolving Credit Facility Agreement. See “*Refinancing Plan and Description of Other Indebtedness*” and “*Intercreditor and Account Bank Arrangements*”. UniCredit is also a counterparty (as to one third) of a cross currency swap with Romulus to hedge interest and exchange rate risks in connection with the A4 Notes. The market value of such cross currency swap as at 30 September 2013 was Euro 134 million. The Issuer has incurred fees and costs payable to UniCredit for, *inter alia*, advisory costs related to the transfer of AdR Mobility, the reimbursement of expenses and upfront commissions regarding certain loans to the Issuer.

As described herein (see “*Corporate Governance – Other offices held by members of the Board of Directors*” and “*Corporate Governance – Conflict of Interest*”), members of the boards of the Issuer and Gemina (and, after the Merger Effective Date, Atlantia) have certain relationships with Edizione, Sintonia and Autogrill and with Fondazione Cassa di Risparmio di Torino, a shareholder of Atlantia. See “*Corporate Governance – Shareholders*”. Gilberto Benetton (a current director of Atlantia) serves as chairman of the boards of directors of Edizione and Autogrill, as director of Sintonia and is one of the indirect shareholders of Edizione. Alessandro Bertani is a member of the board of directors of Sintonia. Stefano Cao (a current director of the Issuer) is Chief Executive Officer of Sintonia. Antonio Fassone (a current director of Atlantia) is a member of the boards of directors of Fondazione Cassa di Risparmio di Torino. Gianni Mion (a current director of the Issuer) is Chief Executive Officer of Edizione and is a member of the board of directors of Sintonia and Autogrill. Giuseppe Piaggio (a current director of Atlantia) is a member of the board of directors of Fondazione Cassa di Risparmio di Torino.

## FORMS OF THE NOTES

The Notes of each Series will either be in bearer form (“**Bearer Notes**”), with or without interest coupons attached, or in registered form (“**Registered Notes**”), without interest coupons attached. Bearer Notes will be issued outside the United States in reliance on Regulation S and Registered Notes will be issued both outside the United States in reliance on Regulation S or otherwise in private transactions that are exempt from the registration requirements of the Securities Act.

### **Bearer Notes**

Each Tranche of Notes will initially be in the form of either a Temporary Global Note, without interest coupons, or a Permanent Global Note, without interest coupons, in each case as specified in the applicable Final Terms. Each Bearer Global Note which is not intended to be issued in NGN form, as specified in the applicable Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Bearer Global Note which is intended to be issued in NGN form, as specified in the applicable Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

On 13 June 2006 the European Central Bank (the “**ECB**”) announced that Notes in NGN form are in compliance with the “Standards for the use of EU securities settlement systems in ESCB credit operations” of the central banking system for the euro (the “**Eurosystem**”), *provided that* certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as at 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

In respect of the Notes in bearer form, the applicable Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the “**TEFRA C Rules**”) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the “**TEFRA D Rules**”) are applicable in relation to the Notes.

### ***Temporary Global Note exchangeable for Permanent Global Note***

If the applicable Final Terms specify the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then the Notes will initially be in the form of a Temporary Global Note without interest coupons, interests in which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Principal Paying Agent; and
- (ii) receipt by the Principal Paying Agent of a certificate or certificates of non-U.S. beneficial ownership,

within seven days of the bearer requesting such exchange.

The principal amount of the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership; *provided, however, that* in no circumstances shall the principal amount of the Permanent Global Note exceed the initial principal amount of the Temporary Global Note.

***Temporary Global Note exchangeable for Definitive Notes***

If the applicable Final Terms specify the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules nor the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note, without Coupons, interests in which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the applicable Final Terms specify the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note, without Coupons, interests in which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the applicable Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Principal Paying Agent within 60 days of the bearer requesting such exchange.

Where the Temporary Global Note is to be exchanged for Definitive Notes, Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts whether in global or definitive form.

***Permanent Global Note exchangeable for Definitive Notes***

If the applicable Final Terms specify the form of Notes as being “Permanent Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Permanent Global Note, without Coupons, interests in which will be exchangeable in whole, but not in part, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the applicable Final Terms; or
- (ii) at any time, if so specified in the applicable Final Terms; or
- (iii) if the applicable Final Terms specify “in the limited circumstances described in the Permanent Global Note”, then if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 11 (*Events of Default*) of the Terms and Conditions of the Notes occurs.

Where interests in the Permanent Global Note are to be exchanged for Definitive Notes in the circumstances described in (i) and (ii) above, Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts, whether in global or definitive form. As an exception to the above rule, where the Permanent Global Note may

only be exchanged in the limited circumstances described in (iii) above, Notes may be issued in denominations which represent the aggregate of a minimum denomination of €100,000 and integral multiples of €1,000 in excess thereof, *provided that* such denominations are not less than €100,000 nor more than €199,000 or €99,000. For the avoidance of doubt, each holder of Notes of such denominations will, upon exchange for Definitive Notes, receive Definitive Notes in an amount equal to its entitlement to the principal amount represented by the Permanent Global Note. However, a Noteholder who holds a principal amount of less than the minimum denomination may not receive a Definitive Note and would need to purchase a principal amount of Notes such that its holding is an integral multiple of the minimum denomination.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the applicable Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 60 days of the bearer requesting such exchange. Where the Notes are listed on the Luxembourg Stock Exchange and its rules so require, the Issuer will give notice of the exchange of the Permanent Global Note for Definitive Notes pursuant to Condition 18 (*Notices*) of the Terms and Conditions of the Notes.

#### ***Terms and Conditions applicable to the Notes***

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under “Terms and Conditions of the Notes” below and the provisions of the applicable Final Terms which complete those terms and conditions.

#### **Registered Notes**

Each Tranche of Registered Notes will initially be represented by a global note in registered form (“**Registered Global Notes**”). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Registered Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person, save as otherwise provided in Condition 2 (*Transfers of Registered Notes*) of the Terms and Conditions of the Notes, and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Registered Global Note will bear a legend regarding such restrictions on transfer.

In a press release dated 22 October 2008, “*Evolution of the custody arrangement for international debt securities and their eligibility in Eurosystem credit operations*”, the ECB announced that it has assessed the new holding structure and custody arrangements for registered notes which the ICSDs had designed in cooperation with market participants and that Notes to be held under the new structure (the “**New Safekeeping Structure**” or “**NSS**”) would be in compliance with the “*Standards for the use of EU securities settlement systems in ESCB credit operations*” of the central banking system for the euro (the “**Eurosystem**”), subject to the conclusion of the necessary legal and contractual arrangements. The press release also stated that the new arrangements for Notes to be held in NSS form will be offered by Euroclear and Clearstream, Luxembourg as at 30 June 2010 and that registered debt securities in global registered form held issued through Euroclear and Clearstream, Luxembourg after 30 September 2010 will only be eligible as collateral in Eurosystem operations if the New Safekeeping Structure is used.

Each Note represented by a Registered Global Note will either be: (a) in the case of a Certificate which is not to be held under the NSS, registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Registered Global Note will be deposited on or about the issue date with the common depository; or (b) in the case of a Registered Global Note to be held under the NSS, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg

and the relevant Registered Global Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

The Registered Global Notes will be subject to certain restrictions on transfer set out therein and will bear a legend regarding such restrictions.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 1 (*Form, Denomination and Title*) of the Terms and Conditions of the Notes) as the registered holder of the Registered Global Notes. None of the Issuer, the Trustee, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 8(b) (*Registered Notes*) of the Terms and Conditions of the Notes) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, “**Exchange Event**” means that (1) in the case of Notes registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available, or (2) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 9 (*Taxation*) of the Terms and Conditions of the Notes which would not be required were the Registered Notes represented by the Registered Global Note in definitive form or (3) such other event as may be specified in the applicable Final Terms. The Issuer will promptly give notice to Noteholders in accordance with Condition 18 (*Notices*) of the Terms and Conditions of the Notes if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (2) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 15 days after the date on which the relevant notice is received by the Registrar.

### **Transfer of Interests**

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case to the extent applicable. Registered Notes are also subject to the restrictions on transfer set out therein and will bear a legend regarding such restrictions, see “*Subscription and Sale and Transfer and Selling Restrictions*”.

## **General**

Pursuant to the Agency Agreement, the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned an ISIN and a common code by Euroclear and Clearstream, Luxembourg.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 11 (*Events of Default*) of the Terms and Conditions of the Notes. In such circumstances, where any Note is still represented by a Global Note and a holder of such Note so represented and credited to his account with the relevant clearing system(s) gives notice that it wishes to accelerate such Note, unless within a period of 15 days from the giving of such notice payment has been made in full of the amount due in accordance with the terms of such Global Note, holders of interests in such Global Note credited to their accounts with the relevant clearing system(s) will become entitled to proceed directly against the Issuer on the basis of statements of account provided by the relevant clearing system(s) on and subject to the terms of the relevant Global Note.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and its agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer and its agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “**Noteholder**” and “holder of Notes” and related expressions shall be construed accordingly.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

### **Redemption at the Option of the Issuer**

For so long as any Bearer Notes are represented by Bearer Global Notes and such Bearer Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, no selection of Notes to be redeemed will be required under Condition 7(e) (*Redemption, Purchase and Options – Redemption at the Option of the Issuer and Exercise of Issuer’s Options*) of the Terms and Conditions of the Notes at the option of the Issuer in the event that the Issuer exercises its option pursuant such Condition 7(e) (*Redemption, Purchase and Options – Redemption at the Option of the Issuer and Exercise of Issuer’s Options*) in respect of less than the aggregate principal amount of the Notes outstanding at such time. In such event, the partial redemption will be effected in accordance with the rules and procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion).

### **Payment Business days**

Notwithstanding the definition of “business day” in Condition 8(g) (*Non-Business days*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, “business day” means: (i) (in

the case of payment in euro) any day which is a TARGET Business Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or (ii) (in the case of a payment in a currency other than euro) any day which is a day on which dealings in foreign currencies may be carried on in the principal financial centre of the currency of payment and in each (if any) Additional Financial Centre.

### **Notices**

Notwithstanding Condition 18 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 18 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system; except that for so long as such Notes are admitted to trading on the Irish Stock Exchange and it is also a requirement of applicable laws or regulations, such notices shall also be published on the Irish Stock Exchange's website, [www.ise.ie](http://www.ise.ie), the Issuer's website and through other appropriate public announcements and/or regulatory filings pursuant to mandatory provisions of Italian law.

## REFINANCING PLAN AND DESCRIPTION OF OTHER INDEBTEDNESS

*The following is a description of the current refinancing plan of the Issuer and a summary of the material terms of the Issuer's principal financing arrangements as at the date hereof. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements and are qualified in their entirety by reference to the actual agreements. Capitalised terms used in the following summaries and not otherwise defined in this Offering Circular have the meanings ascribed to them in their respective agreements. The following summary should be read in conjunction with the Securitisation Documents. For further information regarding AdR's existing indebtedness, see "Capitalisation"; and for certain risks related to AdR's existing indebtedness, see "Risk Factors—Risks related to the Securitisation, the Security and the Notes generally."*

The Issuer intends to use the proceeds from the first series of Notes issued under the Programme to refinance certain of the Group's indebtedness, including certain bonds issued under the Securitisation and certain bank debt (the "**Refinancing**"). More specifically, the Refinancing will include:

- The repayment of approximately Euro 375 million of the "A2 Loan Facility" (in an amount equal to Euro 200 million) and the "A3 Loan Facility" (in an amount equal to Euro 175 million), represented, respectively, by the A2 Notes and A3 Notes issued by Romulus under the Securitisation, each of which may be repaid on 20 March 2014 or on each quarter thereafter; and
- The repayment of approximately Euro 229 million of bank debt represented by the Revolving and Term Loan Agreement (in an amount equal to Euro 140 million), the EIB Facility Agreement (in an amount equal to Euro 80 million) and the BOPI Facility Agreement (in an amount equal to Euro 9 million).

The proceeds from the initial Notes issued under the Programme for the Refinancing will be held in two or more bank accounts secured in favour of the AdR Security Agent and the relevant creditors until the proposed repayment date (under the terms of the AdR STID and AdR Account Bank Agreement).

Following the repayment of the outstanding indebtedness described above, the only remaining portion of the Securitisation will be the approximately Euro 325 million "A4 Loan Facility", which is due in February 2023 and is represented by the GBP 215 million tranche of Class A4 notes issued by Romulus. In addition, the Issuer intends to enter into a Euro 250 million five year revolving credit facility, to replace an existing Euro 150 million revolving credit facility. See "*Use of Proceeds*", "*— Other Financing Agreements — Euro 500,000,000 syndicated Revolving and Term Loan Facilities Agreement with a syndicate of banks*" and "*— Other Financing Agreements — Proposed Euro 250,000,000 Syndicated Revolving Facility Agreement*".

Set out below is a description of the Group's current indebtedness, indicating where relevant the indebtedness that will remain outstanding following the Refinancing.

### **Romulus Facilities Agreement and related Securitisation Documents**

In February 2003, AdR entered into an amended and restated approximately Euro 1,265 million senior term loan facilities agreement (as amended and restated, the "**Romulus Facilities Agreement**"), which amended and restated a syndicated facilities agreement originally entered into by AdR in August 2001. The receivables under the Romulus Facilities Agreement were acquired by Romulus Finance S.r.l. ("**Romulus**"), a special purpose vehicle set up in accordance with Italian securitisation law.

The Romulus Facilities Agreement consisted of five separate term loan facilities, (i) the "A1 Loan Facility", (ii) the "A2 Loan Facility", (iii) the "A3 Loan Facility", (iv) the "A4 Loan Facility", and (v) the "B Loan Facility", and is subject to, *inter alia*, the terms of the AdR STID and the AdR Account Bank Agreement.

The purchase by Romulus of the receivables under the Romulus Facilities Agreement was funded by the issue of two classes of asset-backed securities pursuant to Italian securitisation law, namely: the “Class A Notes” and the “Class B Notes”. The Class A Notes were in turn divided into four tranches (the “A1 Notes”, the “A2 Notes”, the “A3 Notes” and the “A4 Notes”), with each class reflecting the maturity of the corresponding term loan facilities under the Romulus Facilities Agreement. Both the A1 Notes and the Class B Notes have been repaid in full. The “A2 Notes” and “A3 Notes” will mature in February 2015 (although they may be redeemed early as from March 2014), and the A4 Notes will mature in February 2023 (although they may be redeemed early at a specified early redemption price). The “A2 Notes”, the “A3 Notes” and the “A4 Notes” are listed on the Luxembourg Stock Exchange and guaranteed by Ambac Assurance UK Limited.

For as long as they remain outstanding the A2 Notes, A3 Notes and A4 Notes enjoy certain preferential rights as compared to the Notes. See *Risk Factors - The terms of other indebtedness of the Issuer may be more favourable than those available under the Programme*. Such rights are enhanced during a “Retention Regime Period” and in the event that either a “Trigger Event” or a “Sweep Event” occurs. See *Risk Factors - In the period prior to maturity of certain indebtedness, such indebtedness would have to be collateralised. In addition, following the occurrence of certain events, including a downgrading of the Issuer, a ‘sweep event’ would be triggered under the Securitisation. These provisions would have the effect of subordinating the Notes to the claims of certain other creditors of the Issuer, including the holders of notes issued under the Securitisation*”.

The Romulus Facilities Agreement and related agreements are available for inspection in hard copy, without charge, from the registered office of the Issuer and from the specified office of the Paying Agent for the time being in Ireland and, up to the AdR STID Unwinding Date, the specified office of the AdR Security Agent.

### ***Representations and warranties***

The Romulus Facilities Agreement contains certain customary representations and warranties, subject to certain customary materiality thresholds, actual knowledge and other qualifications, exceptions and baskets. Most of these representations and warranties are no longer repeated, while others (including, among others, on powers and authority, authorisations, accounts, information, base case and forecasts) continue to be repeated on certain specified dates.

### ***Undertakings and Covenants***

The Romulus Facilities Agreement contains certain affirmative and negative covenants, including, without limitation, financial covenants, all of which are subject to customary materiality thresholds, actual knowledge or other qualifications, exceptions and baskets.

#### ***Affirmative and negative covenants***

AdR is required to observe certain covenants, including, *inter alia*: compliance with certain financial covenants (see “—Financial Covenants” below), avoidance of actions or events reasonably likely to cause a material adverse change, compliance with material contracts, compliance with the refinancing policy, provision of financial information, maintenance of *pari passu* ranking, negative pledge, restrictions on borrowings, restrictions on loans and credit, restrictions on capital expenditure, restrictions on disposals, restrictions on mergers and acquisitions, compliance with a hedging policy, limitations on distributions and dividends, mandatory prepayment or collateralisation upon a ‘change of control’ (as defined in the Romulus Facilities Agreement), mandatory prepayment or collateralisation from proceeds deriving from any compensation payments under the Concession, mandatory prepayment or collateralisation from proceeds deriving from certain permitted disposals (see also “—Retention Regime” and “—Cash Sweep” below).

### *Financial covenants*

The Romulus Facilities Agreement contains, among other things, certain financial covenants. The financial covenants consist of a ‘concession life coverage ratio’ test, a ‘debt service coverage ratio’ test, a ‘leverage ratio’ test, a ‘liquidity balance ratio’ test and a ‘surplus cash amount ratio’ test.

AdR is required to provide a compliance certificate in relation to these ratios as at 30 June and 31 December of each year. (For further information, see, *inter alia*, clause 18 (*Debt Service Coverage Ratio, Leverage Ratio and Certification*) of the Romulus Facilities Agreement).

Non-compliance with any of the above financial covenants may give rise, as the case may be, to “Trigger Events”, “Sweep Events” (see also “—Cash Sweep”) or “Events of Default” (see “—Events of Default”) and accordingly prevent the Issuer to, *inter alia*, incur in additional indebtedness or distribute dividends.

### *Covenants restricting cash flow*

The representations, warranties and covenants described above provide the relevant creditors with a degree of control and oversight not available to the Noteholders. In addition, the “Retention Regime” and “Cash Sweep” referred to above and further described below enhance the rights of such creditors and may have an impact on the Noteholders, who do not benefit from such provisions. Upon completion of the Refinancing, only the “**A4 Loan Facility**” documented under the Romulus Facilities Agreement and the corresponding “Class A4 Notes” issued by Romulus will benefit from such protection. In particular, the occurrence of certain events or circumstances may result in the diversion of cash to be applied in accordance with the Pre-Enforcement Priority of Payments. See also “*Risk Factors – In the period prior to maturity of certain indebtedness, such indebtedness would have to be collateralised. In addition, following the occurrence of certain events, including a downgrading of the Issuer, a ‘sweep event’ would be triggered under the Securitisation. These provisions would have the effect of subordinating the Notes to the claims of certain other creditors of the Issuer, including the holders of notes issued under the Securitisation*”. The occurrence of such events would have the effect of subordinating the Notes to the claims of certain other creditors of the Issuer, including the holders of notes issued under the Securitisation.

### *Retention Regime*

The “Retention Regime Period” constitutes a collateralisation protection for the benefit of Romulus, applicable in either the 24 or the 12 month period preceding the scheduled maturity date of the relevant financial indebtedness. The amounts so collateralised will be retained in an AdR pledged account until the maturity or the acceleration of the relevant liabilities. In particular, if, on any Calculation Date, the Romulus Facilities Agreement remains outstanding with less than 12 months (or 24 months if EBITDA at a Testing Date is less than 75% of EBITDA according to the business plan) prior to its scheduled maturity date, AdR shall procure that on the following Application Date, monies shall be applied from the AdR Proceeds Accounts to the AdR Retention Account in accordance with the Pre-Enforcement Payment Priorities until the balance of the AdR Retention Account is equal (when aggregated together with amounts in respect of such Non-Amortising Term Debt in the AdR Loan Collateral Account) to 100% of the amount of the relevant Non-Amortising Term Debt. See also “*Intercreditor and Account Bank Arrangements – AdR Account Bank Agreement*”.

### *Cash Sweep*

The “Cash Sweep” constitutes a collateralisation protection for the benefit of Romulus, and is applicable upon the occurrence of any “Sweep Event” (as defined in the Romulus Facilities Agreement), which includes certain “Trigger Events” such as, for example, a rating downgrade of AdR to “BB” or below by S&P or “Ba2” or below by Moody’s and non-compliance with certain financial covenants. The amounts so collateralised will be retained in an AdR pledged account until the maturity or the acceleration of the relevant liabilities. In particular, if a Sweep Event has occurred and is continuing but there has been no acceleration in accordance with clause 23.22 (*Acceleration*) of

the Romulus Facilities Agreement, on each following Application Date, monies standing to the credit of the AdR Proceeds Account shall be applied in accordance with the Pre-Enforcement Payment Priorities and the AdR Account Bank Agreement and any amounts standing to the credit of the AdR Retention Account shall be applied in accordance with, and subject to, the AdR Pre-Enforcement Payments Priorities (after application of other sums available for that purpose). See also “*Intercreditor and Account Bank Arrangements – AdR Account Bank Agreement*”.

### ***Security package***

The Romulus Facilities Agreement benefits from a security package which is subject to the AdR STID. The security package includes, among other things: (i) pledges over shares and quotas (*quote*) of certain Group companies; (ii) pledges over certain Group bank accounts; (iii) an assignment by way of security of certain Group receivables; and (iv) charges (*privilegi speciali*) over certain movable assets.

### ***Events of default***

The Romulus Facilities Agreement provides for customary events of default, all of which are subject to customary materiality and other qualifications, exceptions, baskets and/or grace periods, as appropriate, including: non-payment of principal and interest, breach of financial ratios, misrepresentation, cross-default, insolvency or insolvency proceedings, appointment of receivers and managers, creditors’ process, cessation of business, illegality, ineffectiveness of security, governmental intervention, lack of insurances, temporary shut - down of the Fiumicino and Ciampino airports, material adverse change and material adverse effect, material litigation and non-compliance with material contracts.

With particular reference to the breach of ratios, clause 23.16 of the Romulus Facilities Agreement provides that an “Event of Default” (as defined therein) shall be deemed to occur if: (1) the Concession Life Coverage Ratio as at any Calculation Date (such date being 30 June and 31 December of each year) is less than 1.5x; (2) the Debt Service Coverage Ratio as at any Calculation Date is less than 1.1x; or (3) the Leverage Ratio as at any Calculation Date is higher than either: (i) 4.25x if on that Calculation Date the Rating assigned to AdR is equal to, or higher than, “BBB” by S&P and “Baa2” by Moody’s; or (ii) 3.75x if on that Calculation Date the Rating assigned to AdR by either Rating Agency is equal to, or lower than, “BBB-” or “Baa3”.

### **Other Financing Arrangements**

In addition to the Romulus Facilities Agreement, the Issuer is a party to three other financing arrangements and intends to enter into a further revolving facilities agreement, each as described below.

The three existing financing arrangements described below were entered into on terms (including representations and warranties, covenants, mandatory prepayments, trigger events and events of default) substantially in line with those of the Romulus Facilities Agreement. Such arrangements also benefit from the same protections and security package as the claims of Romulus under the Romulus Facilities Agreement and the AdR STID, including protections under the Retention Regime Period (see “—*Retention Regime*”) or relating to the Cash Sweep (see “—*Cash Sweep*”).

#### ***Euro 85,000,000 Amortising Loan Agreement with Intesa Sanpaolo S.p.A.***

On 19 February 2003, the Issuer entered into an amortising loan agreement with Banca OPI S.p.A. (currently, Intesa Sanpaolo S.p.A. and, formerly BIIS S.p.A.) for an aggregate amount of Euro 85,000,000 (the “**BOPI Facility Agreement**”). The Issuer is the borrower under the BOPI Facility Agreement which matures in March 2015. The BOPI Facility Agreement was fully drawn and a substantial portion of indebtedness thereunder has been repaid, with only approximately Euro 9 million outstanding.

The Issuer plans to refinance amounts outstanding under the BOPI Facility Agreement. See “—*Proposed Refinancing Plan.*”

***Euro 80,000,000 Loan Agreement with the European Investment Bank***

On 27 May 2008, the Issuer entered into a loan agreement with the European Investment Bank for an aggregate amount of Euro 80,000,000 (the “**EIB Facility Agreement**”). The Issuer is the borrower under the EIB Facility Agreement which matures in February 2018. The EIB Facility Agreement has been fully drawn and is outstanding.

The Issuer plans to refinance amounts outstanding under the EIB Facility Agreement. See “—*Proposed Refinancing Plan.*”

***Euro 500,000,000 syndicated Revolving and Term Loan Facilities Agreement with a syndicate of banks***

On 31 May 2012, the Issuer entered into a revolving and term loan facilities agreement with a syndicate of banks for an aggregate amount of up to Euro 500,000,000 (the “**Revolving and Term Loan Facilities Agreement**”). AdR is the borrower under the Revolving and Term Loan Facilities Agreement which matures in 20 February 2015.

The term loan facility under the Revolving and Term Loan Facilities Agreement amounted to Euro 156,000,000 and was fully drawn and approximately Euro 140 million remains outstanding. The revolving facility Euro 150,000,000 under the Revolving and Term Loan Facilities Agreement is undrawn and will continue to be available to the Issuer until the earlier of (i) November 2014 and (ii) the date on which the proposed Euro 250 million Revolving Facility Agreement is entered into (see “—*Proposed Euro 250,000,000 Syndicated Revolving Facility Agreement*”).

The Issuer plans to refinance amounts outstanding under the Revolving and Term Loan Facilities Agreement. See “—*Proposed Refinancing Plan.*”

***Proposed Euro 250,000,000 Syndicated Revolving Facility Agreement***

The following is a summary of the provisions of the Revolving Credit Facility to be provided under a senior revolving credit facility agreement (the “**Revolving Credit Facility Agreement**”) to be entered into by and between the Issuer, as borrower, and a syndicate of banks, as lenders (the “**Lenders**”), in connection with the Refinancing. See “—*Other Financing Agreements—Euro 500,000,000 syndicated Revolving and Term Loan Facilities Agreement.*” The Revolving Credit Facility Agreement will be subject to the terms of the AdR STID Transaction Documents.

*Overview*

The Issuer has agreed the form of the Revolving Credit Facility Agreement with the Lenders. It expects to enter into the Revolving Credit Facility Agreement following the issuance of the first series of Notes under the Programme. The Revolving Credit Facility Agreement will provide for committed financing in the form of a Euro 250 million revolving credit facility (the “**Revolving Credit Facility**”). The Revolving Credit Facility may be utilised by the Issuer for general corporate purposes.

*Repayments*

Loans under the Revolving Credit Facility must be repaid in full on the last day of the related interest period (save for rollover loans). All outstanding amounts under the Revolving Credit Facility will be repaid on the termination date under the Revolving Credit Facility Agreement, which is expected to fall five years after the date the agreement is signed.

*Representations and Warranties*

The Revolving Credit Facility Agreement contains certain customary representations and warranties applicable to the Issuer and certain of its subsidiaries (subject to certain exceptions and qualifications and with certain representations and warranties required to be repeated upon a drawdown under the Revolving Credit Facility), including, *inter alia*, status, binding obligations, non-conflict with other obligations, power and authority, validity and admissibility in evidence, governing law and enforcement, no default, no misleading information, financial statements, pari passu ranking, insolvency, no breach of laws and environmental laws.

#### Covenants

The Revolving Credit Facility Agreement requires the Issuer to observe certain affirmative covenants, including, *inter alia*, maintenance of pari passu ranking of the Revolving Credit Facility, clean-down, a most favoured nation provision and compliance with certain financial covenants (see “—*Financial Covenants*” below).

The Revolving Credit Facility Agreement also requires AdR to observe certain negative covenants, including negative pledge, restrictions on making certain acquisitions, disposals and extraordinary transactions and no change of business.

The Revolving Credit Facility Agreement also contains an information covenant under which, among other things, the Issuer is required to deliver to the Lenders annual financial statements, semi-annual financial statements, compliance certificates, and notification of any non-payment of certain amounts due by it under the Concession as “*canone concessorio*”.

#### *Financial Covenants*

In addition to the general covenants described above, the Revolving Credit Facility Agreement contains financial covenants requiring the Issuer and its subsidiaries (a) not to exceed a leverage ratio (i.e., the ratio of net debt to EBITDA) of (i) 4.25:x if the rating assigned to the Issuer is equal to, or higher than, BBB by S&P and Baa2 by Moody’s and (ii) 3.75:x if the rating assigned to the Issuer by a rating agency is equal to, or lower than, BBB- or Baa3 (or if no rating is assigned to the Issuer) and (b) to ensure that its debt service cover ratio shall not be less than 1.1:x.

#### *Events of Default*

The Revolving Credit Facility Agreement contains events of default applicable to the Issuer, including non-payment of principal and interest, breach of financial covenants, cross-default to third party financial indebtedness in excess of Euro 50 million, insolvency, insolvency proceedings, creditors’ process, breach of the undertakings contained in the Revolving Credit Facility Agreement, subject to a 30-day grace period, breach of representations and warranties, subject to a 30-day grace period, invalidity, unlawfulness of the security documents entered into in connection with the Revolving Credit Facility Agreement), invalidity of the Concession, material adverse change and litigation.

## INTERCREDITOR AND ACCOUNT BANK ARRANGEMENTS

*The following is a summary of certain material terms of the AdR STID and the AdR Account Bank Agreement as at the date hereof. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements and are qualified in their entirety by reference to the actual agreements and the Romulus Facilities Agreement. Capitalized terms used in the following summaries and not otherwise defined in this Offering Circular have the meanings ascribed to them in their respective agreements. For the avoidance of doubt, as used in this section, the term “Reserved Matter” shall have the meaning given to it in the AdR STID.*

### AdR STID

The AdR STID governs the relationship of AdR with a number of AdR’s creditors including the holders of Secured Notes and Unsecured Notes. See “*Risk Factors — Risks related to the Securitisation, the Security and the Notes Generally*” above. The AdR STID is one of a number of documents that AdR entered into, as ultimate debtor, pursuant to a securitisation programme established in 2003 by Romulus Finance S.r.l., a special purpose vehicle set up in accordance with Italian securitisation law (“**Romulus**”).

The purpose of the AdR STID is to regulate, *inter alia*: the obligations of AdR to the Beneficiaries (i.e. holders of senior secured and senior unsecured indebtedness); the exercise and enforcement of rights by the Beneficiaries against AdR; and the rights of the Beneficiaries to instruct the AdR Security Agent to exercise and enforce rights against AdR; the rights of the Beneficiaries during a default situation; the Entrenched Rights and Reserved Matters of different Beneficiaries; the Creditor Class Reserved Matters of each Creditor Class; the giving of consents and waivers and the making of amendments to certain Securitisation Documents; the ranking in right of payment of the claims of Beneficiaries: certain provisions relating to the security available for AdR’s secured creditors (including its release in certain circumstances); appointment provisions, rights and powers relating to, *inter alia*, the AdR Security Agent, the AdR Administrative Agent and the AdR Account Bank, the remuneration and indemnification of certain agents including the AdR Security Agent, representations, warranties and undertakings of obligors and provisions relating to sharing between Beneficiaries.

The Beneficiaries do not generally have the independent right to accelerate their claims or take other enforcement action against AdR. Such rights are held by the AdR Security Agent in accordance with the AdR STID and the voting procedures provided thereunder. See “*Risk Factors — The Issuer has established a Securitisation whose documentation affects the Programme significantly and limits the powers of the Trustee and the rights of the Noteholders under the Programme*” and “*Risk Factors — The Collateral securing the Secured Notes is granted to the AdR Security Agent and enforcement is subject to the terms of the AdR STID*” above. By acceding to the AdR STID creditors acknowledge that their claims will rank in accordance with the Priority of Payments set out in the AdR Account Bank Agreement. The AdR STID also regulates the process by which additional creditors may accede to it and the common terms that must apply to any such additional debt.

Except as otherwise provided in the AdR STID, the AdR Security Agent acts according to the instructions of various Beneficiaries, including Romulus, who comprise the qualifying instructing group (the “**Instructing Group**”) in respect of that matter, unless such instructions infringe an Entrenched Right, a Reserved Matter or a Creditor Class Reserved Matter. The members of the Instructing Group may act through their AdR Qualifying Debt Representatives.

The AdR STID prevents the exercise of Beneficiaries’ rights without the consent of the relevant Instructing Group (except for the Entrenched Rights or Reserved Matters of certain Beneficiaries and Reserved Matters of Creditor Class in which circumstances the consent (or tacit consent) of the relevant Beneficiaries or Creditor Class is needed). An Entrenched Right may only be exercised or altered by the Instructing Group with the prior consent (or tacit consent) of each Beneficiary or Beneficiaries (or an appropriate proportion thereof) having that Entrenched Right. For the avoidance

of doubt, there may be more than one party having the same Entrenched Right. A Reserved Matter may only be approved by (or upon the exclusive instructions of) such Beneficiary (or the appropriate Creditor Class) having that Reserved Matter. A Creditor Class Reserved Matter may only be approved by (or upon the exclusive instructions of) the representative of the relevant Creditor Class. See “*Risk Factors — The Issuer has established a Securitisation whose documentation affects the Programme significantly and limits the powers of the Trustee and the rights of the Noteholders under the Programme*” and “*Risk Factors — The decisions of Noteholders under the Programme are subject to the terms of the AdR STID and decisions taken by other creditors under the AdR STID may affect the Programme*”.

A “tacit consent” may be deemed to be obtained when the relevant Beneficiary (or Instructing Group) has failed to give an Entrenched Rights and Reserved Matters Notice in accordance with the AdR STID.

### **AdR STID Proposal**

Any Beneficiary, the AdR Security Trustee or AdR itself is entitled to make a proposal under the AdR STID (an “**AdR STID Proposal**”) in relation to any modification, consent or waiver or the taking of any enforcement action. Such AdR STID Proposal may require the consent of the Instructing Group representing more than the appropriate proportion of the relevant Beneficiaries or, in the case of a Reserved Matter, the relevant Beneficiary or, in the case of a Creditor Class Reserved Matter, the appropriate Creditor Class and, in the case of an Entrenched Right, the relevant Beneficiary (or Beneficiaries) or an appropriate proportion thereof and the Instructing Group.

For the purpose of consenting to an AdR STID Proposal, the percentage of the aggregate Voted BIG Outstanding Principal Amount that constitutes the Instructing Group varies depending on the matter under consideration. Votes not received by specified cut-off dates will not be taken into account. See clause 16 (*Voting, Instructions and Determination of BIG Outstanding Principal Amount*) of the AdR STID. In this respect, the AdR STID provides for five different majorities based on the different types of decisions, as follows:

1. “Beneficiary Instructing Group”: more than 50% of the aggregate votes cast, to decide on any matter other than those falling under 2, 3, 4 or 5 below;
2. “Super Instructing Group”: more than 75% of the aggregate votes cast to decide on, among other things, waivers and amendments to capital expenditure restrictions set out in the Romulus Facilities Agreement (and, where relevant, any other agreement documenting AdR’s financial indebtedness);
3. “Special Instructing Group”: more than 66 2/3% of the aggregate votes cast to decide on the release of the security interests or the collateral on creation of Further Indebtedness;
4. “Enforcement Instructing Group”: more than 90% of the aggregate votes cast to decide on the determination of an event of default, the acceleration of the liabilities or the taking of any enforcement action; and
5. all “Beneficiaries” (other than the unsecured creditors): unanimous consent to decide on the release of the security interests or the collateral.

With particular reference to the Programme:

- i. neither the holders of the Notes nor the Trustee shall be allowed to vote on the matters referred under paragraph (2) above and (unless they have the benefit of the relevant provisions (including, without limitation, representations and warranties, covenants, trigger events and events of default) the subject matter of the relevant AdR STID Proposal), paragraph (1) above;

- ii. no holders of any Unsecured Note (nor the Trustee on their behalf) shall be allowed to vote in the circumstances referred under (3) and (5) above or on the enforcement of the Security Documents.

### **AdR STID - Entrenched Rights**

Entrenched Rights are rights that cannot be modified or waived without the consent (or tacit consent) of the relevant Beneficiaries (or an appropriate proportion thereof) having that Entrenched Right.

The full list of the “Entrenched Rights” is set out in clause 7.2 (*Entrenched Rights*) of the AdR STID but Noteholders should be aware, *inter alia*, that:

- i. they have veto rights only with respect to an AdR STID Proposal in relation to any modification, consent or waiver or decision which has the effect of changing or relates to the waiver of paragraphs (1), (2), (3), (5), (6), (8), (9), (10), (12) or (15) as well as of the negative pledge undertaking or any event of default under the Terms and Conditions of the Notes to the extent (and only to the extent) that such modification, consent or waiver relates the Trust Deed, the Terms and Conditions of the Notes, the Agency Agreement, the Security Documents (as such term is defined in the Terms and Conditions of the Notes) or the AdR STID Transaction Documents (as such term is defined in the Terms and Conditions of the Notes) to which the Trustee is a party which constitutes an AdR Noteholders Special Matter (as defined in the AdR STID) (for the purposes of the AdR STID, each, an “**AdR Noteholders Entrenched Right**” and, collectively, the “**AdR Noteholders Entrenched Rights**”); and
- ii. any such veto right may be exercised only by the Trustee acting as AdR Qualifying Debt Representative in respect of any Series of Notes issued from time to time and then outstanding under the Programme.

In particular, the above listed paragraphs of clause 7.2 (*Entrenched Rights*) of the AdR STID deal with, respectively, any proposal which (1) has the effect of reducing the scope of the AdR Senior Liabilities of a Beneficiary (2) would adversely affect the ranking in priority of an Beneficiary under the Priority of Payments or would adversely affect a Beneficiary with respect to the application of proceeds by AdR, the AdR Security Agent or otherwise, (3) has the effect of changing or relates to definitions used in the AdR STID for the purposes of clause 7 (*Modifications, Consents and Waivers*) thereto (such as, *inter alia*, “Beneficiary”, “Beneficiary Instructing Group”, “Special Instructing Group” and “Enforcement Instructing Group”) and any related clause in a manner which would adversely affect the rights of a Beneficiary, (5) has the effect of delaying the date for payment of principal, interest or other sums due to a Beneficiary, or reducing (including by altering the method of calculating the same) the amounts of principal, interest or other sums due to a Beneficiary or the effect of any grossing up provision in respect thereof, (6) has the effect of bringing forward the date for payment of principal, interest or other sums due to a Beneficiary, or increasing (including by altering the method of calculating the same) the amounts of principal, interest or other sums due to a Beneficiary on any date or has the effect of changing or relates to the currency of payment due to a Beneficiary, (8) has the effect of changing the express requirement of any provision of the AdR STID or any related document for the consent of, or changing any Entrenched Right or Reserved Matter of, a Beneficiary, (9) has the effect of changing the requirement of any provision of any Relevant Document for the consent of the Beneficiary Instructing Group, the Special Instructing Group, the Super Instructing Group, the Enforcement Instructing Group, Majority Qualified Beneficiaries, Special Qualified Beneficiaries, Super Qualified Beneficiaries or Enforcement Qualified Beneficiaries, (10), would or might result in the exchange of any AdR Senior Liabilities of a Beneficiary into shares, bonds or other obligations, (12) has the effect of changing or relates to any transfer or assignment by, or substitution for, any Obligor or (15) would or might result in a waiver or release of, or material impairment to the effectiveness or value of, any of the AdR Security Documents (as defined in the AdR STID) (unless equivalent security is taken at the same time or unless such release is otherwise permitted).

See “*Risk Factors — The Issuer has established a Securitisation whose documentation affects the Programme significantly and limits the powers of the Trustee and the rights of the Noteholders under the Programme*”.

#### **AdR STID - Reserved Matters of Beneficiaries**

Pursuant to clause 7.3 (*Reserved Matters of Beneficiaries*) of the AdR STID, each Beneficiary (other than the Noteholders and the Note Trustee acting as Qualifying Debt Representative in respect of any Series of Notes issued from time to time and then outstanding) reserves to itself each of the following rights (and each such right shall not be exercisable without its consent except pursuant to an approved AdR STID Proposal pursuant to which it has failed to give an Entrenched Rights and Reserved Matters Notice in accordance with the AdR STID):

- (a) to receive any sums owing to it for its own account in respect of premia, fees, costs, charges, liabilities, damages, proceedings, claims and demands in relation to any Relevant Document to which it is a party as permitted pursuant to the terms of the AdR STID;
- (b) to make determinations of and require the making of payments due and payable to it under the provisions of the Relevant Documents as permitted by the terms of the AdR STID;
- (c) to exercise the rights vested in it or permitted to be exercised by it under and pursuant to the terms of the AdR STID or any other Finance Document;
- (d) to receive notices, certificates, communications or other documents or information under the Relevant Documents to which it is a party;
- (e) in the case of each Relevant Finance Lessor, to inspect the relevant Equipment, to make calculations under the financial schedules (or equivalent provisions thereunder relating to the calculation of rental or termination sums) to the AdR Relevant Finance Lease and to terminate the AdR Relevant Finance Lease provided such termination is a Permitted Lease Termination; or
- (f) to make any claim under, or enforce any provision of, any financial guarantee policy, other third party guarantee, credit insurance, sub-participation arrangements or other credit support arrangements made available by any third party to such Beneficiary in accordance with and to the extent permitted under the Relevant Documents.

#### **AdR STID - Reserved Matters of Creditor Class**

Pursuant to clause 7.4 (*Reserved Matters of Creditor Class*) of the AdR STID the holders of each Series of Notes issued from time to time and then outstanding under the Programme, acting through the Note Trustee as their Class Representative, reserve to themselves the right to agree any waiver or consent or amendment which constitutes an AdR Noteholders Reserved Matter (and each such right shall not be exercisable without the consent of such Class Representative except pursuant to an approved AdR STID Proposal pursuant to which such Class Representative has failed to give an Entrenched Rights and Reserved Matters Notice in accordance with this Deed).

For the purposes of clause 7.4(B) (*Reserved Matters of Creditor Class*) of the AdR STID, “**AdR Noteholders Reserved Matters**” means any of the following matters: (a) any amendment of a formal, minor or technical nature to or to correct a manifest error of any provision of the Trust Deed or to the Conditions, the Agency Agreement any AdR STID Transaction Document, any Security Document or any other document to which the Trustee is a party in its capacity as trustee for the Notes, (b) any waiver or amendment to clause 7.4(B) (Reserved Matters of Creditor Class) of the AdR STID, (c) any amendment to the definition of AdR Noteholders Entrenched Rights or to any definition directly or indirectly used therein, or (d) any amendment to this definition, or (e) in relation to each Series of Notes issued from time to time and outstanding, any modification of any AdR Noteholders Special Matter relating to such series.

The full list of the “Reserved Matters” of each Creditor Class is set out in clause 7.4 (*Reserved Matters of Creditor Class*) of the AdR STID.

### **Beneficiary Sharing**

The AdR STID includes provisions pursuant to which Beneficiaries agree to share amounts received from AdR or any third party, *inter alia*, otherwise than in accordance with and as contemplated by the relevant Finance Documents to which such Beneficiaries are parties and the AdR Account Bank Agreement. In such circumstances the party receiving such funds shall pay the relevant amounts to the AdR Security Agent who will distribute such funds among the Beneficiaries in accordance with the terms of the AdR STID and the AdR Account Bank Agreement. See, *inter alia*, clause 19 (*Beneficiary Sharing*) of the AdR STID.

### **Acceleration of Liabilities**

Pursuant to clause 9.7 (*Acceleration of Liabilities*) of the AdR STID, the Beneficiaries agree that each Beneficiary shall only be entitled to exercise any right to accelerate any of the AdR Senior Liabilities arising by reason of the occurrence of a Default or otherwise with the prior written consent of the Enforcement Instructing Groups pursuant to an approved AdR STID Proposal.

Noteholders should therefore note that, depending on the nature of the default and of the relevant amounts of AdR Senior Liabilities outstanding, they (or the Trustee on their behalf) may not be able to accelerate the Notes. (See “*Risk Factors — The Collateral securing the Secured Notes is granted to the AdR Security Agent and enforcement is subject to the terms of the AdR STID*”).

Clause 9.8 (*Automatic Acceleration of AdR Senior Liabilities*) provides that if any of the AdR Senior Liabilities are accelerated pursuant to clause 9.7 (*Acceleration of Liabilities*), all other AdR Senior Liabilities shall be automatically accelerated.

### **Romulus STID**

The relationship of the holders of Romulus notes to each other and to Romulus is set out in a further intercreditor document (the “**Romulus STID**”). Subject to the terms of the Romulus notes, holders of such notes will be able to instruct the trustee for Romulus on certain matters affecting such noteholders. As noted elsewhere, holders of the Notes issued by Romulus need not take the interests of the Noteholders into account when making any decisions and as a result any such decisions may not be in the interests of the Noteholders (see “*Risk Factors — The decisions of Noteholders under the Programme are subject to the terms of the AdR STID and decisions taken by other creditors under the AdR STID may affect the Programme*”). The Romulus notes are listed on the Luxembourg Stock Exchange and are guaranteed by Ambac Assurance UK Limited, acting as “controlling party” of the Romulus noteholders in accordance with, and subject to, the Romulus STID and the related transaction documents.

### **AdR STID Emergency Instruction Procedure**

The AdR STID provides for an emergency instruction procedure (which is nevertheless subject to Entrenched Rights, Reserved Matters and Creditor Class Reserved Matters) in order to allow for the fact that the AdR Security Agent may not obtain adequate instructions in certain circumstances. The AdR Security Agent is required to act upon the instructions set out in an emergency instruction notice executed by the relevant Beneficiaries or, where applicable, their AdR Qualifying Debt Representatives (as the case may be) representing more than the appropriate percentage of the relevant Beneficiaries.

### **AdR Account Bank Agreement**

The AdR Account Bank Agreement regulates the deposit, transfer and withdrawal of payments into, out of and among certain bank accounts, including *inter alia*, the AdR Proceeds Accounts, the AdR

Recoveries Account, the AdR Debt Service Account, the AdR Debt Service Reserve Account, the AdR Loan Collateral Account, the AdR Retention Account, the AdR Accelerated Premium Account and certain other identified accounts (each an “**AdR Bank Account**”). It also regulates the application of sums standing to the credit of the AdR Bank Accounts as set out in the Priority of Payments (see “—*Priority of Payments*”). Subject to certain specified exceptions, all revenues of AdR are paid into the AdR Proceeds Account.

UniCredit S.p.A. is the AdR Account Bank with which the AdR Bank Accounts are held. Each AdR Account Bank must comply with certain minimum ratings and other requirements, failing which the AdR Account Bank may be replaced. In this connection, AdR is considering the appointment of one or more third party financial institutions having credit ratings of no less than “A” and “A-1” from S&P and “A2 and “P-1” from Moody’s (save as otherwise agreed) acting as a “strongbox” bank for the benefit of AdR and the creditors parties to the AdR STID (each, a “**Strongbox Bank**”). Upon the appointment of one or more Strongbox Banks, and subject to the terms of the AdR STID (i) amounts credited to the AdR Proceeds Account which are not immediately required in AdR’s ordinary course of business will be swept to accounts held with such Strongbox Bank while (ii) UniCredit S.p.A. will continue to act as AdR Account Bank, operating those accounts required for the ordinary business of AdR and referred to in the AdR Account Bank Agreement (including, without limitation, the AdR Proceeds Account) for so long as it is rated at least “BBB-” and “A-2” by S&P and “Baa3” and “P-2” by Moody’s.

## **Priority of Payments**

### *Overview*

The AdR Account Bank Agreement sets out, *inter alia*, the order in which payments will be made by AdR in relation to the AdR Senior Liabilities (including any Secured Notes and any Unsecured Notes). Noteholders should be aware that at each relevant level of the Pre-Enforcement Priority of Payments their claim ranks on a *pari passu* basis with all other claims at that level. Therefore to the extent of a shortfall in available proceeds at any given level of the Priority of Payments, it will be borne by the relevant creditors on a *pari passu* basis.

The Priority of Payments is complex. Noteholders are encouraged to consider the Priority of Payments in detail, together with the AdR Account Bank Agreement and the AdR STID.

### *Pre-Enforcement Payments Priorities*

According to the Pre-Enforcement Priority of Payments, prior to any acceleration of the AdR Senior Liabilities, AdR (or the AdR Security Agent, as the case may be) shall be required, pursuant to the AdR STID, the Romulus Facilities Agreement and the AdR Account Bank Agreement to apply on each relevant payment date all monies (other than such monies as are used for making Permitted Payments, which are not required to be so applied) standing to the credit of the AdR Proceeds Accounts in a proscribed order of priority.

The Pre-Enforcement Priority of Payments is set out in full in Part 1 of Schedule 2 of the AdR Account Bank Agreement, but Noteholders should be aware, *inter alia*, that:

- (A) fees, costs and expenses of the Trustee, Dealers and other agents are paid second in the Pre-Enforcement Priority of Payments (see paragraph (b)(xiii) of Part 1 of Schedule 2);
- (B) interest on the Notes is paid third in the Pre-Enforcement Priority of Payments (see paragraph (c)(xvi) of Part 1 of Schedule 2);
- (C) principal in respect of the Notes is paid fourth in the Pre-Enforcement Priority of Payments (see paragraph (d)(xvi) of Part 1 of Schedule 2);

- (D) any Mandatory Prepayments are paid fifth in the Pre-Enforcement Priority of Payments (see paragraph (e)(xvii) of Part 1 of Schedule 2); and
- (E) any make whole amounts payable or similar amount, if any, in respect of the Notes are paid sixth in the Pre-Enforcement Priority of Payments (see paragraph (f)(xv) of Part 1 of Schedule 2).

### **Post-Enforcement Payments Priorities**

According to the Post-Enforcement Priority of Payments, after any acceleration of the AdR Senior Liabilities and upon the enforcement of any AdR Security, upon the receipt of any monies by the Issuer (or the AdR Security Agent pursuant to the AdR STID, as the case may be), the Issuer (or the AdR Security Agent pursuant to the AdR STID, as the case may be) shall apply all such proceeds of enforcement or monies (other than any Reserved Amounts) in a proscribed order of priority. See “*Risk Factors — The Collateral securing the Secured Notes is granted to the AdR Security Agent and enforcement is subject to the terms of the AdR STID*” and “*Risk Factors — The value of the Collateral may not be sufficient to secure the obligations under the Secured Notes*”.

The Post-Enforcement Priority of Payments is set out in full in Schedule 2, Part 2 of the AdR Account Bank Agreement, but Noteholders should be aware, *inter alia*, that:

- (i) interest in relation to the Notes which by their terms are expressed to have the benefit of any security interest created pursuant to clause 2.6 (*Subsequent Security Interest*) of the AdR STID (such as any Secured Note) is paid third in the Post-Enforcement Priority of Payments (see paragraph (c)(xvi) of Part 2 of Schedule 2);
- (ii) principal payments in relation to the Notes which by their terms are expressed to have the benefit of any security interest created pursuant to clause 2.6 (*Subsequent Security Interest*) of the AdR STID (such as any Secured Note) is paid fourth in the Post-Enforcement Priority of Payments (see paragraph (d)(xvi) of Part 2 of Schedule 2);
- (iii) any amounts payable in respect of Permitted Indebtedness which constitutes AdR Senior Liabilities other than those which by their terms are expressed not to have the benefit of any security interest created pursuant to clause 2.6 (*Subsequent Security Interest*) of the AdR STID not payable under other prior items of the AdR Post-Enforcement Priority of Payments are payable sixth in the AdR Post-Enforcement Priority of Payments (see paragraph (f)(xvi) of Part 2 of Schedule 2); and
- (iv) any amounts payable under the Notes which are by their terms expressed not to have the benefit of any security interest created pursuant to clause 2.6 (*Subsequent Security Interest*) of the AdR STID (such as any Unsecured Note) are payable eighth in the Post-Enforcement Priority of Payments (see paragraph (h) of Part 2 of Schedule 2).

As a consequence and, as stated elsewhere (see, *inter alia*, the “*Risk Factors*”), after any acceleration of the AdR Senior Liabilities and upon the enforcement of any Collateral payments of interest and principal on Unsecured Notes will be fully subordinated to the payment of all other amounts owing by AdR to the senior secured creditors parties to the AdR STID and the payment of any termination amount under any swap transaction entered into by AdR and Romulus.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each series of Notes issued under the Programme (each a “Series”). The full text of these terms and conditions as so completed with the relevant provisions of the Final Terms (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the applicable Final Terms. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are constituted by a Trust Deed (as amended or supplemented as at the date of issue of the relevant Series of Notes (the “**Issue Date**”) and as further amended or supplemented from time to time in relation to such Notes, the “**Trust Deed**”) dated 29 November 2013 between Aeroporti di Roma S.p.A. (“**AdR**” or the “**Issuer**”, which expression shall include any company substituted in place of the Issuer in accordance with Condition 12(f) (*Substitution*) or any permitted successor(s) or assignee(s) and BNY Mellon Corporate Trustee Services Limited (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). Notes issued under the Programme may be Secured Notes or Unsecured Notes (each as defined below). These terms and conditions (the “**Conditions**”) include summaries of, and, at any time prior to the AdR STID Unwinding Date, are subject to, the detailed provisions of the AdR STID Transaction Documents (as defined below), the Security Documents (as defined below) where relevant and the Trust Deed, which includes the forms of the Bearer Notes, Certificates, Coupons and Talons referred to below. An Agency Agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 29 November 2013 has been entered into in relation to the Notes between the Issuer, the Trustee, The Bank of New York Mellon (acting out of its London Branch) as initial issuing and paying agent and the other agents named in it. The principal paying agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Principal Paying Agent**”, the “**Paying Agents**” (which expression shall include the Principal Paying Agent), the “**Registrar**”, the “**Transfer Agents**” (which expression shall include the Registrar) and the “**Calculation Agent(s)**” (such Paying Agents and the Transfer Agents being together referred to as the “**Agents**”).

Prior to the AdR STID Unwinding Date (as defined below), both the Secured Notes and the Unsecured Notes have the benefit of and are subject to (i) an English law governed security trust and intercreditor deed dated 20 February 2003 as amended and restated from time to time (the “**AdR Security Trust and Intercreditor Deed**” or “**AdR STID**”) entered into among, *inter alios*, the Issuer, Mediobanca – Banca di Credito Finanziario S.p.A., in its capacity as security agent (the “**AdR Security Agent**”), and certain other creditors of AdR (the “**Beneficiaries**” or the “**Creditors**”, which expression should include also the parties which have the benefit of the AdR STID) and to which the Trustee has acceded in its capacity as Beneficiary (in its personal capacity) and, upon the issuance of each Series of Notes, shall accede as AdR Qualifying Debt Representative and Class Representative for the relevant Series of Notes and the Agents have acceded as Beneficiaries (in their personal capacities as creditors of AdR) and (ii) an English law governed account bank agreement dated 20 February 2003 (as amended, restated and/or supplemented from time to time, the “**AdR Account Bank Agreement**”) entered into among, *inter alios*, the Issuer, the AdR Security Agent and the AdR Account Bank named therein. Each Series of Notes will be structured as either a secured Series of Notes having the benefit of the Security Documents (the “**Secured Notes**”) or as an unsecured Series of Notes not having the benefit of the Security Documents as specified in the relevant Final Terms. Series of Notes which at the time of issue are constituted as Secured Notes may become unsecured in accordance with the Conversion Provisions (any Series of Notes issued as unsecured Notes pursuant to the relevant Final Terms and any Series of Notes originally issued as Secured Notes but

subsequently converted into unsecured Notes pursuant to Condition 5(d) (*Conversion*), shall be the “**Unsecured Notes**”). The Secured Notes will have the benefit of the Security Documents entered into from time to time by the Issuer in favour of its secured creditors party to, or have the benefit of, the AdR STID (including the holders from time to time of the relevant Series of Secured Notes) pursuant to the AdR STID. At any time prior to the AdR STID Unwinding Date, the AdR STID regulates the claims and payment priorities of AdR’s creditors (including the holders of the Secured Notes and the Unsecured Notes) against AdR on certain matters affecting their interests both before and after enforcement by the AdR Security Agent and in respect of secured creditors (including, prior to the Conversion Date, the holders of the Secured Notes) and unsecured creditors (including the holders of the Unsecured Notes). Pursuant to the AdR STID, at any time prior to the AdR STID Unwinding Date, the AdR Security Agent will act on behalf and in the name of AdR’s Beneficiaries (including, without limitation, the Trustee acting in accordance with the Trust Deed) based on instructions given in accordance with the AdR STID.

Copies of, *inter alia*, the Trust Deed, the AdR STID, the AdR Account Bank Agreement, the Romulus Facilities Agreement (as defined below), the Agency Agreement, the relevant Final Terms and the Security Documents are available for inspection, and copies are obtainable, by the holders of Secured Notes and (other than in respect of the Security Documents) the holders of Unsecured Notes during normal business hours at the specified office of the Principal Paying Agent save that (i) such Noteholder (or any person acting on its behalf) must produce evidence satisfactory to the Principal Paying Agent as to its holding of such Notes and of its identity (and, if acting on behalf of a Noteholder, of evidence satisfactory to the Principal Paying Agent as to its capacity as such) in accordance with the terms of the Agency Agreement and (ii) if a Note is an unlisted Note, the Final Terms will only be obtainable by a Noteholder holding one or more unlisted Notes.

The Noteholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Bearer Notes and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the AdR STID, the AdR Account Bank Agreement, the Security Documents and the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

#### 1. **Form, Denomination and Title**

The Notes are issued in bearer form (“**Bearer Notes**”), or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) as specified in the applicable Final Terms.

The Notes may be Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or a combination of any of the foregoing, depending upon the Interest Basis and Redemption/Payment Basis as specified in the applicable Final Terms.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c) (*Delivery of New Certificates*), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be

treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), “holder” (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them herein or in the applicable Final Terms, the absence of any such meaning indicating that such term is not applicable to the Notes.

## 2. **Transfers of Registered Notes**

### (a) *Transfer of Registered Notes*

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or the Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

### (b) *Exercise of Options or Partial Redemption in Respect of Registered Notes*

In the case of any redemption of the Notes at the option of the Issuer or Noteholders in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

### (c) *Delivery of New Certificates*

Each new Certificate to be issued pursuant to Conditions 2(a) (*Transfer of Registered Notes*) or (b) (*Exercise of Options or Partial Redemption in Respect of Registered Notes*) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined in Condition 7(f) (*Redemption at the Option of Noteholders and Exercise of Noteholders' Options*)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for

exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(c) (*Delivery of New Certificates*), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(d) *Exchange Free of Charge*

Exchange and transfer of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(e) *Closed Periods*

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of fifteen (15) days ending on the due date for redemption of that Note, (ii) during the period of fifteen (15) days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 7(e) (*Redemption at the Option of the Issuer and Exercise of Issuer’s Options*), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

3. **Status of the Notes**

(a) *Status of the Unsecured Notes*

The Unsecured Notes and the Coupons relating to them constitute (subject to Condition 4 (*Negative Pledge*) and Condition 5 (*The AdR STID and Special Provisions of Secured Notes*)) unsecured obligations of AdR and shall at all times rank *pari passu* and without any preference among themselves and *pari passu* with all senior, unsecured and unsubordinated obligations of AdR, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

Pursuant to the Post-Enforcement Priority of Payments, payments of interest and principal on Unsecured Notes will be subordinated to payments to other creditors payable by AdR and secured under the AdR STID (including payments of interest and principal on the Secured Notes and other secured obligations of AdR).

(b) *Status of the Secured Notes*

The Secured Notes and the Coupons relating to them constitute (subject to Condition 4 (*Negative Pledge*)) secured obligations of AdR and shall at all times rank *pari passu* and without any preference among themselves and *pari passu* with all other senior secured obligations of AdR, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application. In certain circumstances, payments in respect of other secured obligations of AdR may be paid in priority to the Secured Notes under the Priority of Payments.

(c) *Application of funds prior to the AdR STID Unwinding Date*

Notwithstanding any provision to the contrary contained in these Conditions, at any time prior to the AdR STID Unwinding Date, the Issuer shall make any payment in respect of the Notes due pursuant to these Conditions (including, without limitation, interest and principal amounts thereon), *pro rata* and *pari passu* with the AdR Senior Liabilities in accordance with, and subject to, the AdR Account Bank Agreement and the Priority of Payments.

4. **Negative Pledge**

So long as any of the Notes or Coupons remains outstanding (as defined in the Trust Deed) neither the Issuer nor any Material Subsidiary shall create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (“**Security**”) upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant Debt, or any guarantee of or indemnity in respect of any Relevant Debt, except for Permitted Encumbrances unless, at the same time or prior thereto, the Issuer’s obligations under the Notes, the Coupons and the Trust Deed (A) are secured equally and rateably therewith or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be or (B) have the benefit of such other security, guarantee, indemnity or other arrangement as (i) (only after an AdR STID Unwinding Date) the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Noteholders or (ii) as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders. For the avoidance of doubt, no issue of Secured Notes will constitute a breach of this Condition 4 (*Negative Pledge*).

5. **The AdR STID and Special Provisions of Secured Notes**

(a) *AdR STID*

Save at any time following the AdR STID Unwinding Date, the Notes are subject to, and have the benefit of, the AdR STID pursuant to which the Trustee, acting as AdR Qualifying Debt Representative and Class Representative (as such terms are defined in the AdR STID) under the AdR STID, may vote with any other secured creditor of AdR that is a party to the AdR STID to direct the AdR Security Agent to exercise and enforce its rights under the Security Documents.

The AdR STID regulates the claims of AdR’s creditors (including the holders of the Secured Notes and the Unsecured Notes) against AdR on certain matters affecting their interests. Furthermore the AdR STID also contains provisions governing the rights of the Noteholders and the other Beneficiaries party to the AdR STID in respect of the sharing and priority of application of amounts received or recovered from the Issuer, including such amounts received or recovered in respect of the security interests granted by the Issuer and its Subsidiaries to the Beneficiaries in their capacity as secured creditors that are parties to or otherwise have the benefit of the AdR STID. The Trustee (on behalf of each Noteholder) and each Agent will be subject to *pro rata* sharing provisions and will be obliged to transfer to the AdR Security Agent all proceeds, if any, arising from the enforcement of its rights under the Notes and, where relevant, the Security Documents. All such proceeds shall be distributed to all the creditors of the Issuer which are parties to, or otherwise have the benefit of, the AdR STID (including the holders of Secured Notes) in accordance with the Priority of Payments.

At any time before the AdR STID Unwinding Date (i) no Noteholder may exercise or enforce its rights under the Notes and, where relevant, the Security Documents save as set out in the AdR STID and the Trust Deed, (ii) no Noteholder Representative

shall be entitled to enforce the rights of the Noteholders unless it accedes to the AdR STID and in any case only in accordance with the AdR STID, (iii) the Trustee may exercise its powers, authorities and discretions under Conditions 11 (*Events of Default*), 12 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and 13 (*Enforcement*) and the corresponding provisions of the Trust Deed only subject to and in accordance with the AdR STID, (iv) only the AdR Security Agent is entitled to enforce the Security constituted by the Security Documents in accordance with the AdR STID, (v) each Noteholder, the Trustee and the Agents will transfer to the AdR Security Agent all proceeds arising, if any, from the enforcement of its rights under the Notes and, where relevant, the Security Documents which shall be distributed to all the Beneficiaries of AdR (including the holders of Secured Notes) in accordance with the priorities of payments referred to in the AdR STID and the Priority of Payments, (vi) all payments owed by AdR to the Noteholders and the Trustee as to principal, interest or any other amount otherwise due under the Notes and the Trust Deed (including, without limitation, payments due in accordance with Conditions 6 (*Interest and other Calculations*), 7 (*Redemption, Purchase and Options*) and 11 (*Events of Default*)) are subject to, and shall be made in accordance with, the AdR STID and the Priority of Payments and (vii) the AdR Security Agent will promptly apply and distribute any amount standing to the credit of the bank accounts opened in the name of AdR and any proceeds deriving from the enforcement of the Security Documents in accordance with such Priority of Payments.

(b) *Application of Secured Notes*

Conditions 5(c) (*Security Documents*) and 5(d) (*Conversion*) shall apply to the Notes if and only if the “**Secured Note Provisions**” are specified in the relevant Final Terms as being applicable.

(c) *Security Documents*

At any time before the Conversion Date the Secured Notes will be secured by the Security constituted by or pursuant to the Security Documents (the “**Collateral**”) in accordance with the terms thereof and the AdR STID.

(d) *Conversion*

Following the occurrence of a Conversion Event, the Issuer may (but shall not be obliged to) declare that such Conversion Event has occurred, whereupon it shall notify the Noteholders of the occurrence of such Conversion Event pursuant to Condition 18 (Notices) and shall specify a date for Conversion (the “**Conversion Date**”) which shall be (A) with reference to a Conversion Event described in paragraph (i) of that definition, the A4 Repayment Date (as such term is defined in such paragraph (i)), or (B) with reference to a Conversion Event described in paragraph (ii) of that definition, a date which is specified in such notice or (C) with reference to a Conversion Event described in paragraph (iii) of that definition, the AdR STID Unwinding Date. The Issuer shall also provide the Trustee with a certificate signed by two authorised signatories of the Issuer (one of whom must be the chief financial officer, the finance director or the chief executive officer of the Issuer) confirming the occurrence of such Conversion Event.

On and from such Conversion Date (i) the Security constituted by or pursuant to the Security Documents will be released and discharged and the Issuer shall be released from all obligations under such agreements with respect to the Collateral, (ii) the Secured Notes will be converted into Unsecured Notes without any further steps or actions having to be taken by any person, (iii) no Secured Notes may be issued, and

(iv) any references to the “Secured Notes” in these Conditions will be deemed to be a reference to the “Notes”.

**6. Interest and other Calculations**

(a) *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. If a Fixed Coupon Amount or a Broken Amount is specified in the applicable Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the applicable Final Terms. The amount of interest payable in respect of each Fixed Rate Note for any period for which no Fixed Coupon Amount or Broken Amount is specified shall be calculated in accordance with Condition 6(g) (*Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts*) below.

(b) *Interest on Floating Rate Notes*

(A) *Interest Payment Dates*

Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the applicable Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the applicable Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the applicable Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(B) *Business Day Convention*

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(C) *Rate of Interest for Floating Rate Notes*

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the applicable Final Terms and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Final Terms.

1. *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph 1, “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified in the applicable Final Terms;
- (y) the Designated Maturity is a period specified in the applicable Final Terms; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the applicable Final Terms.

For the purposes of this sub-paragraph 1, “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

2. *Screen Rate Determination for Floating Rate Notes*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

- (x) if the Primary Source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:
  - (I) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or
  - (II) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,in each case appearing on such Page at the Relevant Time on the Interest Determination Date;

- (y) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (x)(I) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (x)(II) above applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent; and
- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as

provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is euro, in the Euro-zone as selected by the Calculation Agent (the “**Principal Financial Centre**”) are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

(c) *Zero Coupon Notes*

Where a Zero Coupon Note is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Zero Coupon Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such Zero Coupon Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 7(b)(A) (*Early Redemption – Zero Coupon Notes*:)).

(d) *Accrual of Interest*

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event

interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 6 (*Interest and other Calculations*) to the Relevant Date (as defined in Condition 9 (*Taxation*)).

(e) *Margin, Maximum/Minimum Rates of Interest and Redemption Amounts, Rate Multipliers and Rounding*

(A) If any Margin or Rate Multiplier is specified in the applicable Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 6(b) (*Interest on Floating Rate Notes*) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.

(B) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified in the applicable Final Terms, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(C) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.

(f) *Calculations*

The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods. Where the Specified Denomination of a Note comprises more than one Calculation Amount, the amount of interest payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

(g) *Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts*

As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period,

calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. If the Notes become due and payable under Condition 11 (*Events of Default*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 6(g) (*Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts*) but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(h) *Determination or Calculation by Trustee*

If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Trustee may (but shall not be bound to and, prior to the AdR STID Unwinding Date, without need to comply with the procedures set out in the AdR STID) do so (or may (but shall not be bound to ) appoint an agent on its behalf to do so) and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the foregoing provisions of this Condition 6(h) (*Determination or Calculation by Trustee*), with any necessary consequential amendments, to the extent that, in its sole opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(i) *Calculation Agent and Reference Banks*

The Issuer shall procure that there shall at all times be four Reference Banks (or such other number as may be required) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the applicable Final Terms and for so long as any Note is outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement,

the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

7. **Redemption, Purchase and Options**

(a) *Final Redemption*

Unless previously redeemed or purchased and cancelled as provided below, each Note will be finally redeemed on the Maturity Date specified in the applicable Final Terms (the “**Maturity Date**”) unless otherwise provided in the applicable Final Terms, at its principal amount outstanding (the “**Final Redemption Amount**”).

(b) *Early Redemption*

The Early Redemption Amount payable in respect of the Notes (the “**Early Redemption Amount**”) shall be determined as follows.

(A) *Zero Coupon Notes:*

1. The Early Redemption Amount payable in respect of any Zero Coupon Note upon redemption of such Note pursuant to Condition 7(c) (*Redemption for Taxation Reasons*) or upon it becoming due and payable as provided in Condition 11 (*Events of Default*) shall be the amount calculated as provided below unless otherwise specified in the applicable Final Terms (such amount, the “**Amortised Face Value**” of such Note).
2. Subject to the provisions of sub-paragraph 3 below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield specified in the applicable Final Terms (which, if none is shown in the applicable Final Terms, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
3. If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 7(c) (*Redemption for Taxation Reasons*) or upon it becoming due and payable as provided in Condition 11 (*Events of Default*) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph 2 above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with

any interest that may accrue in accordance with Condition 6(c) (*Zero Coupon Notes*).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the applicable Final Terms.

(B) *Other Notes:*

The Early Redemption Amount payable in respect of any Note (other than Notes described in (A)(1) above), upon redemption of such Note pursuant to Condition 7(c) (*Redemption for Taxation Reasons*) or upon it becoming due and payable as provided in Condition 11 (*Events of Default*), shall be the Final Redemption Amount unless otherwise specified in the applicable Final Terms.

(c) *Redemption for Taxation Reasons*

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified in the applicable Final Terms, at any time, on giving not less than thirty (30) nor more than sixty (60) days' notice to the Trustee and the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (together with interest accrued to the date fixed for redemption), if the Issuer satisfies the Trustee immediately before the giving of such notice that (i) it has or will become obliged to pay additional amounts as described under Condition 9 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of a Relevant Taxing Jurisdiction (as defined in Condition 9 (*Taxation*)), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date (or the date that any successor to the Issuer following a Permitted Reorganisation assumes the obligations of the Issuer hereunder), and (ii) such obligation cannot be avoided by the Issuer taking commercially reasonable measures available to it, *provided that* no such notice of redemption shall be given earlier than ninety (90) days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee (x) a certificate signed by two authorised signatories of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer taking reasonable measures available to it and (y) a legal opinion in form and substance satisfactory to the Trustee and the Trustee shall be entitled to accept such certificate and such legal opinion as sufficient evidence of the satisfaction of the conditions precedent set out in (i) and (ii) above in which event it shall be conclusive and binding on all Noteholders and Couponholders. The redemption pursuant to this Condition 7(c) (*Redemption for Taxation Reasons*) will not need to be sanctioned pursuant to an AdR STID Proposal pursuant to Condition 12(b) (*Modifications, consents and waivers prior to the AdR STID Unwinding Date – AdR STID Proposals*).

Prior to the AdR STID Unwinding Date, any redemption pursuant to this Condition 7(c) (*Redemption for Taxation Reasons*) qualifies as a “Voluntary Prepayment” for the purposes of the AdR Account Bank Agreement.

(d) *Redemption at the Option of Noteholders on the Occurrence of a Relevant Event (“Relevant Event Redemption”)*

If Relevant Event Redemption is stated to be applicable in the relevant Final Terms, promptly and, if possible, subject to Condition 8(h) (*Scheduled Payment Dates*), within twenty-one (21) Business Days following the date upon which the Issuer first has knowledge of a Relevant Event (as defined below), or a reasonable belief that a Relevant Event has occurred the Issuer shall give written notice thereof (a “**Relevant Event Notice**”) to the holders of all outstanding Notes in accordance with Condition 18 (*Notices*), which Relevant Event Notice shall:

- (A) describe the facts and circumstances of such Relevant Event in reasonable detail;
- (B) refer to this Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*) and the rights of the holders of Notes hereunder;
- (C) specify a date of redemption of the Notes (the “**Relevant Event Redemption Date**”), which shall be not less than thirty (30) days and not more than ninety (90) days after the date of such Relevant Event Notice;
- (D) offer to redeem, on the Relevant Event Redemption Date, all Notes held by any holder, at the Relevant Event Redemption Amount specified in the Final Terms, together with interest thereon to the Relevant Event Redemption Date; and
- (E) request such Noteholder to notify the Issuer in writing (by means of a Redemption Acceptance Notice) by a stated date (a “**Relevant Event Response Date**”), which date shall be not less than fifteen (15) days after the date of the Relevant Event Notice and not less than ten (10) days prior to the Relevant Event Redemption Date, whether it intends to accept such redemption offer.

If a Noteholder does not notify the Issuer on or before the Relevant Event Response Date of such Noteholder’s acceptance of the redemption offer contained in the Relevant Event Notice, such Noteholder will be deemed to have waived its rights under this Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*) in respect of such Relevant Event.

On the Relevant Event Redemption Date, the entire principal amount outstanding of the Notes held by each Noteholder who has accepted the redemption offer contained in the Relevant Event Notice, together with accrued and unpaid interest thereon to the Relevant Event Redemption Date, shall become due and payable.

To accept a redemption offer by the Issuer in respect of a Note under this Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*), the holder of a Bearer Note must deliver such Note at the specified office of any Paying Agent, on any day which is a day on which banks are open for business in London and in the place of the specified office before the Relevant Event Response Date, accompanied by a duly signed and completed notice in the form available from each office of the Paying Agents (the “**Redemption Acceptance Notice**”). The Note must be delivered to the Paying Agent together with all Coupons, if any, appertaining thereto maturing after the Relevant Event Redemption Date, failing which deduction in respect of such missing unmatured Coupons shall be made in accordance with Condition 8(e) (*Unmatured Coupons and unexchanged Talons*). The Paying Agent to which such Note and Redemption Acceptance Notice are

delivered will issue to the Noteholder concerned a non-transferable receipt (a “**Redemption Acceptance Receipt**”) in respect of the Note so delivered. Payment by the Issuer in respect of any Note so delivered shall be made, if the holder duly specified in the Redemption Acceptance Notice a bank account to which payment is to be made, by transfer to that bank account on the Relevant Event Redemption Date and, in every other case, on or after the Relevant Event Redemption Date against presentation and surrender of such Redemption Acceptance Receipt at the specified office of any Paying Agent. A Redemption Acceptance Notice, once given, shall be irrevocable. For the purposes of these Conditions and the Trust Deed, Redemption Acceptance Receipts issued pursuant to this Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*) shall be treated as if they were Notes.

For the purposes of this Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*), a “**Relevant Event**” shall be deemed to occur if:

- (A) a Concession Event (as defined below) occurs and:
1. in the Issuer’s annual or semi-annual financial statements prior to the occurrence of the Concession Event, the revenues arising from or in connection with the Concession represented more than 40% of the Consolidated Revenues of the Group; and
  2. at the time of the occurrence of the Concession Event, the Notes carry from any Rating Agency either:
    - (i) an investment grade credit rating (BBB-/Baa3/BBB-, or equivalent, or better), and such rating from any Rating Agency is within sixty (60) days of the occurrence of the Concession Event either downgraded to a non-investment grade credit rating (BB+/Ba1/BB+, or equivalent, or worse) or withdrawn and is not within such sixty (60) day period subsequently (in the case of a downgrade) upgraded to an investment grade credit rating by such Rating Agency or (in the case of a withdrawal) replaced by an investment grade credit rating from any other Rating Agency; or
    - (ii) a non-investment grade credit rating (BB+/Ba1/BB+, or equivalent, or worse), and such rating from any Rating Agency is, within sixty (60) days of the occurrence of the Concession Event, downgraded by one or more notches (for illustration, Ba1 to Ba2 being one notch) and is not within such sixty (60) day period subsequently upgraded to its earlier credit rating or better by such Rating Agency; or
    - (iii) no credit rating, and no Rating Agency assigns within one hundred and eighty (180) days of the occurrence of the Concession Event an investment grade rating to the Notes,

and in making the relevant decision(s) referred to above, the relevant Rating Agency announces publicly or confirms in writing to the Issuer that such decision(s) resulted, in whole or in part, from the occurrence of the Concession Event; or

- (B) a Change of Control (as defined below) occurs at any time prior to the AdR STID Unwinding Date and, at the time of the occurrence of the Change of Control, the Notes carry from any Rating Agency either:
1. an investment grade credit rating (BBB-/Baa3/BBB-, or equivalent, or better), and such rating from any Rating Agency is within sixty (60) days of the occurrence of the Change of Control either downgraded to a non-investment grade credit rating (BB+/Ba1/BB+, or equivalent, or worse) or withdrawn and is not within such sixty (60) day period subsequently (in the case of a downgrade) upgraded to an investment grade credit rating by such Rating Agency or (in the case of a withdrawal) replaced by an investment grade credit rating from any other Rating Agency; or
  2. a non-investment grade credit rating (BB+/Ba1/BB+, or equivalent, or worse), and such rating from any Rating Agency is, within sixty (60) days of the occurrence of the Change of Control, downgraded by one or more notches (for illustration, Ba1 to Ba2 being one notch) and is not within such sixty (60) day period subsequently upgraded to its earlier credit rating or better by such Rating Agency; or
  3. no credit rating, and no Rating Agency assigns within one hundred and eighty (180) days of the occurrence of the Change of Control an investment grade rating to the Notes,

and in making the relevant decision(s) referred to above, the relevant Rating Agency announces publicly or confirms in writing to the Issuer that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control.

Prior to the AdR STID Unwinding Date, a “Relevant Event Redemption” pursuant to this Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*) qualifies as a “Mandatory Prepayment” for the purposes of the AdR Account Bank Agreement.

A “**Change of Control**” shall be deemed to occur if any person (other than a Permitted Holder, whether directly or indirectly) or group of persons acting in concert (other than a Permitted Holder, whether directly or indirectly) acquires control of the Issuer pursuant to article 2359, paragraph 1, numbers 1 and 2, of the Italian Civil Code. For the purposes of this definition:

1. “**acting in concert**” means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, either directly or indirectly, through the acquisition of shares in the Issuer by any of them, to obtain or strengthen its control over the Issuer;
2. “**directly or indirectly**” means ownership in any person either (i) directly through the ownership of shares in that person or (ii) indirectly through the ownership of shares held in one or more Holding Companies of that person; and

“**Permitted Holder**” means (i) at any time prior to the date on which the merger by way of incorporation ( *fusione per incorporazione* pursuant to Italian law) of Gemina S.p.A. into Atlantia S.p.A. (the “**Merger**”) is

completed, Sintonia S.p.A.; and (ii) at any time following the date on which the Merger becomes effective, Atlantia (or, in the case of merger of Atlantia with, or by way of incorporation into, its controlling shareholder, the entity surviving that merger), or (in either case) any of their respective successors or assigns.

A “**Concession Event**” shall be deemed to occur if:

- (i) the Concession is revoked for public interest reasons (*revoca per ragioni di interesse pubblico*) pursuant to Italian law and such revocation becomes effective in accordance with its terms; or
  - (ii) the Concession is terminated (*cessazione del rapporto concessorio per risoluzione della convenzione*) pursuant to Italian law and such cessation becomes effective in accordance with its terms; or
  - (iii) an order for withdrawal of the Concession (*decadenza dalla concessione*) pursuant to Italian law is issued and such withdrawal becomes effective in accordance with its terms.
- (e) *Redemption at the Option of the Issuer and Exercise of Issuer’s Options*

If Call Option is stated to be applicable in the applicable Final Terms, the Issuer may, on giving (subject always to Condition 8(h) (*Scheduled Payment Dates*)) not less than fifteen (15) nor more than thirty (30) days’ irrevocable notice to the Noteholders (or such other notice period as may be specified in the applicable Final Terms) and, on giving not less than fifteen (15) days irrevocable notice before the giving of the notice to the Noteholders, to the Principal Paying Agent and the Trustee and, in the case of a redemption of Registered Notes, the Registrar, redeem all or, if so provided, only some of the Notes on any Optional Redemption Date specified in the Final Terms (“**Call Option**”). Any such redemption of Notes shall be at their Optional Redemption Amount specified in the Final Terms together with interest accrued to the date fixed for redemption. Any such partial redemption must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed specified in the applicable Final Terms and no greater than the maximum nominal amount to be redeemed specified in the applicable Final Terms.

All Notes in respect of which any such notice is given this Condition 7(e) (*Redemption at the Option of the Issuer and Exercise of Issuer’s Options*) shall be redeemed on the date specified in such notice in accordance with this Condition 7(e) (*Redemption at the Option of the Issuer and Exercise of Issuer’s Options*), subject to and in accordance with, at any time prior to the AdR STID Unwinding Date, the AdR STID and the AdR Account Bank Agreement.

In the case of a partial redemption, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes, shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements. So long as the Notes are listed on the Irish Stock Exchange or any other stock exchange and the rules of the relevant stock exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published on the Irish Stock Exchange’s website, *www.ise.ie*, or in a leading newspaper of general circulation as specified by such other stock exchange,

a notice specifying the aggregate nominal amount of Notes outstanding and a list of the Notes drawn for redemption but not surrendered.

Unless the Issuer defaults in payment of the redemption price, from and including any Optional Redemption Date interest will cease to accrue on the Notes called for redemption pursuant to this Condition 7(e) (*Redemption at the Option of the Issuer and Exercise of Issuer's Options*).

Prior to the AdR STID Unwinding Date, the exercise of a Call Option pursuant to this Condition 7(e) (*Redemption at the Option of the Issuer and Exercise of Issuer's Options*) qualifies as a "Voluntary Prepayment" for the purposes of the AdR Account Bank Agreement.

(f) *Redemption at the Option of Noteholders and Exercise of Noteholders' Options ("Put Option")*

If Put Option is specified in the applicable Final Terms, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving (subject always to Condition 8(h) (*Scheduled Payment Dates*)) not less than fifteen (15) nor more than thirty (30) days' notice to the Issuer (or such other notice period as may be specified in the applicable Final Terms) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified in the applicable Final Terms together with interest accrued to the date fixed for redemption. *provided that* no Put Option pursuant to this Condition 7(f) (*Redemption at the Option of Noteholders and Exercise of Noteholders' Options*) may be exercised unless the AdR STID Unwinding Date has occurred.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(g) *Notice of Early or Optional Redemption*

The Issuer will publish a notice of any early redemption or optional redemption of the Notes described above (including any Change of Control Event Notice) in accordance with Condition 18 (*Notices*), and, if the Notes are listed at such time on the Irish Stock Exchange, the Issuer will publish such notice on the Irish Stock Exchange's website, [www.ise.ie](http://www.ise.ie).

(h) *Purchases*

Subject, at any time prior to the AdR STID Unwinding Date, to the terms of the AdR STID and the AdR Account Bank Agreement, the Issuer and any of its Subsidiaries may at any time purchase Notes (*provided that* all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

(i) *Cancellation*

All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Principal Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Obligors in respect of any such Notes shall be discharged. Any Notes not so surrendered for cancellation may be reissued or resold.

8. **Payments and Talons**

(a) *Bearer Notes*

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 8(e)(vi)) or Coupons (in the case of interest, save as specified in Condition 8(e)(B) (*Unmatured Coupons and unexchanged Talons*)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. “**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET2 System.

(b) *Registered Notes*

Payments of principal in respect of Registered Notes shall be paid to the person shown on the Register at the close of business (in the relevant clearing system) on the day prior to the due date for payment thereof (the “**Record Date**”)

(A) and made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (B) below.

(B) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the Record Date. Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

(c) *Payments subject to Fiscal Laws*

All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives to which the Issuer or its Agents may be subject, but without prejudice to the provisions of Condition 9 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 or otherwise imposed pursuant to Sections 1471 through 1474 of that Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an

intergovernmental approach thereto (“FATCA”). Notwithstanding anything in Condition 9 (*Taxation*) to the contrary, neither the Issuer nor any such Agent will be liable for any taxes or duties of whatever nature imposed or levied by FATCA or any directives or agreements implementing FATCA. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(d) *Appointment of Agents*

The Principal Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent (if any) initially appointed by the Issuer and their respective specified offices are listed below. The Principal Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and (subject to the provisions of the Agency Agreement) the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time with the approval (save in the circumstances described in the Agency Agreement) of the Trustee (and, prior to the AdR STID Unwinding Date, such approval to be provided without any requirement to comply with the procedures set out in the AdR STID) to vary or terminate the appointment of the Principal Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, *provided that* the Issuer shall at all times maintain (i) an Principal Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities so long as the Notes are listed on the Irish Stock Exchange, (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed and (vii) a Paying Agent with a specified office in a Member State that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(e) *Unmatured Coupons and unexchanged Talons*

(A) Unless the Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Bearer Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of ten (10) years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10 (*Prescription*)).

(B) If the Notes so provide, upon the due date for redemption of any Bearer Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

- (C) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (D) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (E) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(f) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10 (*Prescription*)).

(g) *Non-Business days*

If any date for payment in respect of any Note or Coupon is not a business day, the holder shall neither be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “business day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” in the applicable Final Terms and:

- (A) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
- (B) (in the case of a payment in euro) which is a TARGET2 Business Day.

(h) *Scheduled Payment Dates*

Notwithstanding anything to the contrary in these Conditions, all payments under or in respect of the Notes shall, prior to the AdR STID Unwinding Date, be made on the relevant dates specified under clause 4.5 (*Scheduled Payment Dates*) of the AdR STID.

9. **Taxation**

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within either Italy (or any jurisdiction of incorporation of any successor of the Issuer) or any authority therein or thereof having power to tax (each a “**Relevant Taxing Jurisdiction**”), unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

- (a) *by or on behalf of a Noteholder or Couponholder who:*
  - (i) would have been entitled to avoid such deduction or withholding (x) by making a declaration of non-residence or other similar claim for exemption or (y) by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union and did not do so within the prescribed time period and/or in the prescribed manner; or
  - (ii) is liable to such taxes or duties, assessments or governmental charges in respect of such Notes or Coupons by reason of his having some connection with a Relevant Taxing Jurisdiction, other than the mere holding of the Note or Coupon; or
  - (iii) is resident in a country which does not allow for a satisfactory exchange of information with the Italian authorities; or
- (b) more than thirty (30) days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amount on presenting the same for payment on such thirtieth day; or
- (c) in relation to any payment or deduction on account of imposta sostitutiva pursuant to Italian Legislative Decree No. 239 of 1 April 1996, as amended from time to time, and related regulations which have been or may be enacted; or
- (d) where such withholding or deduction is required pursuant to Italian Presidential Decree No. 600 of 29 September 1973, as amended from time to time; or
- (e) where such withholding or deduction is required pursuant to Italian Law Decree No. 512 of 30 September 1983, converted into Law No. 649 of 25 November 1983, as amended from time to time; or
- (f) where such withholding or deduction is required to be made pursuant to the European Council Directive 2003/48/EC on the taxation of savings income or any law or agreement implementing or complying with, or introduced in order to conform to, such directive.

As used in these Conditions, “**Relevant Date**” in respect of any Note (or relative Certificate) or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven (7) days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate or Coupon being made in accordance with the Conditions, such payment will be made, *provided that* payment is in fact made upon such presentation. References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect

of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 7 (*Redemption, Purchase and Options*) or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 6 (*Interest and other Calculations*) or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts that may be payable under this Condition 9 (*Taxation*) or any undertaking given in addition to or in substitution for it under the Trust Deed.

10. **Prescription**

Claims against the Issuer for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the appropriate Relevant Date in respect of them.

11. **Events of Default**

If the Trustee determines that in its sole opinion any of the following events (each an “**Event of Default**”) has occurred and is continuing (prior to the AdR STID Unwinding Date, such determination to be made without need to comply with the procedures set out in the AdR STID), then (A) at any time before the AdR STID Unwinding Date, subject to, and in accordance with, the procedures set out in the AdR STID and subject to the AdR Account Bank Agreement, the Notes are, and they shall immediately become, due and payable at their principal amount outstanding together with accrued interest and Enforcement Action (under and as defined in the AdR STID) may be taken in relation to the Notes and (B) at any time after the AdR STID Unwinding Date, the Trustee at its discretion may and, if so requested by holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, provided the Trustee has been indemnified and/or secured and/or prefunded to its satisfaction, give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their principal amount together with accrued interest:

(a) *Non-Payment*

the Issuer fails to pay the principal or interest on any of the Notes when due and such failure continues for a period of five (5) business days (in the case of principal) and five (5) business days (in the case of interest); or

(b) *Breach of Other Obligations*

the Issuer does not perform or comply with any one or more of its other obligations under the Notes or the Trust Deed and/or, only in the case of the Secured Notes of the relevant Series, pursuant to the relevant Security Documents and such default (i) is, in the sole opinion of the Trustee, incapable of remedy or (ii) being a default which is, in the sole opinion of the Trustee, capable of remedy, is not remedied within sixty (60) days (or such longer period as the Trustee may agree in writing) after notice of such default shall have been given to the Issuer by the Trustee; or

(c) *Cross-Default:*

(i) any other present or future Indebtedness (other than Limited Recourse Indebtedness) of the Issuer or any of its Material Subsidiaries becomes due and payable prior to its stated maturity by reason of any event of default (however described), or (ii) any such Indebtedness (other than Limited Recourse Indebtedness) is not paid when due or, as the case may be, within any applicable grace period, or (iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount

payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised (other than Limited Recourse Indebtedness) *provided that* no such event shall constitute an Event of Default so long as and to the extent that (1) (at any time before the AdR STID Unwinding Date) an AdR Event of Default (under and as defined in the AdR STID) has not been determined to have occurred in accordance with the procedures set out in the AdR STID and/or (2) the Issuer or the relevant Material Subsidiary is contesting in good faith, including, where applicable, in a competent court or before a competent arbitration panel, that the relevant Indebtedness or any such guarantee and/or indemnity is due and/or enforceable, as appropriate, and *provided further that* no Event of Default will be deemed to occur if the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred is less than Euro fifty million (€50,000,000) in the aggregate (or its equivalent in any other currency or currencies); or

(d) *Enforcement Proceedings:*

a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a substantial part of the property, assets, receivables or revenues of the Group taken as a whole (other than any distress, attachment, execution or other legal process under or in connection with (i) the Concession, (ii) any Limited Recourse Indebtedness, (iii) a Permitted Reorganisation or (iv) any matter described in Condition 11(f) (*Security Enforced*) below) and in any such case, is not discharged or stayed within one hundred and eighty (180) days. For the purposes of this paragraph (d), “substantial part” means thirty five (35)% or more by value of the whole; or

(e) *Unsatisfied judgment:*

one or more judgment(s) or order(s) (in each case being a judgment or order from which no further appeal or judicial review is permissible under applicable law) for the payment of any amount in excess of Euro fifty million (€50,000,000) (or its equivalent in any other currency or currencies), whether individually or in aggregate, rendered against the Issuer or any of its Material Subsidiaries, becomes enforceable in a jurisdiction where the Issuer or any of its Material Subsidiaries is incorporated and continue(s) unsatisfied and unstayed for a period of sixty (60) days after the date(s) thereof or, if later, the date therein specified for payment; or

(f) *Security Enforced:*

following the AdR STID Unwinding Date, any mortgage, charge, pledge, lien or other encumbrance (other than any mortgage, charge, pledge, lien or other encumbrance securing Limited Recourse Indebtedness or any Permitted Encumbrances (which definition, for the purposes of this Condition 11(f) (*Security Enforced*) only, shall exclude any Security created pursuant to the Security Documents)), present or future, created or assumed on or against all or a material part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries becomes enforceable by reason of an event of default, howsoever described and at any time after the AdR STID Unwinding Date any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) in respect of any Indebtedness incurred by the Issuer in excess of Euro fifty million (€50,000,000) or its equivalent; or

(g) *Insolvency etc.*

(i) the Issuer being declared insolvent pursuant to Section 5 of the Royal Decree No. 267 of 1942, as subsequently amended, or, in case the Issuer is no longer organised in the Republic of Italy, being declared unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer or the whole or any part of the undertaking, assets and revenues of the Issuer is appointed (or application for any such appointment is made unless such application is contested or stayed in good faith or dismissed within one hundred and eighty (180) days) or (iii) the Issuer takes any action for a readjustment or deferment of any of its obligations (other than any agreement evidenced in writing amending the terms of any obligation entered into in the ordinary course of its business by the Issuer, in each case whilst solvent and in circumstances other than inability to pay debts and in which no event of default (howsoever described) has occurred) or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any guarantee of any Indebtedness given by it; or

(h) *Cessation of Business*

the Issuer or any Material Subsidiary ceases to carry on all or Substantially All of the business then being conducted by the Issuer or the Group taken as a whole (calculated on the basis of the Group's consolidated total assets) otherwise than as a result of (i) a Permitted Reorganisation, (ii) the occurrence of a Relevant Event resulting from a Concession Event or (iii) the term of the Concession, whether or not renewed, expiring; or

(i) *Analogous Events:*

any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events or circumstances referred to in sub-paragraphs (d), (e), (f) or (g) above.

12. **Meetings of Noteholders, Modification, Waiver and Substitution**

(a) *Meetings of Noteholders:*

The Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including, without limitation, the modification of any provision of these Conditions.

(b) *Modifications, consents and waivers prior to the AdR STID Unwinding Date – AdR STID Proposals:*

Pursuant to the Trust Deed and the AdR STID, at any time prior to the AdR STID Unwinding Date:

(i) the Trustee shall be entitled to vote both as AdR Qualifying Debt Representative and as Class Representative (as such terms are defined in the AdR STID) in respect of each Series of Notes issued from time to time and then outstanding on any AdR STID Proposal (as defined in the AdR STID) which seeks the sanction of the Beneficiaries (as defined in the AdR STID) on (A) any modification of any provision of the Trust Deed, the Conditions, the Agency Agreement, the Security Documents or the AdR STID Transaction Documents to which the Trustee is a party which in any case constitutes a Reserved Matter ((as defined below) or (B) any waiver of any breach or proposed breach of any provisions of the Trust Deed, the

Conditions, the Agency Agreement, the Security Documents or the AdR STID Transaction Documents to which the Trustee is a party the amendment whereof constitutes a Reserved Matter or (C) any consent or approval requested by AdR pursuant to any provisions of the Trust Deed, the Conditions, the Agency Agreement, the Security Documents or the AdR STID Transaction Documents to which the Trustee is a party the amendment whereof constitutes a Reserved Matter or (D) the determination of an Event of Default, any acceleration of the AdR Senior Liabilities or any Enforcement Action (as such terms are defined in the AdR STID) pursuant to the AdR STID (any AdR STID Proposal on the matters listed in (A), (B), (C) and/or (D), a “**Proposal Affecting Reserved Matters or Entrenched Rights of the Noteholders**”);

- (ii) upon receipt from the AdR Security Agent of an AdR STID Proposal which (in the sole opinion of the Trustee) constitutes a Proposal Affecting Reserved Matters or Entrenched Rights of the Noteholders, the Trustee shall promptly (and in any case within 20 Business Days from the receipt of the AdR STID Proposal) (A) send to the AdR Security Agent a notice requesting to extend the Voting Cut-Off Date of an Additional Period (each term as defined in the AdR STID) pursuant to clause 16.3 of the AdR STID, (B) convene separate meetings of the holders of each Class of Notes then outstanding in accordance with the Trust Deed to vote on the AdR STID Proposal and (C) shall make available for inspection and, upon request provide copies to the Noteholders of any document received from the AdR Security Agent in relation to such AdR STID Proposal;
- (iii) if, following receipt from the AdR Security Agent of an AdR STID Proposal, the Trustee determines that such AdR STID Proposal does not constitute a Proposal Affecting Reserved Matters or Entrenched Rights of the Noteholders, no meeting of the holders of each class of Notes then outstanding shall be convened and no noteholders shall be entitled to vote on such AdR STID Proposal;
- (iv) if any meeting of Noteholders convened by the Trustee pursuant to the above provisions sanctions the AdR Proposal, the Trustee will vote in favour of such AdR STID Proposal pursuant to the AdR STID as AdR Qualifying Debt Representative or as appropriate as Class Representative (as such terms are defined in the AdR STID) in respect of the relevant series of Notes which has passed the Extraordinary Resolution approving such AdR STID Proposal;
- (v) if any meeting of Noteholders convened by the Trustee pursuant to the above provisions rejects the AdR Proposal, the Trustee will (A) vote against such AdR STID Proposal pursuant to the AdR STID or (B) serve an Entrenched Rights or Reserved Matter Notice (as defined in the AdR STID), in each case as AdR Qualifying Debt Representative or as appropriate as Class Representative (as such terms are defined in the AdR STID) in respect of the relevant series of Notes pursuant to clause 7.2 or clause 7.4 of the AdR STID, based on the instructions of the meeting of the Noteholders;
- (vi) unless the Trustee convenes meetings of the then outstanding series of Notes to vote on an AdR STID Proposal which the Trustee has determined constitutes a Proposal Affecting Reserved Matters or Entrenched Rights of the Noteholders, no Noteholders shall be entitled to obtain from the Trustee any information or document received from the Issuer or the AdR Security Agent or otherwise in relation to such AdR STID Proposal;

- (vii) the Trustee shall not be liable to the Noteholders for any determination made in accordance to the above provisions;
  - (viii) the Trustee shall not be entitled to vote on any AdR STID Proposal either as AdR Qualifying Debt Representative or as Class Representative (as such terms are defined in the AdR STID) in either case in respect of any series of Notes issued from time to time and then outstanding if the Trustee determines that such AdR STID Proposal does not constitute a Proposal Affecting Reserved Matters or Entrenched Rights of the Noteholders or (if it determines that such AdR STID Proposal constitutes a Proposal Affecting Reserved Matters or Entrenched Rights of the Noteholders) unless so sanctioned by the Noteholders of each relevant series of Notes and the Trustee shall not be liable to any Noteholders for so doing;
  - (ix) no Noteholder shall be entitled to vote in respect of any AdR STID Proposal as a Qualified Beneficiary under the AdR STID and only the Trustee shall be entitled to vote in accordance with the Trust Deed and the AdR STID as their AdR Qualifying Debt Representative or their Class Representative;
  - (x) if any Noteholder wishes that an AdR STID Proposal be sent to the AdR Security Agent pursuant to the AdR STID it may request that a meeting of the relevant series of Notes be convened in accordance with the terms of this Trust Deed and the Trustee (subject to it being indemnified and/or secured and/or prefunded to its satisfaction) shall send to the AdR Security Agent any AdR STID Proposal that the Trustee has been directed so to send by Extraordinary Resolution passed at such a meeting of the Noteholders;
  - (xi) any such determination or modification shall be binding on the Noteholders or Couponholders of the relevant Series and the result of the vote under the AdR STID (when the AdR STID Proposal is determined by the Trustee to constitute a Proposal Affecting Reserved Matters or Entrenched Rights of the Noteholders) or any authorisation, waiver or modification approved pursuant to the AdR STID shall be notified by the Issuer to the Noteholders as soon as practicable thereafter;
  - (xii) the Trustee may, without the consent of the holders of the Notes and without need to send an AdR STID Proposal to the AdR Security Agent, but subject always to the terms of the Trust Deed, agree to any modification of the Conditions, the Agency Agreement, the Trust Deed, any AdR STID Transaction Document, any Security Document or any other document to which it is a party in its capacity as trustee for the Notes which is, in the sole opinion of the Trustee, proper to make if, in the sole opinion of the Trustee, such modification is of a formal, minor or technical nature or is to correct a manifest error; and
  - (xiii) the Trustee may exercise any of its rights, powers, authorities and discretions on any Trustee Reserved Matter, without the consent of the holders of the Notes and without having to send an AdR STID Proposal to the AdR STID Security Agent and to obtain any prior sanction under the AdR STID.
- (c) *Modifications, consents and waivers after the AdR STID Unwinding Date*

The Trust Deed contains provisions according to which after the AdR STID Unwinding Date the Trustee may, without the consent of the holders of the Notes at any time agree to any modification (other than in respect of a Reserved Matter) of these Conditions, the Agency Agreement, the Trust Deed or any other document to

which it is a party which is, in the sole opinion of the Trustee, proper to make if, in the sole opinion of the Trustee, such modification will not be materially prejudicial to the interests of holders of the Notes and to any modification of these Conditions, the Agency Agreement, the Trust Deed or any other document to which it is a party if, in the sole opinion of the Trustee, such modification is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trust Deed contains provisions according to which after the AdR STID Unwinding Date the Trustee may, without the consent of the holders of the Notes, authorise or waive any proposed breach or breach of or give any consent or approval provided for in the provisions (other than a proposed breach or breach or consent or approval relating to the subject of a Reserved Matter) of the Notes or the Trust Deed or any other document to which it is a party or determine that any Event of Default shall not be treated as such if, in the sole opinion of the Trustee, the interests of the holders of the Notes will not be materially prejudiced thereby.

The Trustee shall be entitled to assume that the interests of the holders of the Notes will not be materially prejudiced by any such determination, modification, authorisation, waiver, consent or approval if confirmation is obtained from the Rating Agencies that the then current credit rating of the Notes (if any) or of the Issuer would not be adversely affected.

Unless the Trustee agrees otherwise, any such authorisation, consent, approval, waiver, determination or modification shall be notified to the Noteholders as soon as practicable thereafter.

(d) *Quorums and Majorities:*

The Trust Deed contains provisions in relation to the convening of meetings, quorums and the majorities required to pass an Extraordinary Resolution in respect of the Notes which shall be subject to mandatory laws, legislation, rules and regulations of Italy and the by-laws of the Issuer in force from time to time and as shall be deemed to be amended, replaced and supplemented to the extent that such laws, legislation, rules and regulations and the by-laws of the Issuer are amended at any time while the Notes remain outstanding:

- (i) a meeting of Noteholders may be convened by the directors of the Issuer, the Noteholders' Representative (as defined below) or the Trustee and such parties shall be obliged to do so upon the request in writing of Noteholders holding not less than one twentieth of the aggregate principal amount of the outstanding Notes. If the Issuer defaults in convening such a meeting following such request or requisition by the Noteholders representing not less than one-twentieth of the aggregate principal amount of the outstanding Notes, the same may be convened by decision of the President of the competent court in accordance with Article 2367, paragraph 2 of the Italian Civil Code;
- (ii) a meeting of Noteholders will be validly held if (A) there are one or more persons present, being or representing Noteholders holding at least half of the aggregate principal amount of the outstanding Notes, or (B) in the case of a second meeting following adjournment of the first meeting for want of quorum, there are one or more persons present being or representing Noteholders holding more than one third of the aggregate principal amount of the outstanding Notes, or (C) in the case of any subsequent meeting following a further adjournment for want of quorum, there are one or more persons present being or representing Noteholders holding at least one third of the

aggregate principal amount of the outstanding Notes *provided that* (1) the quorum shall always be at least one half of the aggregate principal amount of the outstanding Notes for the purposes of considering an Extraordinary Matter and (2) the Issuer's by-laws may in each case (to the extent permitted under applicable Italian law) provide for a higher quorum; and

- (iii) the majority required to pass an Extraordinary Resolution will be (A) in case of a first meeting for voting on any matter, including an Extraordinary Matter, at least one half of the aggregate principal amount of the outstanding Notes; (B) in case of a second meeting (1) for voting on an Extraordinary Matter, at least two thirds of the aggregate principal amount of the Notes represented at the meeting and (2) for voting on any matter other than an Extraordinary Matter at least one half of the aggregate principal amount of the outstanding Notes; or (C) in case of any subsequent meeting following an adjournment for want of quorum (1) for voting on any matter other than an Extraordinary Matter at least one half of the aggregate principal amount of the outstanding Notes and (2) for voting on an Extraordinary Matter, two thirds of the aggregate principal amount of the Notes represented at the meeting; unless a different majority is required pursuant to Article 2369, paragraphs 3 and 6 of the Italian Civil Code and *provided that* the Issuer's by laws may in each case (to the extent permitted under applicable Italian law) provide for a larger majority.

(e) *Noteholders' Representative:*

A representative of the Noteholders (*rappresentante comune*) (the “**Noteholders' Representative**”), subject to applicable provisions of Italian law, will be appointed pursuant to Article 2417 of the Italian Civil Code. If the Noteholders' Representative is not appointed by a meeting of such Noteholders, the Noteholders' Representative shall be appointed by a decree of the court where the Issuer has its registered office at the request of one or more Noteholders or at the request of the directors of the Issuer. The Noteholders' Representative shall remain appointed for a maximum period of three years but may be reappointed again thereafter and shall have the powers and duties set out in Article 2418 of the Italian Civil Code. At any time prior to the AdR STID Unwinding Date (i) the Noteholders's Representative will be required to accede to the AdR STID and (ii) shall not be entitled to enforce the rights of the Noteholders unless it accedes to the AdR STID and be bound by its terms. In no circumstances shall the Trustee be bound to accept to be appointed as Noteholders' Representative.

(f) *Substitution*

The Trust Deed contains provisions permitting the Trustee (subject, at any time prior to the AdR STID Unwinding Date, to the terms of the AdR STID) to agree in circumstances including, but not limited to circumstances which would constitute a Permitted Reorganisation, subject to such amendment of the Trust Deed and such other conditions as the Trustee may in its absolute discretion require, but without the consent of the Noteholders or the Couponholders, to the substitution of the Issuer's successor, transferee or assignee or any subsidiary of the Issuer or its successor, transferee or assignee in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes. In the case of such a substitution, the Trustee may agree, without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Coupons, the Talons and/or the Trust Deed *provided that* such change of the law governing the Notes would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders. In addition, notice of any such substitution shall be given to the Irish

Stock Exchange and published in accordance with Condition 18 (*Notices*) and a supplement to the Programme shall be prepared.

13. **Enforcement**

Subject, at any time prior to the AdR STID Unwinding Date, to the terms of the AdR STID, the procedures set out therein and any mandatory provisions of Italian law, at any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Notes and the Coupons and, in the case of the Secured Notes, under the Security Documents, but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in nominal amount of the Notes outstanding and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. Subject, at any time prior to the AdR STID Unwinding Date, to the terms of the AdR STID, the procedures set out therein and mandatory provisions of Italian law no Noteholder or Couponholder may proceed directly against the Issuer, unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing. At any time before the AdR STID Unwinding Date, no enforcement action may be taken by the Noteholders or the Trustee unless subject to, and in accordance with, the procedures set out in the AdR STID.

14. **Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

15. **Replacement of Notes, Certificates, Coupons and Talons**

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Principal Paying Agent in Ireland (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

16. **Trustee Protections**

In connection with the exercise, under these Conditions or the Trust Deed, of its functions, rights, powers, trusts, authorities and discretions (including but not limited to any modification, consent, waiver or authorisation), the Trustee shall have regard to the interests of the Noteholders as a class and will not have regard to the consequences of such exercise for individual Noteholders or Couponholders, resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. No Noteholders or Couponholders shall be entitled to claim from the Issuer or the Trustee, nor to require the Trustee to claim from the Issuer any indemnification

or other payment in respect of any consequence (including any tax consequence) for individual Noteholders or Couponholders of any such exercise.

17. **Further Issues**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, be constituted by a deed supplemental to the Trust Deed.

18. **Notices**

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing and, so long as the Notes are listed on the Irish Stock Exchange, shall be published on the Irish Stock Exchange's website, [www.ise.ie](http://www.ise.ie).

Notices to the holders of Bearer Notes shall be valid if published so long as the Notes are listed on the Irish Stock Exchange, on the Irish Stock Exchange's website, [www.ise.ie](http://www.ise.ie).

Notices will also be published by the Issuer (i) on its website and, (ii) to the extent required under mandatory provisions of Italian law, through other appropriate public announcements and/or regulatory filings.

If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 18 (*Notices*).

19. **Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Notes, the Coupons and the Talons under the Contracts (Rights of Third Parties) Act 1999.

20. **Governing Law and Jurisdiction**

(a) *Governing Law*

The Trust Deed, the Agency Agreement, the Notes, the Coupons and the Talons, and any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Notes, the Coupons and the Talons, are governed by, and shall be construed in accordance with, English law subject to any mandatory provisions of Italian law.

(b) *Jurisdiction*

The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Coupons or Talons (“**Proceedings**”) may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

(c) *Service of Process*

The Issuer has irrevocably appointed Law Debenture Corporate Services Ltd. as agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

21. **Defined Terms**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**AdR**” or the “**Issuer**” shall have the meaning set out in the introductory paragraph;

“**AdR Event of Default**” shall have the meaning set out in the AdR STID;

“**AdR Master Framework Agreement**” shall have the meaning set out in the introductory paragraph;

“**AdR Noteholders Reserved Matter**” has the meaning set out in the AdR STID;

“**AdR Noteholders Special Matters**” has the meaning set out in the AdR STID;

“**AdR Security Agent**” shall have the meaning set out in the introductory paragraph; “**AdR Senior Liabilities**” shall have the meaning set out in the AdR STID;

“**AdR STID**” shall have the meaning set out in the introductory paragraph;

“**AdR STID Unwinding Date**” means the effective date upon which the AdR STID is terminated;

“**AdR STID Transaction Document**” means each of the AdR STID, the AdR Account Bank Agreement, and any other Relevant Document (as such term is defined in the AdR STID) to which the Trustee is a party;

“**Agency Agreement**” shall have the meaning set out in the introductory paragraph;

“**Agents**” shall have the meaning set out in the introductory paragraph;

“**Atlantia**” means Atlantia S.p.A.;

“**Bank**” shall have the meaning set out in Condition 8(a) (*Payments and Talons*);

“**Bearer Notes**” shall have the meaning set out in Condition 1 (*Form, Denomination and Title*);

“**Business Day**” means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or

- (ii) in the case of euro, a day on which the TARGET2 System is operating (a “**TARGET2 Business Day**”); and/or
- (iii) in the case of a currency and/or one or more Business Centres (specified in the applicable Final Terms) a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres;

“**Calculation Agents**” shall have the meaning set out in the introductory paragraph;

“**Calculation Period**” shall have the meaning set out in the definition of Day Count Fraction;

“**Call Option**” shall have the meaning set out in Condition 7(e)(A) (*Redemption at the Option of the Issuer and Exercise of Issuer’s Options*);

“**Certificates**” shall have the meaning set out in Condition 1 (*Form, Denomination and Title*);

“**Change of Control**” shall have the meaning set out in Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*);

“**Change of Control Event**” shall have the meaning set out in Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*);

“**Change of Control Event Redemption**” shall have the meaning set out in Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*);

“**Change of Control Event Notice**” shall have the meaning set out in Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*);

“**Change of Control Event Redemption Date**” shall have the meaning set out in Condition 7(d)(C) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*);

“**Change of Control Event Response Date**” shall have the meaning set out in Condition 7(d)(E) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*);

“**Collateral**” shall have the meaning set out in Condition 5(c) (*Security Documents*);

“**Concession**” means the concession granted to the Issuer for the management, development and operation of the Rome airport system, or any other regulation pursuant to which AdR carries on the management, development and operation of the Rome airport system;

“**Conditions**” shall have the meaning set out in the introductory paragraph;

“**Consolidated Assets**” means, with respect to any date, the consolidated total assets of the Group, as reported in the most recently published consolidated financial statements of the Group;

“**Consolidated Revenues**” means, with respect to any date, the consolidated total revenues of the Group, as reported in the most recently published consolidated financial statements of the Group;

“**Conversion Date**” shall have the meaning set out in Condition 5(d) (*Conversion*);

“**Conversion Event**” means:

- (i) the repayment in full of the A4 Loan under and as defined in the Romulus Facilities Agreement (as such term is defined in the AdR STID) and the redemption in full of the corresponding Class A4 Notes under and as defined in the Note Trust Deed (as such term is defined in the AdR STID) or the completion of any other transaction or series of transactions having substantially the same effect (the date when such event occurs the “**A4 Repayment Date**”); or
- (ii) the release of the Security Documents securing the A4 Loan (under and as defined in the Romulus Facilities Agreement) made in accordance with the terms of the AdR STID (*including, inter alia*, in the context of a consent solicitation, tender offer or other form of asset liability management exercise); or
- (iii) the occurrence of the AdR STID Unwinding Date.

“**Conversion Provisions**” means the provisions for the conversion of Secured Notes into Unsecured Notes set out in Condition 5(d) (*Conversion*);

“**Coupons**” shall have the meaning set out in the introductory paragraph;

“**Couponholders**” shall have the meaning set out in the introductory paragraph;

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the “**Calculation Period**”):

- (i) if “**Actual/365**” or “**Actual/Actual — ISDA**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;
- (iii) if “**Actual/360**” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;
- (iv) if “**30/360**”, “**360/360**” or “**Note Basis**” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));
- (v) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month); and

- (vi) if “**Actual/Actual-ISMA**” is specified in the applicable Final Terms:
  - (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
  - (b) if the Calculation Period is longer than one Determination Period, the sum of:
    - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
    - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year;

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date;

“**Determination Date**” means the date specified as such in the applicable Final Terms or, if none is so specified, the Interest Payment Date;

“**Early Redemption Amount**” shall have the meaning set out in Condition 7(b) (*Early Redemption*);

“**Effective Date**” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the applicable Final Terms or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates;

“**Entity**” means any individual, company, corporation, firm, partnership, joint venture, association, foundation, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“**Euro-zone**” means the region comprised of Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Union, as amended;

“**Event of Default**” shall have the meaning set out in Condition 11 (*Events of Default*);

“**Exercise Notice**” shall have the meaning set out in Condition 7(f) (*Redemption at the Option of Noteholders and Exercise of Noteholders’ Options*);

“**Extraordinary Matter**” has the meaning ascribed to it in the Trust Deed;

“**Extraordinary Resolution**” has the meaning given it in the Trust Deed;

“**FATCA**” shall have the meaning set out in Condition 8(c) (*Payments subject to Fiscal Laws*);

“**Final Redemption Amount**” shall have the meaning set out in Condition 7(a) (*Final Redemption*);

“**Financial Centres**” shall have the meaning set out in Condition 8(g) (*Non-Business days*);

“**Group**” means AdR and its consolidated Subsidiaries from time to time;

“**Holding Company**” means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary;

“**Indebtedness**” means any indebtedness of any Person for moneys borrowed or raised;

“**Interest**” shall have the meaning set forth in Condition 9;

“**Interest Accrual Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date;

“**Interest Amount**” means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be;

“**Interest Basis**” shall have the meaning set forth in the applicable Final Terms;

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified in the applicable Final Terms;

“**Interest Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

“**Interest Period Date**” means each Interest Payment Date unless otherwise specified in the applicable Final Terms;

“**ISDA Definitions**” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (as amended and/or supplemented from time to time), unless otherwise specified in the applicable Final Terms;

“**Issue Date**” shall have the meaning set out in the introductory paragraph;

“**Limited Recourse Transaction**” means the ownership, acquisition (in each case, in whole or in part), development, design, restructuring, leasing, refinancing, maintenance and/or operation of any asset or assets (including, without limitation, concessions granted by public entities and authorities) and/or any interest or equity participations in, or shareholder loan to, one or more, company(ies) or entity(ies) holding such assets or concessions;

“**Limited Recourse Indebtedness**” means any Indebtedness incurred and/or guaranteed by one or more members of the Group (the “**Relevant Persons**”) to finance or refinance a Limited Recourse Transaction in respect of which:

- (i) the claims of the relevant creditor(s) against the Relevant Persons are limited to (i) an amount equal to the cash flows from such Limited Recourse Transaction and/or (ii) an amount equal to the proceeds deriving from the enforcement of any Security taken over all or any part of the Limited Recourse Transaction to secure such Indebtedness; and
- (ii) the relevant creditor(s) has no recourse against the assets of the Issuer or any Material Subsidiary other than (i) the Limited Recourse Transaction and the Security (if any) taken over all or any part of the Limited Recourse Transaction to secure such Indebtedness and/or (ii) a claim for damages for breach of an obligation (not being a payment obligation or an indemnity in respect thereof);

“**Material Subsidiary**” means any Subsidiary of AdR which accounts for more than 10% of the Consolidated Assets or Consolidated Revenues of the Group;

- “**Maturity Date**” shall have the meaning set out in Condition 7(a) (*Final Redemption*);
- “**Merger**” shall have the meaning set out in Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*);
- “**Notes**” shall have the meaning set out in the introductory paragraph;
- “**Noteholder**” shall have the meaning set out in Condition 1 (*Form, Denomination and Title*);
- “**Noteholders Representative**” has the meaning given it in the Trust Deed;
- “**Page**” means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters EURIBOR01 (“**Reuters**”)) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate;
- “**Paying Agent**” shall have the meaning set out in the introductory paragraph;
- “**Permitted Encumbrance**” means:
- (i) any lien arising by operation of law or required by the Concession;
  - (ii) any Security in existence on the Issue Date of each Series of Notes;
  - (iii) in the case of any Person which becomes a Subsidiary of any member of the Group after the Issue Date of the Notes, any Security securing Relevant Debt existing over its assets at the time it becomes such a Subsidiary of any member of the Group *provided that* the Security was not created in contemplation of or in connection with it becoming a Subsidiary of any member of the Group and the amounts secured have not been increased in contemplation of or in connection therewith;
  - (iv) in the case of a Subsidiary of any member of the Group which becomes a Material Subsidiary after the Issue Date of the Notes, any Security securing Relevant Debt existing over its assets at the time it becomes a Material Subsidiary *provided that* the Security was not created immediately prior to it becoming a Material Subsidiary in contemplation of or in connection therewith and the amounts secured have not been increased at such time;
  - (v) any Security arising under or in connection with the Security Documents;
  - (vi) any Security arising under or in connection with Limited Recourse Indebtedness (including, for the avoidance of doubt, any Security created over receivables, contracts, bank accounts or other assets of AdR securing Limited Recourse Indebtedness);
  - (vii) any Security created in connection with convertible bonds or notes where the Security is created over the assets into which the convertible bonds or notes may be converted and secures only the obligations of the Issuer or any relevant Material Subsidiary to effect the conversion of the bonds or notes into such assets;
  - (viii) any Security securing Relevant Debt created in substitution of any Security permitted under paragraphs (i) to (vii) above over the same or substituted assets *provided that* the principal amount secured by the substitute security does not exceed the principal amount outstanding and secured by the initial Security; and

- (ix) any Security other than Security permitted under paragraphs (i) to (viii) above directly or indirectly securing Relevant Debt, where the principal amount of such Relevant Debt (taken on the date such Relevant Debt is incurred) which is secured or is otherwise directly or indirectly preferred to other general unsecured Indebtedness of the Issuer or any of its Material Subsidiaries, does not exceed in aggregate ten (10)% of the consolidated assets of AdR (as disclosed in the most recent annual audited and unaudited semi-annual consolidated balance sheet of AdR);

**“Permitted Reorganisation”** means:

- (a) in relation to any Material Subsidiary:

(A) any:

- (1) “fusione” or “scissione” (such expressions bearing the meanings ascribed to them by the laws of the Republic of Italy) or any other, amalgamation, reorganisation, merger, consolidation, demerger (whether in whole or in part) or other similar arrangement; or
- (2) contribution in kind, conveyance, sale, assignment, transfer, lease of, or any kind of disposal of all or any of its assets or its going concern; or
- (3) purchase or exchange of its assets or its going concern, whether or not effected through a capital increase subscribed and paid up by means of a contribution in kind; or
- (4) lease of its assets or its going concern,

whereby all or Substantially All of its assets and undertaking (as evidenced in its latest audited financial statements (consolidated, if available)) are transferred, sold contributed, assigned or otherwise vested in (A) the Issuer, (B) any Subsidiary or Subsidiaries of the Issuer and/or (C) any Subsidiary or Subsidiaries of a Material Subsidiary; or

- (B) a sale, demerger, contribution or other disposal of all or Substantially All of the relevant Material Subsidiary’s assets (as evidenced in its latest audited financial statements (consolidated, if available)) whilst solvent to any Person on commercial arm’s length terms;

- (b) in relation to the Issuer:

(A) any

- (1) “fusione” or “scissione” (such expressions bearing the meanings ascribed to them by the laws of the Republic of Italy) or any other, amalgamation, reorganisation, merger, consolidation, demerger (whether in whole or in part) or other similar arrangement; or
- (2) contribution in kind, conveyance, sale, assignment, transfer, lease of, or any kind of disposal of all or any of its assets or its going concern; or
- (3) purchase or exchange of its assets or its going concern, whether or not effected through a capital increase subscribed and paid up by means of a contribution in kind; or
- (4) lease of its assets or its going concern,

whereby all or Substantially All of its assets and undertaking (as evidenced in its latest audited financial statements (consolidated, if available)) are transferred, sold contributed, assigned or otherwise vested in one or more body corporates which assume(s) or maintain(s) (as the case may be) the liability as principal debtor and/or guarantor in respect of the Notes;

“**Person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“**Post-Enforcement Priority of Payments**” means the AdR Post-Enforcement Payment Priorities as set out in Schedule 2, Part 2 of the AdR Account Bank Agreement;

“**Pre-Enforcement Priority of Payments**” means the AdR Pre-Enforcement Payment Priorities as set out in Schedule 2, Part 1 of the AdR Account Bank Agreement;

“**Principal**” shall have the meaning set forth in Condition 9;

“**Principal Financial Centre**” shall have the meaning set out in Condition 6(b)(C)2(z) (*Screen Rate Determination for Floating Rate Notes*);

“**Principal Paying Agents**” shall have the meaning set out in the introductory paragraph;

“**Priority of Payments**” means the priority of payments set out in Schedule 2 to the AdR Account Bank Agreement (and includes, for the avoidance of doubt, the Pre-Enforcement Priority of Payments and the Post-Enforcement Priority of Payments);

“**Proceedings**” shall have the meaning set out in Condition 20(b) (*Governing Law and Jurisdiction*);

“**Proposal Affecting Reserved Matters or Entrenched Rights of the Noteholders**” shall have the meaning set out in Condition 12(b)(i) (*Modifications, consents and waivers prior to the AdR STID Unwinding Date – AdR STID Proposals*);

“**Rate of Interest**” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions in the applicable Final Terms;

“**Rating Agency**” means any of Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., or Moody’s Investors Service Inc. or Fitch Ratings Ltd, or any of their successors;

“**Record Date**” shall have the meaning set out in Condition 8(b)(A) (*Registered Notes*);

“**Redemption Acceptance Notice**” shall have the meaning set out in Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*);

“**Redemption Acceptance Receipt**” shall have the meaning set out in Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*);

“**Redemption/Payment Basis**” shall have the meaning set forth in the applicable Final Terms;

“**Register**” shall have the meaning set out in Condition 1 (*Form, Denomination and Title*);

“**Registrar**” shall have the meaning set out in the introductory paragraph;

“**Registered Notes**” shall have the meaning set out in Condition 1 (*Form, Denomination and Title*);

“**Reference Banks**” means the institutions specified as such in the applicable Final Terms or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone);

“**Relevant Debt**” means any present or future Indebtedness in the form of, or represented by, bonds, notes, debentures, or other securities that are for the time being, or are intended to be, quoted, listed or ordinarily dealt in on any stock exchange or any other securities market (including any over-the-counter market);

“**Relevant Event**” shall have the meaning set out in Condition 7(d) (*Redemption at the Option of Noteholders on the Occurrence of a Relevant Event*);

“**Relevant Financial Centre**” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the applicable Final Terms or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro-zone) or, if none is so connected, London;

“**Relevant Taxing Jurisdiction**” shall have the meaning set out in Condition 9 (*Taxation*);

“**Relevant Date**” shall have the meaning set out in Condition 9 (*Taxation*);

“**Relevant Rate**” means LIBOR or EURIBOR as specified on the relevant Final Terms;

“**Relevant Time**” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the applicable Final Terms or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre or, if no such customary local time exists, 11.00 hours in the Relevant Financial Centre and for the purpose of this definition “local time” means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, Brussels time;

“**Representative Amount**” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the applicable Final Terms or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time;

“**Reserved Matter**” means: (i) any matter listed from (ii) to (iv) (inclusive) in the definition of AdR Noteholders Reserved Matter and/or (ii) any AdR Noteholders Special Matter;

“**Romulus**” means Romulus S.r.l., a limited liability company incorporated under the laws of Italy;

“**Romulus Facilities Agreement**” means the €1,265,018,896 amended and restated senior term loan facilities agreement dated 20 February 2003, as amended and/or restated and/or supplemented from time to time, between AdR and Romulus;

“**Security**” shall have the meaning set out in Condition 4 (*Negative Pledge*);

“**Security Documents**” means the documents securing the obligations of AdR to the relevant secured creditors that are parties to or otherwise have the benefit of the AdR STID from time to time, including, at any time prior to the Conversion Date, the holders of any Secured Notes then outstanding, as amended, restated, supplemented and/or extended from time to time;

“**Series**” shall have the meaning set out in the introductory paragraph;

“**Specified Denomination**” shall have the meaning set out in the Final Terms;

“**Secured Noteholders**” means the holders of the Secured Notes;

“**Secured Notes**” shall have the meaning set out in the introductory paragraph;

“**Secured Note Provisions**” shall have the meaning set out in Condition 5(b) (*Application of Secured Notes*);

“**Specified Currency**” means the currency specified as such in the applicable Final Terms or, if none is specified, the currency in which the Notes are denominated;

“**Specified Denomination**” shall have the meaning set out in the Final Terms;

“**Specified Duration**” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the applicable Final Terms or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 6(b)(B) (*Business Day Convention*);

“**Subsidiary**” means, in respect of any Entity at any particular time, any company or corporation in which:

- (a) the majority of the votes capable of being voted in an ordinary shareholders’ meeting is held, directly or indirectly, by the Entity; or
- (b) the Entity holds, directly or indirectly, a sufficient number of votes to give the Entity a dominant influence (*influenza dominante*) in an ordinary shareholders’ meeting of such company or corporation,

as provided by Article 2359, paragraph 1, No. 1 and 2, of the Italian Civil Code;

“**Substantially All**” shall mean a part of the whole which accounts for eighty per cent. (80%) or more;

“**Talons**” shall have the meaning set out in the introductory paragraph;

“**TARGET2 System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto;

“**Transfer Agents**” shall have the meaning set out in the introductory paragraph;

“**Trust Deed**” shall have the meaning set out in the introductory paragraph;

“**Trustee**” shall have the meaning set out in the introductory paragraph; and

“**Unsecured Notes**” shall have the meaning set out in the introductory paragraph.

“**Zero Coupon**” shall have the meaning set forth in the Final Terms.

## FORM OF FINAL TERMS

### Final Terms dated

### AEROPORTI DI ROMA S.P.A.

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the €1,500,000,000

### Euro Medium Term Note Programme

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set out in the Offering Circular dated 29 November 2013 which constitutes a base prospectus (the “**Offering Circular**”) for the purposes of Directive 2003/71/EC (the “**Prospectus Directive**”) as amended (which includes the amendments made by Directive 2010/73/EU (the “**2010 PD Amending Directive**”) to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area) [and the supplemental Offering Circular dated [•] read in conjunction with the Offering Circular]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive. These Final Terms contain the final terms of the Notes and must be read in conjunction with such Offering Circular [as so supplemented].

Full information on the Issuer and the offer of the Notes described herein is only available on the basis of the combination of these Final Terms and the Offering Circular [as so supplemented]. The Offering Circular [and the supplemental Offering Circular] [is] [are] available for viewing [at www.adr.it] [and] during normal business hours at [address] [and copies may be obtained from [address]].

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.]*

1. (i) Series Number: [•]
- (ii) Tranche Number: [•]
- (iii) Date on which the Notes become fungible: [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with [insert description of relevant Series] on [insert date/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [22] below [which is expected to occur on or about [insert date]]].]
2. Specified Currency or Currencies: [•]
3. Aggregate Nominal Amount of Notes:
  - (i) Series: [•]
  - (ii) Tranche: [•]
4. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if

- applicable)*
5. (i) Specified Denominations: [●] [and integral multiples of [●] in excess thereof, up to and including [●].] No Notes in definitive form will be issued with a denomination above [●].
- (Not to be less than Euro 100,000 or its equivalent in other currencies)*
- (ii) Calculation Amount: [●]
6. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [Specify/Issue Date/Not Applicable]
7. Maturity Date: *[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year, but subject to Condition 8(h) (Scheduled Payment Dates)]*
8. Interest Basis: [[●] per cent. Fixed Rate]
- [[●] month [LIBOR/EURIBOR] +/- [●] per cent. Floating Rate]
- [Zero Coupon]
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption the Notes will be redeemed on the Maturity Date at [100] per cent. of their nominal amount.
10. Relevant Event Redemption: [Applicable/Not Applicable]
11. Change of Interest or Redemption/Payment Basis: [Applicable/Not Applicable]
- [Specify the date when any fixed to floating rate change occurs or refer to paragraphs 14 and 15 below and identify there]*
12. Put/Call Options: [Put Option]
- [Call Option]
13. [(i)] [Date [Board] approval for issuance of Notes][and Security Document[s]][ obtained: [●]
- (N.B. Only relevant where Board authorisation is required for the particular tranche of Notes. In the case of Secured Notes, provide the date of the resolutions approving the relevant Security Document(s) by the Issuer) [On [●], the [Issuer] executed [●] Security Documents in relation to the Collateral in favour of the holders of the*

Secured Notes and the Trustee in order to secure the complete and timely fulfilment of all its obligations arising under the Secured Notes.]

[(ii)] [Secured Note Provisions] [Not Applicable] [Applicable – the Notes are Secured Notes pursuant to Condition [5] (*The AdR STID and Special Provisions of Secured Notes*)]

[(iii)] [Conversion Provisions] [Applicable/Not Applicable]

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

**14. Fixed Rate Note Provisions** [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi annually/quarterly/monthly] in arrear on each Interest Payment Date][*To be subject to Condition 8(h) (Scheduled Payment Dates)*]

(ii) Interest Payment Date(s): [●] in each year up to and including the Maturity Date/[specify other]

[N.B.: *To be subject to Condition 8(h) (Scheduled Payment Dates)*]

[N.B.: *This will need to be amended in the case of long or short coupons*]

(iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount

*(applicable to Notes in definitive form only)*

(iv) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●] [Not Applicable]  
*(applicable to Notes in definitive form only)*

(v) Day Count Fraction: [30/360 or Actual/Actual (ICMA)]

(vi) Determination Dates: [[●] in each year] [Not Applicable] (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*) [*To be subject to Condition 8(h) (Scheduled Payment Dates)*]

**15. Floating Rate Note Provisions** [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Specified Interest Payment [[●] in each year, subject to adjustment in accordance with the Business Day Convention set

- Dates: out in (iv) below] *[To be subject to Condition 8(h) (Scheduled Payment Dates)]*
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention]
- (iii) Business Centre(s): [●]
- (iv) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (v) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Principal Paying Agent): [●]
- (vi) Screen Rate Determination:
- Reference Rate: [●] month [LIBOR/EURIBOR]
  - Interest Determination Date(s): [●]
  - Relevant Screen Page: [●]
  - Relevant Time: [●]
  - Relevant Financial Centre: [●]
- (vii) ISDA Determination:
- Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
  - [ISDA Definitions: [2000/2006]
- (viii) Margin(s): [+/-][●] per cent. per annum
- (ix) Minimum Rate of Interest: [●] per cent. per annum
- (x) Maximum Rate of Interest: [●] per cent. per annum
- (xi) Day Count Fraction: [Actual/365 (Fixed)]  
 [Actual/360]  
 [30/360 / 360/360 / Bond Basis]  
 [30E/360 / Eurobond Basis]  
 [30E/360 – ISDA]  
 [Actual/Actual – ICMA]
- 16. Zero Coupon Note Provisions** [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) [Amortisation/Accrual] Yield: [●] per cent. per annum
- (ii) Reference Price: [●]
- (iii) Day Count Fraction in relation to Early Redemption: [Actual/Actual / Actual/Actual – ISDA]  
[Actual/365 (Fixed)]  
[Actual/360]  
[30/360 / 360/360 / Bond Basis]  
[30E/360 / Eurobond Basis]  
[30E/360 – ISDA]  
[Actual/Actual – ICMA]

#### **PROVISIONS RELATING TO REDEMPTION**

- 17. Call Option** [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note: [●] per Calculation Amount
- (iii) If redeemable in part:
  - (a) Minimum Nominal Amount of Notes which may be redeemed: [●]
  - (b) Maximum Nominated Amount of Notes which may be redeemed [●]

- 18. Put Option** [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note: [●] per Calculation Amount

- 19. [Relevant Event Redemption]:** [Applicable/Not Applicable]

- (i) Relevant Event Redemption Amount(s) of each Note: [●] per Calculation Amount

- 20. Final Redemption Amount of each** [●] per Calculation Amount

## Note

### 21. Early Redemption Amount

Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption: [●] per Calculation Amount

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

### 22. Form of Notes:

#### [Bearer Notes]:

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]

[Temporary Global Note exchangeable for Definitive Notes on [●] days' notice]

[Permanent Global Note exchangeable for Definitive Notes on [●] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]

*(In relation to any Notes issued with a denomination of €[100,000] (or equivalent) and integral multiples of €[1,000] (or equivalent), the Global Note shall only be exchangeable for Definitive Notes in the limited circumstances of (1) closure of the ICSDs; and (2) default of the Issuer)*

#### [Registered Notes]

Registered Global Note registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg]/[a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]

### 23. New Global Note:

[Yes] [No]

### 24. Financial Centre(s):

[[●]/Not Applicable]

### 25. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):

[Yes/No]

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the Irish Stock Exchange of the Notes described herein pursuant to the €[●] Euro Medium Term Note Programme of Aeroporti di Roma S.p.A.

Signed on behalf of **Aeroporti di Roma**  
**S.p.A.**



.....  
Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Listing [Irish Stock Exchange]
- (ii) Admission to trading [Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and to trading on its regulated market with effect from the Issue Date.]
- [The Notes will be consolidated and form a single series with the existing issue of [●][●] per cent. Notes due [●] on [●].]
- (iii) Estimate of total expenses related to admission to trading [●]

### 2. RATINGS

- Ratings: [The Notes to be issued [have been / are expected to be] rated:
- [S & P: [●]]
- [Moody's: [●]]
- [Fitch: [●]]
- [[Other]: [●]]
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*
- [Where the relevant credit rating agency is established in the EEA:]*
- [Insert legal name of particular credit rating agency entity providing rating] is established in the EEA and [registered]/[has applied for registration although notification of the corresponding registration decision has not yet been provided by the relevant competent authority]/[is neither registered nor has it applied for registration] under Regulation (EU) No. 1060/2009, as amended (the “**CRA Regulation**”)*
- [Where the relevant credit rating agency is not established in the EEA:]*
- [Insert legal name of particular credit rating agency entity providing rating] is not established in the EEA [but the rating it has given to the Notes is endorsed by [insert legal name of credit rating agency], which is established in the EEA and registered] / [but is certified] / [and is not*

certified under nor is the rating it has given to the Notes endorsed by a credit rating agency established in the EEA and registered] under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”).

[In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EEA before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, or (2) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (3) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.]

**3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]**

*(Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:)*

[“Save as discussed in “Subscription and Sale and Transfer and Selling Restrictions”, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”]

**4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**

[(i) Reasons for the offer [●]

*(See [“Use of Proceeds”] wording in the Offering Circular – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]*

[(ii) Estimated net proceeds: [●]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

[(iii) Estimated total expenses: [●]

*[Include breakdown of expenses]*

**5. [Fixed Rate Notes only – YIELD]**

Indication of yield: [●]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

**6. OPERATIONAL INFORMATION**

ISIN Code: [●]

Common Code: [●]

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable]/[Give name(s) and number(s)]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any): [●]

Intended to be held in a manner which would allow Eurosystem eligibility [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [include for Registered Notes held in NSS] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

**7. DISTRIBUTION**

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated:
  - (A) names of Managers [Not Applicable/*give names*]
  - (B) Stabilising Manager(s) [Not Applicable/*give name*]  
(if any):
  - (C) Date of Subscription Agreement: [●]
- (iii) If non-syndicated, name of Dealer: [Not Applicable/*give name*]
- (iii) U.S. Selling Restrictions: [Reg. S Compliance Category [1/2]; TEFRA C/TEFRA D/ TEFRA not applicable]

## **BOOK-ENTRY CLEARANCE PROCEDURES**

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of the Clearing Systems currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but neither the Issuer nor any Dealer takes any responsibility for the accuracy thereof. The information in this section has been accurately reproduced and no facts have been omitted that would render the reproduced information inaccurate or misleading. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

### **Book-Entry Systems**

#### *Euroclear and Clearstream, Luxembourg*

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

### **Transfers of Notes Represented by Registered Global Notes**

Transfers of any interests in Notes represented by a Registered Global Note within Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under “*Subscription and Sale and Transfer and Selling Restrictions*”, transfers directly or indirectly through Euroclear or Clearstream, Luxembourg or accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Principal Paying Agent and any custodian with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and Euroclear will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of Clearstream, Luxembourg and Euroclear. However, they are under no

obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Trustee, the Agents or any Dealer will be responsible for any performance by Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

## TAXATION

### Italian Taxation

*The statements herein regarding taxation summarise the principal Italian tax consequences of the purchase, the ownership, the redemption and the disposal of the Notes.*

*This is a general overview that does not apply to certain categories of investors and does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. It does not discuss every aspect of Italian taxation that may be relevant to a Noteholder if such Noteholder is subject to special circumstances or if such Noteholder is subject to special treatment under applicable law.*

*This overview also assumes that the Issuer is resident in the Republic of Italy for tax purposes, is structured and conducts its business in the manner outlined in this Offering Circular. Changes in the Issuer's organisational structure, tax residence or the manner in which it conducts its business may invalidate this overview. This overview also assumes that each transaction with respect to the Notes is at arm's length.*

*Where in this overview, English terms and expressions are used to refer to Italian concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Italian concepts under Italian tax law.*

*The statements herein regarding taxation are based on the laws in force in the Republic of Italy as of the date of this Offering Circular and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The Issuer will not update this overview to reflect changes in laws and if such a change occurs the information in this overview could become invalid.*

*Law Decree 22 June 2012, No. 83 (the "Decree 83"), converted into law, with amendments, by Law 7 August 2012, No. 134, has changed the tax regime applicable to certain financial instruments, including bonds and securities similar to bonds issued by unlisted companies. In particular, Decree 83 has extended the tax regime applicable to bonds and securities similar to bonds issued by listed companies to same financial instruments issued by unlisted companies, provided that certain conditions are met (i.e. listing of the relevant instruments), as described below.*

*This overview assumes that the Notes are listed on a regulated market or on a multi-lateral trading platform of any EU Member State or of a State party to the European Economic Area which is included in the white list provided for by Article 168-bis of Presidential Decree No. 917 of 22 December 1986.*

*Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences under Italian tax law, under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws.*

## Interest on the Notes

### 1. *Notes qualifying as bonds or securities similar to bonds*

Legislative Decree No. 239 of 1 April 1996, as amended, (“**Decree 239**”) regulates the income tax treatment of interest, premium and other income (including any difference between the redemption amount and the issue price, hereinafter collectively referred to as Interest) from notes falling within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) issued, *inter alia*, by:

- (a) companies whose shares are traded (*negoziate*) on a regulated market or on a multi-lateral trading platform of any EU Member State or of a State party to the European Economic Area which is included in the white list provided for by Article 168-*bis* of Presidential Decree No. 917 of 22 December 1986; or
- (b) companies whose shares are not listed as indicated above, *provided that* the notes are listed on the aforementioned regulated markets or platforms.

For this purpose, securities similar to bonds are securities issued in mass that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value and that do not allow any direct or indirect participation either in the management of the issuer or in the business in connection with which they have been issued, nor any control on such management.

#### *Italian resident Noteholders*

Where an Italian resident Noteholder, who is the beneficial owner of the Notes, is (i) an individual not engaged in a business activity to which the Notes are effectively connected (unless he has opted for the application of the *risparmio gestito regime*, see paragraph “Capital gain” below), (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, Interest payments relating to the Notes are subject to a substitutive tax, referred to as *imposta sostitutiva*, levied at the rate of 20% (either when the Interest is paid by the Issuer, or when payment thereof is obtained by the Noteholder on a sale of the relevant Notes). The *imposta sostitutiva* may not be recovered by the Noteholder as a deduction from the income tax due.

If the Notes are held by an investor engaged in a business activity and the Notes are effectively connected with the same business activity, the Interest is subject to the *imposta sostitutiva* and is included in the relevant income tax return. As a consequence, the Interest is subject to the ordinary income tax and the *imposta sostitutiva* may be recovered as a deduction from the income tax due.

Pursuant to the Decree 239, *imposta sostitutiva* is levied by banks, *società di intermediazione mobiliare* (SIMs), *società di gestione del risparmio* (SGRs), fiduciary companies, stock exchange agents and other entities identified by the relevant Decrees of the Ministry of Economy and Finance (the Intermediaries).

An Intermediary must satisfy the following conditions:

- (i) it must be: (a) resident in Italy; or (b) a permanent establishment in Italy of an intermediary resident outside of Italy; or (c) an organisation or company non-resident in Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Ministry of Economy and Finance (which includes Euroclear and Clearstream) having appointed an Italian representative for the purposes of Decree 239; and

- (ii) intervene, in any way, in the collection of Interest or in the transfer of the Notes. For the purpose of the application of *imposta sostitutiva*, a transfer of the Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes.

Where the Notes are not deposited with an Intermediary, *imposta sostitutiva* is applicable and withheld by any Italian bank or any Italian intermediary paying Interest to a Noteholder.

The *imposta sostitutiva* regime described herein does not apply in cases where the Notes are held in a discretionary investment portfolio managed by an authorised intermediary pursuant to the so-called discretionary investment portfolio regime (*Risparmio Gestito* regime as defined and described in “*Capital Gains*”, below). In such a case, Interest is not subject to *imposta sostitutiva* but contributes to determine the annual net accrued result of the portfolio, which is subject to an ad-hoc substitutive tax of 20% on the results.

The *imposta sostitutiva* also does not apply to the following subjects, to the extent that the Notes and the relevant coupons are deposited in a timely manner, directly or indirectly, with an Intermediary:

#### *Corporate investors*

Where an Italian resident Noteholder is a corporation or a similar commercial entity (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected), Interest accrued on the Notes must be included in: (I) the relevant Noteholder’s yearly taxable income for the purposes of corporate income tax (“**IRES**”), generally applying at the current ordinary rate of 27.5%; and (II) in certain circumstances, depending on the status of the Noteholder, also in its net value of production for the purposes of regional tax on productive activities (“**IRAP**”), generally applying at the rate of 3.9% (certain categories of taxpayers, including banks, financial entities and insurance companies, are subject to higher IRAP rates). The IRAP rate can be increased by regional laws up to a certain threshold. Said Interest is therefore subject to general Italian corporate taxation according to the ordinary rules;

#### *Investment funds*

Italian investment funds (including a *Fondo Comune d’Investimento*, or a SICAV, as well as Luxembourg investment funds regulated by Article 11-*bis* of Law Decree No. 512 of 30 September 1983, collectively, the Funds) are neither subject to substitutive tax nor to any other income tax, *provided that* either the Fund or the Fund’s manager is subject to the supervision of a regulatory authority. Proceeds payable by the Funds to their quotaholders is generally subject to a 20% withholding tax;

#### *Pension funds*

Pension funds (subject to the tax regime set out by Article 17 of Legislative Decree No. 252 of 5 December 2005, the Pension Funds) are subject to an 11% substitutive tax on their annual net accrued result. Interest on the Notes is included in the calculation of such annual net accrued result; and

#### *Real estate investment funds*

Interest payments in respect of the Notes to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998 (the “**Real Estate Investment Funds**”) are generally subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the same Real Estate Investment Funds. Unitholders are generally subject to a 20% withholding tax on distributions from the Real Estate Investments Funds. Law Decree No. 70 of 13 May 2011 (converted with amendments by Law No. 106 of

12 July 2011) has introduced certain changes to the tax treatment of the unitholders of Real Estate Investment Funds, including a direct imputation system (tax transparency) for certain non-qualifying unitholders (e.g. Italian resident individuals) holding more than 5% of the units of the fund.

#### *Non-Italian resident Noteholders*

An exemption from *imposta sostitutiva* on Interest on the Notes is provided with respect to certain beneficial owners resident outside of Italy, not having a permanent establishment in Italy to which the Notes are effectively connected. In particular, pursuant to the Decree 239 the aforesaid exemption applies to any beneficial owner of an Interest payment relating to the Notes who: (i) is resident, for tax purposes, in a country which allows for a satisfactory exchange of information with the Republic of Italy (as currently listed by Ministerial Decree dated 4 September 1996 and which will be included in a new list to be enacted by a ministerial decree to be issued pursuant to Law No. 244 of 24 December 2007 – a “**White List Country**”); or (ii) is an international body or entity set up in accordance with international agreements which have entered into force in the Republic of Italy; or (iii) is the Central Bank or an entity also authorised to manage the official reserves of a country; or (iv) is an institutional investor which is established in a White List Country, even if it does not possess the status of taxpayer in its own country of establishment (each, a “**Qualified Noteholder**”).

The exemption procedure for Noteholders who are non-resident in Italy and are resident in a White List Country identifies two categories of intermediaries:

- (i) an Italian or foreign bank or financial institution (there is no requirement for the bank or financial institution to be EU resident) (the “**First Level Bank**”), acting as intermediary in the deposit of the Notes held, directly or indirectly, by the Noteholder with a Second Level Bank (as defined below); and
- (ii) an Italian resident bank or SIM, or a permanent establishment in Italy of a non-resident bank or SIM, acting as depositary or sub-depositary of the Notes appointed to maintain direct relationships, via electronic link, with the Italian tax authorities (the “**Second Level Bank**”). Organisations and companies non-resident in Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Ministry of Economy and Finance (which include Euroclear and Clearstream) are treated as Second Level Banks, *provided that* they appoint an Italian representative (an Italian resident bank or SIM, or permanent establishment in Italy of a non-resident bank or SIM, or a central depositary of financial instruments pursuant to Article 80 of Legislative Decree No. 58 of 24 February 1998) for the purposes of the application of Decree 239.

In the event that a non-Italian resident Noteholder deposits the Notes directly with a Second Level Bank, the latter shall be treated both as a First Level Bank and a Second Level Bank.

The exemption from the *imposta sostitutiva* for the Noteholders who are non-resident in Italy is conditional upon:

- (i) the deposit of the Notes, either directly or indirectly, with an institution which qualifies as a Second Level Bank; and
- (ii) the submission to the First Level Bank or the Second Level Bank of a statement of the relevant Noteholder (*autocertificazione*), to be provided only once, in which it declares that it is eligible to benefit from the exemption from *imposta sostitutiva*. Such statement must comply with the requirements set out by a Ministerial Decree dated 12 December 2001, is valid until withdrawn or revoked and needs not to be submitted where a certificate, declaration or other similar document for the same or

equivalent purposes was previously submitted to the same depository. The above statement is not required for non-Italian resident investors that are international bodies or entities set up in accordance with international agreements entered into force in the Republic of Italy or Central Banks or entities also authorised to manage the official reserves of a State.

Additional requirements are provided for “institutional investors”.

In the case of non-Italian resident Noteholders not having a permanent establishment in Italy to which the Notes are effectively connected, the *imposta sostitutiva* may be reduced (generally to 10%) or eliminated under certain applicable tax treaties entered into by Italy, if more favourable, subject to timely filing of the required documentation.

## 2. *Notes qualifying as atypical securities (titoli atipici)*

Interest payments relating to Notes that are neither deemed to fall within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) nor in the category of shares (*azioni*) or securities similar to shares (*titoli similari alle azioni*) are subject to a withholding tax, levied at the rate of 20%.

Where the Noteholder is (i) a non-Italian resident person, (ii) an Italian resident individual not holding the Notes for the purpose of carrying out a business activity, (iii) an Italian resident non-commercial partnership, (iv) an Italian resident non-commercial private or public institution, (v) a Fund, (vi) a Real Estate Investment Fund, (vii) a Pension Fund, (viii) an Italian resident investor exempt from Italian corporate income taxation, such withholding tax is a final withholding tax.

Where the Noteholder is (i) an Italian resident individual carrying out a business activity to which the Notes are effectively connected, (ii) commercial partnership, (iii) an Italian resident corporation or a similar Italian commercial entity (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected), such withholding tax is an advance withholding tax.

In case of non-Italian resident Noteholders, without a permanent establishment in Italy to which the Notes are effectively connected, the above-mentioned withholding tax rate may be reduced (generally to 10%) or eliminated under certain applicable tax treaties entered into by Italy, if more favourable, subject to timely filing of the required documentation.

## **Capital Gains**

### (i) *Italian resident Noteholders*

Pursuant to Legislative Decree No. 461 of 21 November 1997 (Decree No. 461) a 20% capital gains tax (the “CGT”) is applicable to capital gains realised on any sale or transfer of the Notes for consideration by Italian resident individuals (not engaged in a business activity to which the Notes are effectively connected), regardless of whether the Notes are held outside of Italy.

For the purposes of determining the taxable capital gain, any Interest on the Notes accrued and unpaid up to the time of the purchase and the sale of the Notes must be deducted from the purchase price and the sale price, respectively.

Taxpayers can opt for one of the three following regimes:

#### (a) Tax return regime (*Regime della Dichiarazione*)

The Noteholder must assess the overall capital gains realised in a certain fiscal year, net of any incurred capital losses, in his annual income tax return and pay the CGT so

assessed together with the income tax due for the same fiscal year. Losses exceeding gains can be carried forward into the following fiscal years up to the fourth following fiscal year. Since this regime constitutes the ordinary regime, the taxpayer must apply it to the extent that the same does not opt for any of the two other regimes;

(b) Non-discretionary investment portfolio regime (*Risparmio Amministrato*)

The Noteholder may elect to pay the CGT separately on capital gains realised on each sale or transfer of the Notes. Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with banks, SIMs or other authorised intermediaries and (ii) an express election for the *Risparmio Amministrato* regime being made in writing by the relevant Noteholder. The *Risparmio Amministrato* lasts for the entire fiscal year and unless revoked prior to the end of such year will be deemed valid also for the subsequent one. The intermediary is responsible for accounting for the CGT in respect of capital gains realised on each sale or transfer of the Notes, as well as in respect of capital gains realised at the revocation of its mandate. The intermediary is required to pay the relevant amount to the Italian tax authorities, by deducting a corresponding amount from the proceeds to be credited to the Noteholder. Where a particular sale or transfer of the Notes results in a net loss, the intermediary is entitled to deduct such loss from gains subsequently realised on assets held by the Noteholder with the same intermediary and within the same deposit relationship, in the same fiscal year or in the following fiscal years up to the fourth following fiscal year. The Noteholder is not required to declare the gains in his annual income tax return; and

(c) Discretionary investment portfolio regime (*Risparmio Gestito*)

If the Notes are part of a portfolio managed by an Italian asset management company, capital gains are not subject to the CGT, but contribute to determine the annual net accrued result of the portfolio. Such annual net accrued result of the portfolio, even if not realised, is subject to an ad-hoc 20% substitutive tax, which the asset management company is required to levy on behalf of the Noteholder. Any losses of the investment portfolio accrued at year end may be carried forward against net profits accrued in each of the following fiscal years, up to the fourth following fiscal year. Under such regime the Noteholder is not required to declare the gains in his annual income tax return.

The aforementioned regime does not apply to the following subjects:

(a) **Corporate investors**

Capital gains realised on the Notes by Italian resident corporate entities (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected) form part of their aggregate income subject to IRES. In certain cases, capital gains have also to be included in the taxable net value of production of such entities for IRAP purposes. The capital gains are calculated as the difference between the sale price and the relevant tax value of the Notes. Upon fulfilment of certain conditions, the gains may be taxed in equal instalments over up to five fiscal years.

(b) **Funds**

Capital gains realised by the Funds on the Notes are not taxable at the level of same Funds (see *Italian Resident Noteholders*, above).

(c) ***Pension Funds***

Capital gains realised by Pension Funds on the Notes contribute to determine their annual net accrued result, which is subject to an 11% substitutive tax (see *Italian Resident Noteholders*, above).

**3. *Real Estate Investment Funds***

Capital gains realised by Real Estate Investment Funds on the Notes are not taxable at the level of same Real Estate Investment Funds (see *Italian Resident Noteholders*, above).

**4. *Non Italian resident Noteholders***

Capital gains realised by non-resident Noteholders (not having permanent establishment in Italy to which the Notes are effectively connected) on the disposal of the Notes are not subject to tax in Italy, regardless of whether the Notes are held in Italy, subject to the condition that the Notes are traded in a regulated market in Italy or abroad (e.g. the Irish Stock Exchange).

Should the Notes not be traded in a regulated market as indicated above, the aforesaid capital gains would be subject to tax in Italy, if the Notes are held by the non-resident Noteholder therein. Pursuant to Article 5 of Decree 461, an exemption, however, would apply with respect to beneficial owners of the Notes, which are Qualified Noteholders.

In any event, non-Italian resident Noteholders without a permanent establishment in Italy to which the Notes are effectively connected that may benefit from a tax treaty with Italy providing that capital gains realised upon sale or transfer of Notes are taxed only in the country of tax residence of the recipient, will not be subject to tax in Italy on any capital gains realised upon any such sale or transfer.

**Transfer taxes**

Transfer tax (*tassa sui contratti di borsa*), previously applicable on transfers of the Notes, has been repealed. Following the repeal of the Italian transfer tax, as from 31 December 2007, contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarised deeds (*atti pubblici e scritture private autenticate*) executed in Italy should be subject to fixed registration tax; (ii) private deeds (*scritture private non autenticate*) should be subject to fixed registration tax only in “case of use” or voluntary registration.

**Inheritance and gift tax**

Inheritance and gift taxes apply on the overall net value of the relevant transferred assets, at the following rates, depending on the relationship between the testate (or donor) and the beneficiary (or donee):

- (i) 4% if the beneficiary (or donee) is the spouse or a direct ascendant or descendant (such rate only applying on the net asset value exceeding, for each person, €1 million);
- (ii) 6% if the beneficiary (or donee) is a brother or sister (such rate only applying on the net asset value exceeding, for each person, €100,000);
- (iii) 6% if the beneficiary (or donee) is a relative within the fourth degree or a direct relative-in-law as well an indirect relative-in-law within the third degree; and
- (iv) 8% if the beneficiary is a person, other than those mentioned under (i), (ii) and (iii), above.

In case the beneficiary has a serious disability recognised by law, inheritance and gift taxes apply on its portion of the net asset value exceeding €1.5 million.

### **Stamp duty**

Pursuant to Article 19(1) of Decree 201, a proportional stamp duty applies on an annual basis to any periodic reporting communications which may be sent by a financial intermediary to a Noteholder in respect of any Notes which may be deposited with such financial intermediary. The stamp duty applies at a rate of 0.15%; this stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the Notes held. The stamp duty can be no lower than €34.20 and it cannot exceed, for taxpayers different from individuals (*e.g.*, for corporate entities and other bodies), €4,500.

Based on the wording of the law and the implementing decree issued by the Italian Ministry of Economy on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 9 February 2011) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

### **Wealth tax on securities deposited abroad**

Pursuant to Article 19(18) of Decree 201, Italian resident individuals holding the Notes outside the Italian territory are required to pay a wealth tax at a rate of 0.15%. Such tax is due only in cases where the stamp duty described in the previous paragraph (*Stamp duty*) is not due. This tax is calculated on the market value of the Notes at the end of the relevant year or – if no market value figure is available – the nominal value or the redemption value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

### **Tax monitoring**

Pursuant to Law Decree No. 167 of 28 June 1990, converted by Law No. 227 of 4 August 1990, as amended, individuals resident in Italy who, at the end of the fiscal year, hold investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return). Such obligation is not provided if, *inter alia*, each of the overall value of the foreign investments or financial activities held at the end of the fiscal year, and the overall value of the related transfers carried out during the relevant fiscal year, does not exceed €10,000.

As from 2014, by virtue of Law No. 97 of 6 August 2013, such reporting requirements have been limited only to the amount of securities (including the Notes) directly or indirectly held abroad at the end of each tax year. Inbound and outbound transfers and other transfers occurring abroad in relation to securities should not be reported in the yearly income tax declaration. The scope of the new provision does not seem to be limited to transactions exceeding €10,000. At any rate, other implementing provisions or explanatory notes to be issued by the Italian tax authorities might better clarify the content of the abovementioned provisions and the disclosure obligations deriving therefrom.

### **EU Savings Directive**

On 3 June 2003, the European Union adopted the EU Council Directive 2003/48/EC, regarding the taxation of savings income in the form of interest payments (the “**EU Savings Directive**”). Under the EU Savings Directive, Member States are required to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person within its jurisdiction to an individual and certain other persons in another Member State, except that Luxembourg and

Austria may instead impose a withholding system for a transitional period in relation to such payments, deducting tax at rates rising over time to 35% (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld) unless during such period they elect otherwise. The transitional period will terminate at the end of the first fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. The Luxembourg government has announced its intention to introduce, as of 1 January 2015, automatic exchange of information in conformity with the EU Savings Directive.

A number of non-EU countries, and certain dependent or associated territories of certain Member States, have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a person within their jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provisions of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a paying agent in a Member State to, or collected by such a paying agent for, an individual resident in one of those territories.

The European Commission has proposed certain amendments to the EU Savings Directive, which, if implemented, may amend or broaden the scope of the requirements described above.

The EU Savings Directive was implemented in Italy by Legislative Decree No. 84 of 18 April 2005. Pursuant to said decree Italian paying agents (e.g., banks, SIMs, SGRs, financial companies and fiduciary companies resident in Italy for tax purposes, permanent establishments in Italy of non-resident persons as well as any other person resident in Italy for tax purposes paying interest for professional or commercial reasons) shall report to the Italian tax authorities details of interest payments made to individuals which qualify as beneficial owners thereof and are resident for tax purposes in another EU Member State. Such information will be transmitted by the Italian tax authorities to the competent authorities of the State of residence of the beneficial owner of the interest payment by 30 June of the fiscal year following the fiscal year in which said interest payment is made.

Prospective investors resident in a Member State of the European Union should consult their own legal or tax advisers regarding the consequences of the EU Savings Directive in their particular circumstances.

### **Financial Transaction Tax**

On 14 February 2013, the EU Commission adopted a proposal for a Council Directive (the “**Draft Directive**”) on a common financial transaction tax (“**FTT**”). According to the Draft Directive, the FTT shall be implemented and enter into effect in eleven EU Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovakia and Slovenia; the “**Participating Member States**”), that propose to enact this tax, on 1 January 2014. Pursuant to the Draft Directive, the FTT would be payable on financial transactions *provided that* at least one party to the financial transaction is established or deemed established in a Participating Member State and there is a financial institution established or deemed established in a Participating Member State which is a party to the financial transaction. Among others, FTT would however not be payable on primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006, including the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue.

The rates for the FTT would be fixed by each Participating Member State but would amount for transferrable financial instruments other than derivatives to at least 0.1 per cent. of the taxable amount. The taxable amount would in general be determined by reference to the consideration paid or owed in return for the transfer. The FTT would be payable by each financial institution established or deemed established in a Participating Member State which is a party to the financial transaction. Where the FTT due has not been paid timely, each party to a financial transaction, including persons

other than financial institutions would become jointly and severally liable for the payment of the FTT due.

In particular the sale, purchase and exchange of the Notes would be subject to the FTT at a minimum rate of 0.1 per cent. provided the above-mentioned prerequisites are met. The holder may be liable to pay this charge or reimburse a financial institution for the charge and/or the charge may affect the value of the Notes. To the contrary, the issuance of Notes under the Programme would not be subject to FTT.

The Draft Directive is still subject to negotiations among the Participating Member States and therefore might be changed at any time. Moreover, the provision of the Draft Directive once adopted (the “**Directive**”) need to be implemented into the respective domestic laws of the Participating Member States and the domestic provisions implementing the Directive might deviate from the provisions contained in it. Prospective holders of the Notes should consult their own tax advisers in relation to the consequences of the FTT associated with subscribing, purchasing, holding and disposing the Notes.

### **United Kingdom**

*The following is a general summary of certain United Kingdom tax issues at the date hereof and is based on the Issuer’s understanding of current law and HM Revenue & Customs’ practice in the United Kingdom. It does not purport to be a complete analysis of all United Kingdom tax considerations relating to the Notes.*

### **United Kingdom withholding**

Interest on the Notes will be payable without withholding or deduction for or on account of United Kingdom income tax, on the assumption that the interest will not be considered to have a United Kingdom source.

### **United Kingdom stamp duty and stamp duty reserve tax**

No United Kingdom stamp duty or stamp duty reserve tax is payable on the issue or transfer of a Note, on the assumption that the Notes will be treated as “loan capital” within the meaning of section 79 Finance Act 1986 and none of the exceptions in that section apply.

### **Provision of Information**

Individuals who are Noteholders should note that where any interest on Notes is paid to them (or to any person acting on their behalf) by the Issuer or any person in the United Kingdom acting on behalf of the Issuer (a “paying agent”), or is received by any person in the United Kingdom acting on behalf of the relevant Noteholder (other than solely by clearing or arranging the clearing of a cheque) (a “collecting agent”), then the Issuer, the paying agent or the collecting agent (as the case may be) may, in certain cases, be required to supply to HM Revenue & Customs details of the payment and certain details relating to the Noteholder (including the Noteholder’s name and address). These provisions will apply whether or not the interest has been paid subject to withholding or deduction for or on account of United Kingdom income tax and whether or not the Noteholder is resident in the United Kingdom for United Kingdom tax purposes. Where the Noteholder is not so resident, the details provided to HM Revenue & Customs may, in certain cases, be passed by HM Revenue & Customs to the tax authorities of the jurisdiction in which the Noteholder is resident for tax purposes. The same provisions can apply to amounts paid in redemption of Notes, but HM Revenue & Customs have stated that they will not apply such payments in the tax year 2013-2014.

Reference is made to the section of this Offering Circular entitled “EU Directive on the Taxation of Savings Income”. The United Kingdom has implemented this directive and provides to the tax authorities of Member States (and certain non-EU countries and dependent or associated territories)

the details of payments of interest and other similar income paid by a person within the United Kingdom to an individual (or a residual entity) resident in that country or territory.

## SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Dealers have in a dealer agreement (as amended or supplemented from time to time, the “**Dealer Agreement**”) dated 29 November 2013 agreed with the Issuer a basis upon which it may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “**Forms of the Notes**” and “**Terms and Conditions of the Notes**”. In the Dealer Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses incurred in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### **Selling Restrictions**

#### *United States*

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

### **European Economic Area — Public Offer Selling Restriction under the Prospectus Directive**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the applicable Final Terms in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the applicable Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified

to the competent authority in that Relevant Member State, *provided that* any such prospectus has subsequently been completed by the applicable Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purposes of that Non-Exempt Offer;

- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, *provided that* no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

### **United Kingdom**

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the Financial Services and Markets Act 2000 (the “**FSMA**”) does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **France**

Each of the Dealers and the Issuer has represented and agreed that:

- (i) Offer to the public in France:

it has only made and will only make an offer of Notes to the public in France in the period beginning on the date of notification to the *Autorité des Marchés Financiers* (“**AMF**”) of the approval of the prospectus relating to those Notes by the competent authority of a Member State of the European Economic Area, other than the AMF, which has implemented the EU Prospectus Directive 2003/71/EC, as amended, all in accordance with articles L.412-1 and L.621-8 of the French Code *monétaire et financier* and the *Règlement général* of the AMF

and ending at the latest on the date which is 12 months after the date of the approval of this Offering Circular; or

- (ii) Private placement in France:

it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Offering Circular, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

### **Republic of Italy**

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Offering Circular or of any other document relating to any Notes be distributed in the Republic of Italy, except, in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

Each of the Dealers has represented and agreed that it will not offer, sell or deliver any Note or distribute any copies of this Offering Circular and/or any other document relating to the Notes in the Republic of Italy except:

- (i) to qualified investors (*investitori qualificati*), as defined in Article 26, first paragraph, letter d) of CONSOB Regulation No. 16190 of 29 October 2007, as amended (“**Regulation No. 16190**”) pursuant to Article 34-ter, first paragraph, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended (“**Regulation No. 11971**”), implementing Article 100 of the Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”); or
- (ii) in other circumstances which are exempted from the rules on public offerings, as provided under the Financial Services Act and Regulation No. 11971; or
- (iii) if the Final Terms in relation to the Notes specify that a Non-exempt Offer may be made in Italy, including without limitation, by means of an offer of Notes to the public following the date of publication of a prospectus in relation to such Notes, *provided that* such prospectus has been (i) approved in another Relevant Member State and notified to CONSOB in accordance with the Prospectus Directive as implemented and (ii) completed by final terms expressly contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, as implemented, the Financial Services Act and Regulation No. 11971, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable.

Any offer, sale or delivery of the Notes or distribution of copies of this Offering Circular or any other document relating to the Notes in the Republic of Italy must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, Regulation No. 16190, Legislative Decree No. 385 of 1 September 1993 (the “**Banking Act**”) (in each case, as amended) and any other applicable laws or regulation; and
- (b) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or the Bank of Italy or other competent Authority.

## **Provisions relating to the secondary market**

Please note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings applies, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirements provided under the Financial Services Act and Regulation No. 11971 to the extent that the offering qualifies as a “public offering” pursuant to the Financial Services Act and no exemption provided for under the Financial Services Act applies. Failure to comply with such rules may result in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors. Furthermore, where the Notes are placed solely with professional investors in Italy or abroad and are then systematically resold on the secondary market in Italy at any time in the 12 months following such placing, purchasers of Notes who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and to claim damages from any authorised person at whose premises the Notes were purchased (*soggetti abilitati presso cui è avvenuta la vendita*), unless an exemption provided for under the Financial Services Act applies.

## **Limits on issuance of notes by Italian corporate issuers**

Article 2412 of the Italian Civil Code imposes limits on the total principal amount of Notes that an Italian joint stock company (*Società per azioni*) such as the Issuer may have outstanding or guarantee from time to time. Under current legislation, an Italian joint stock company (*Società per azioni*) may issue Notes up to an aggregate amount representing double the sum of its paid up share capital, its legal reserves and its distributable reserves (the “**Issuing Limit**”). Notes which are issued by a third party but guaranteed by the company are taken into account for the purpose of calculating the aggregate amount of Notes issued by that company. However, the Issuing Limit does not apply, *inter alia*, to: (i) Notes to be listed on regulated markets or in multilateral trading systems or that give the right to purchase or to underwrite shares; or (ii) Notes issued above the Issuing Limit (the “**Exceeding Notes**”) which are entirely subscribed at the time of issue by professional investors that are subject to regulatory supervision (e.g. banks, investment firms or SGRs) (each a “**Primary Professional Investor**”). In the latter case, if the Exceeding Notes are sold on the secondary market to a person who is not a professional investor, the relevant seller (whether a Primary Professional Investor or a professional investor) is liable to the purchasers of such Notes for the solvency of the Issuer.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law no. 25 of 1948, as amended, the “**FIEA**”) and each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to agree that it has not, directly or indirectly, offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan.

## **General**

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer, the Trustee nor any of the other Dealers shall have any responsibility therefor.

Neither the Issuer, the Trustee nor the Dealers represent that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law or regulation. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

## GENERAL INFORMATION

### Authorisation

The establishment of the EMTN Programme by the Issuer and the related documents have been duly authorised by resolutions of the Board of Directors of the Issuer dated 8 November 2013. Each issue of Notes by the Issuer under the Programme will be authorised by the competent corporate bodies in accordance with applicable laws and the relevant provisions of its by-laws. Each issuance resolution (*delibera di emissione*) is to be made in notarial form and registered in the competent Companies' Register (*Registro delle Imprese*).

### Listing of Notes on the Irish Stock Exchange

This Offering Circular has been approved by the Central Bank of Ireland. Application has been made to the Irish Stock Exchange for Notes issued under the Programme to be admitted to the Official List and to trading on its regulated market. The Irish Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

### Documents Available

For so long as Notes are capable of being issued under the Programme, copies of the following documents will, when published, be available for inspection in hard copy, without charge, from the registered office of the Issuer and from the specified office of the Paying Agent for the time being in Ireland and, up to the AdR STID Unwinding Date, the specified office of the AdR Security Agent:

- (i) the articles of association and by-laws (with an English translation thereof) of the Issuer;
- (ii) the Trust Deed, the Agency Agreement, the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons;
- (iii) the most recently published audited consolidated annual financial statements of the Issuer and the most recently published consolidated interim financial statements (if any) of the Issuer (in each case with an English translation thereof as soon as such translation is available);
- (iv) a copy of this Offering Circular, together with any supplement to this Offering Circular, and the documents incorporated by reference herein, free of charge;
- (v) any future offering circulars, prospectuses, information memoranda and supplements including Final Terms (save that a Final Terms relating to a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Notes and identity) to this Offering Circular and any other documents incorporated herein or therein by reference;
- (vi) in the case of each issue of Notes admitted to trading on the Irish Stock Exchange's regulated market subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document); and
- (vii) prior to the AdR STID Unwinding Date, a copy of the AdR STID, the AdR Account Bank Agreements the Romulus Facilities Agreement and any Security Document.

### Clearing Systems

The Notes in bearer form have been, and the Notes in registered form will be (if they are to be listed on the Irish Stock Exchange), accepted for clearance through Euroclear and Clearstream, Luxembourg

(which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Bearer Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brussels, the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

### **Conditions for determining price**

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

### **Material and Significant Change**

Except as set out in this Offering Circular and in the documents incorporated by reference herein, there has been no material adverse change in the financial position or prospects of the Issuer and its subsidiaries taken as a whole since 31 December 2012. There has been no significant change in the financial or trading position of the Issuer and its subsidiaries taken as a whole since 31 March 2013.

### **Legal Proceedings**

Except as set out in this Offering Circular under “**Business Description of the Group – Legal Proceedings**” and in the documents incorporated by reference herein, neither the Issuer nor any subsidiary of the Issuer is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or any subsidiary of the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer.

### **Post-issuance information**

The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

### **Dealers transacting with the Issuer**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

For the purpose of this paragraph the term “affiliates” include also parent companies.

### **Foreign languages used in the Offering Circular**

The language of this Offering Circular is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

### **Independent Auditors**

The Issuer's current independent auditors are Reconta Ernst & Young S.p.A., with registered office at Via Po 32, 00198, Roma, Italy ("**Ernst & Young**" or the "**Independent Auditors**").

Reconta Ernst & Young S.p.A. is authorised and regulated by the Italian Ministry of Economy and Finance ("**MEF**") and registered on the special register of auditing firms held by MEF. The Independent Auditors have no material interest in the Issuer.

The Independent Auditors' appointment was conferred for the period 2013 to 2021 by the shareholders' meeting held on 9 April 2013 and will expire on the date of the shareholders' meeting convened to approve AdR's financial statements for the financial year ending 2021.

The consolidated annual financial statements of AdR for the years 2004-2012 have been audited by Deloitte & Touche S.p.A. ("**Deloitte**"), with registered office at via Tortona 25, 50144, Milan, Italy.

Deloitte is authorised and regulated by the MEF and registered on the special register of auditing firms held by MEF. Deloitte has no material interest in the Issuer.

The reports of the auditors of the Issuer are included or incorporated in this Offering Circular in the form and context in which they are included or incorporated, with the consent of the relevant auditors who have authorised the contents of that part of this Offering Circular.

**ANNEX I**  
**RESTATED FINANCIAL DATA**

## INDEX TO RESTATED FINANCIAL DATA

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**AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL INFORMATION AS AT DECEMBER 31, 2012, RESTATED IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS ADOPTED BY THE EUROPEAN UNION, PREPARED FOR THE SOLE PURPOSE OF ITS INCLUSION IN THE BASE PROSPECTUS**

To the Board of Directors of

**AEROPORTI DI ROMA S.p.A.**

1. We have audited the accompanying consolidated financial information as at December 31, 2012, restated in accordance with the International Financial Reporting Standards adopted by the European Union (the "Restated Consolidated Financial Information"), which comprises the consolidated balance sheet, income statement, statement of comprehensive income, statement of cash flows and statement of changes in shareholders' equity and the related explanatory notes of AEROPORTI DI ROMA S.p.A. (the "Company") and its subsidiaries (together with the Company, the "AEROPORTI DI ROMA Group") as at and for the year ended December 31, 2012. The Restated Consolidated Financial Information has been prepared solely for the purpose of its inclusion in the base prospectus for the issuance of certain notes of the Company to be admitted to trading on the Irish Stock Exchange or other EU regulated markets. The purpose of the Restated Consolidated Financial Information is to present the financial position of the AEROPORTI DI ROMA Group as at December 31, 2012, and the results of its operations and cash flows for the year then ended, in accordance with the recognition and measurement criteria required by the International Financial Reporting Standards ("IFRS") adopted by the European Union and described in the note, "Basis of Presentation". The Restated Consolidated Financial Information is the responsibility of the Company's Directors. Our responsibility is to express an opinion on the Restated Consolidated Financial Information based on our audit.
2. We conducted our audit in accordance with the Auditing Standards recommended by Commissione Nazionale per le Società e la Borsa ("CONSOB") and considering CESR Recommendation 05-054b, as amended by the ESMA. Those standards require that we plan and perform the audit to obtain the necessary assurance about whether the Restated Consolidated Financial Information is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures included in the Restated Consolidated Financial Information. An audit also includes assessing the accounting principles used and significant estimates made by the Directors. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion the Restated Consolidated Financial Information of the AEROPORTI DI ROMA Group has been prepared in accordance with the principles and criteria described in the note, "Basis of Presentation", and accordingly, solely for the purpose of its inclusion in the base prospectus, gives a true and fair view of the financial position of the AEROPORTI DI ROMA Group as at December 31, 2012 and of the results of its operations and cash flows for the year then ended.

4. In the note, “Basis of Presentation”, the Directors report that the Restated Consolidated Financial Information does not include comparative figures and explanatory notes, as would be required by the IFRS adopted by the European Union. As a result, the Restated Consolidated Financial Information is not a complete set of financial statements of the AEROPORTI DI ROMA Group and cannot be considered a first-time adoption of IFRS.

DELOITTE & TOUCHE S.p.A.

Domenico Falcone

Partner

Rome, Italy

November 22, 2013

**AEROPORTI DI ROMA S.P.A.**  
**CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2012**

	<b>31 December 2012</b>
	<b>IFRS Restated</b>
	<i>(in thousands of euro)</i>
<b>Non-current assets</b>	
<b>Tangible assets</b> .....	<b>9,272</b>
Intangible assets deriving from concession rights .....	2,001,660
Other intangible fixed assets .....	3,723
<b>Intangible assets</b> .....	<b>2,005,383</b>
Equity investments .....	2,216
Other non-current financial assets .....	9,555
Deferred tax assets, net .....	137,702
Other non-current assets .....	26,572
<b>Total non-current assets</b> .....	<b>2,190,700</b>
<b>Current assets</b>	
Inventories .....	2,363
Contract work in progress .....	359
Trade receivables .....	171,641
Other current financial assets .....	45,577
Current tax assets .....	11,022
Other current assets .....	9,597
Cash and cash equivalents .....	393,510
<b>Total current assets</b> .....	<b>634,069</b>
<b>Total assets</b> .....	<b>2,824,769</b>

*The accompanying notes are an integral part of these consolidated financial statements*

**AEROPORTI DI ROMA S.P.A.**  
**CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 2012**

	<b>31 December 2012</b> <b>IFRS Restated</b> <i>(in thousands of euro)</i>
<b>Shareholders' equity</b>	
Share capital .....	62,225
Reserves and retained earnings .....	555,928
Profit/(loss) for the year .....	235,756
<b>Equity attributable to owners of the parent</b> .....	<b>853,909</b>
Share capital and reserves .....	563
Profit/(loss) for the year .....	212
<b>Equity attributable to non-controlling interests</b> .....	<b>775</b>
<b>Total equity</b> .....	<b>854,684</b>
<b>Non-current liabilities</b>	
Provisions for employee benefits .....	21,334
Provisions for repair and replacement obligations .....	167,284
Other provisions .....	53,465
<b>Non-current provisions</b> .....	<b>242,083</b>
Bond issued .....	626,639
Medium/long-term borrowings .....	89,085
Non-current derivatives .....	132,321
<b>Non-current financial liabilities</b> .....	<b>848,045</b>
<b>Total non-current liabilities</b> .....	<b>1,090,128</b>
<b>Current liabilities</b>	
Provisions for repair and replacement obligations .....	97,055
Other provisions .....	17,604
<b>Current provisions</b> .....	<b>114,659</b>
<b>Trade payables</b> .....	<b>109,740</b>
Current portion of medium/long-term financial liabilities .....	523,542
Current derivatives .....	111
<b>Current financial liabilities</b> .....	<b>523,653</b>
Current tax liabilities .....	4,629
Other current liabilities .....	127,276
<b>Total current liabilities</b> .....	<b>879,957</b>
<b>Total shareholders' equity and liabilities</b> .....	<b>2,824,769</b>

*The accompanying notes are an integral part of these consolidated financial statements*

**AEROPORTI DI ROMA S.P.A.**  
**CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012**

	<b>31 December 2012</b> <b>IFRS Restated</b> <i>(in thousands of euro)</i>
Revenues from airport management.....	543,663
Revenues from construction services.....	9,141
Other operating income.....	6,476
<b>Total revenues</b> .....	<b>559,280</b>
<b>Raw and consumable materials</b> .....	<b>(38,902)</b>
<b>Service costs</b> .....	<b>(143,419)</b>
<b>Staff costs</b> .....	<b>(108,351)</b>
Concession fees.....	(8,110)
Lease expenses.....	(3,376)
Provisions/(utilisations) for repair and replacement.....	(22,461)
Other provisions, net.....	(2,610)
Other costs.....	(28,866)
<b>Other operating costs</b> .....	<b>(65,423)</b>
Amortisation of tangible assets.....	(4,338)
Amortisation of intangible assets deriving from concession rights.....	(61,340)
Amortisation of other intangible assets.....	(2,871)
<b>Amortisation and depreciation</b> .....	<b>(68,549)</b>
<b>(Impairment losses)/reversals of impairment losses</b> .....	<b>(10)</b>
<b>Total costs</b> .....	<b>(424,654)</b>
<b>Operating profit</b> .....	<b>134,626</b>
<b>Financial income</b> .....	<b>9,749</b>
Financial expenses from discounting of provisions for repair and replacement.....	(12,610)
Financial interests.....	(71,119)
Other financial expenses.....	(6,192)
<b>Financial expenses</b> .....	<b>(89,921)</b>
<b>Foreign exchange gains/(losses)</b> .....	<b>(5,937)</b>
<b>Financial expenses, net</b> .....	<b>(86,109)</b>
<b>Profit before tax from continuing operations</b> .....	<b>48,517</b>
Current tax expense.....	(39,417)
Deferred tax income and expenses.....	16,286
<b>Income tax (expense)/benefit</b> .....	<b>(23,131)</b>
<b>Profit/(loss) from continuing operations</b> .....	<b>25,386</b>
Profit/(loss) from discontinued operations.....	210,582
<b>Profit/(loss) for the year</b> .....	<b>235,968</b>
Profit/(loss) for the year attributable to the group.....	235,756
Profit/(loss) attributable to non-controlling-interests.....	212

*The accompanying notes are an integral part of these consolidated financial statements*

**AEROPORTI DI ROMA S.P.A.**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR**  
**ENDED 31 DECEMBER 2012**

	31 December 2012
	IFRS Restated
	(in thousands of euro)
<b>Profit for the year (A)</b> .....	<b>235,968</b>
Fair value gains/(losses) on cash flow hedges .....	(9,448)
Tax effect .....	2,598
<b>Other comprehensive income/(loss) for the year reclassifiable to profit or loss, after related taxation (B)</b> .....	<b>(6,850)</b>
Gains/(Losses) from actuarial valuations of provisions for employee benefits .....	(3,206)
Tax effect .....	882
<b>Other comprehensive income/(loss) for the year not reclassifiable to profit or loss, after related taxation (C)</b> .....	<b>(2,324)</b>
<b>Comprehensive income for the year (A + B + C)</b> .....	<b>226,794</b>
of which:	
attributable to owners of the parent .....	226,582
attributable to non-controlling interests .....	212

*The accompanying notes are an integral part of these consolidated financial statements*

**AEROPORTI DI ROMA S.P.A.**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31**  
**DECEMBER 2012**

	<b>31 December</b> <b>2012</b> <hr/> <b>IFRS Restated</b> <i>(in thousands of euro)</i>
<b>Cash flows from operating activities</b>	
Profit/(loss) from continuing operations.....	25,386
Profit/(loss) from discontinued operations .....	210,582
<b>Adjustments to reconcile the profit/(loss) for the year with the cash flows from/(used in) operating activities</b>	
Amortisation and depreciation .....	68,549
Provisions/(utilisations) for repair and replacement.....	58,972
Financial expenses from discounting of provisions for repair and replacement.....	12,610
Impairments/(Reversal of impairment losses) on non-current financial assets and investments accounted for at cost or fair value .....	10
Other non-cash costs (income).....	33,450
Net change in deferred tax (assets)/liabilities.....	(24,201)
Profits from discontinued operations .....	(206,051)
Change in working capital and other changes .....	(44,213)
<b>Net cash generated from/(used in) operating activities (A) .....</b>	<b>135,094</b>
<b>Cash flows from (used in) investing activities</b>	
Purchases of tangible and intangible assets .....	(48,208)
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments.....	202
Change in other non-current assets .....	(11,942)
Investments in financial assets.....	(3)
Proceeds from sales of consolidated investments net of cash and cash equivalents transferred .....	206,015
<b>Net cash generated from/(used in) investing activities (B).....</b>	<b>146,064</b>
<b>Cash flows from (used in) financing activities</b>	
Decrease in medium/long-term borrowings (excluding finance lease liabilities).....	(73,874)
Net change in other current and non-current financial assets/liabilities.....	11,705
<b>Net cash generated from/(used in) financing activities (C).....</b>	<b>(62,169)</b>
<b>Increase/(decrease) in cash and cash equivalents (A + B + C) .....</b>	<b>218,989</b>
Cash and cash equivalents at the beginning of the year .....	174,521
<b>Net cash and cash equivalents at end of year .....</b>	<b>393,510</b>

*The accompanying notes are an integral part of these consolidated financial statements*

**AEROPORTI DI ROMA S.P.A.**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE**  
**YEAR ENDED 31 DECEMBER 2012**

	<u>Share capital</u>	<u>Legal reserve</u>	<u>Other reserves</u>	<u>Net income for the Group</u>	<u>Group shareholders' equity</u>	<u>Non controlling interests</u>	<u>Total shareholders' equity</u>
	<i>(in thousands of euro)</i>						
Balance as at 1 January 2012 (ITA GAAP) .....	62,225	12,462	675,766	41,492	791,945	603	792,548
IFRS initial adjustments and reclassifications.....	—	—	(146,546)	(18,288)	(164,834)	(40)	(164,874)
<b>Balance as at 1 January 2012 (IFRS) .....</b>	<b>62,225</b>	<b>12,462</b>	<b>529,220</b>	<b>23,204</b>	<b>627,111</b>	<b>563</b>	<b>627,674</b>
Allocation of net result for the year .....	—	—	23,204	(23,204)	—	—	—
Profit (loss) from fair value measurement of derivative instruments (cash flow hedge).....	—	—	(6,850)	—	(6,850)	—	(6,850)
Profit (loss) from actuarial valuations.....	—	—	(2,324)	—	(2,324)	—	(2,324)
Other changes .....	—	—	216	—	216	—	216
Net income for the year 2012 .....	—	—	—	235,756	235,756	212	235,968
<b>Balance as at 31 December 2012 (IFRS) .....</b>	<b>62,225</b>	<b>12,462</b>	<b>543,466</b>	<b>235,756</b>	<b>853,909</b>	<b>775</b>	<b>854,684</b>

*The accompanying notes are an integral part of these consolidated financial statements*

**AEROPORTI DI ROMA S.P.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL DATA**  
**RESTATED IN ACCORDANCE WITH IFRS AS OF AND FOR THE YEAR ENDED 31**  
**DECEMBER 2012**

**Introduction**

Aeroporti di Roma S.p.A. (hereinafter the “**Company**” or “**AdR**”) manages the Roman airport system on an exclusive basis under the concession granted to the Company by Law n° 755 of 13 November 1973 and Management Agreement n° 2820 of 30 June 1974, as subsequently amended (see “*Regulatory Framework*” for further information). This deed governs the relationships between the concessionaire, ENAC (“*Ente Nazionale per l’Aviazione Civile*”) the Italian civil aviation authority and the Government Authorities.

The Company is controlled by Gemina S.p.A. as of 31 December 2012, an entity listed in the Italian Stock Exchange, that prepares its consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS”).

Aeroporti di Roma S.p.A. and its subsidiaries (together with the Company, the “**Group**” or the “**AdR Group**”) prepares the consolidated financial statements in accordance with the Italian Civil Code interpreted and integrated by the accounting standards issued by the Italian Accounting Standards Setter (hereinafter “**ITA GAAP**”). The Company is included in the consolidated financial statements of Gemina S.p.A. as of 31 December 2012, that are prepared in accordance with IFRS.

**Basis of presentation**

The consolidated financial statements of the AdR Group as at 31 December 2012 have been restated in conformity with IFRS solely for the purpose of its inclusion in this Offering Circular, as required by the Regulation 809/2004/UE and by the “ESMA update of the CESR recommendations. The consistent implementation of Commission Regulation (EC) n° 809/2004 implementing the Prospectus Directive”, previously Recommendation 05-054b of the Committee of European Securities Regulators (“**CESR**”).

The above statements, therefore, do not present comparative figures and the necessary notes which would be required to represent a true and fair view and give a complete presentation of the consolidated financial position, results of operations and cash flows of the AdR Group in conformity with IFRS and, accordingly, it cannot be considered a first time adoption of IFRS.

The information required by IFRS 1 for the transition from the local generally accepted accounting principles to IFRS is detailed below in accordance with the Recommendations of the Committee of European Securities Regulators (“**CESR**”) published on 30 December 2003.

Such information relates to the impact that the conversion to IFRS has on the consolidated financial position, consolidated results of operations and consolidated cash flows presented.

The consolidated financial statements include the financial statements of Aeroporti di Roma S.p.A. and its majority-owned subsidiaries.

These consolidated financial statements as at 31 December 2012 in accordance with ITA GAAP have been reclassified into an IFRS statements presentation solely for the purpose of their inclusion in this restated financial information in conformity with IFRS.

The Group has prepared the consolidated financial statements as of 31 December 2012 and for the year then ended in accordance with IFRS for the sole purpose of their inclusion in the Offering Circular for the issuance of the notes of Aeroporti di Roma S.p.A. and the admission to the listing on the Irish Stock Exchange or other regulated market, as required by the Regulation 809/2004/UE and

by the “ESMA update of the CESR recommendations. The consistent implementation of Commission Regulation (EC) n° 809/2004 implementing the Prospectus Directive”.

For the purpose of the presentation of the effects of the transition to IFRS and to satisfy the rules for disclosure indicated in paragraphs 24 and 25 of IFRS 1 concerning the effects of the first-time application of IFRS, the Group has followed the example contained in IFRS 1.

The effects of the transition to IFRS due to the application of different accounting principles with respect to those previously applied were reflected in the opening shareholders’ equity at 1 January 2012, as required by IFRS 1. In the transition to IFRS, the estimates previously formulated in accordance with ITA GAAP have been maintained, unless the adoption of IFRS required the formulation of estimates in accordance with different methods.

The IFRS consolidated balance sheet as of 31 December 2012 and the IFRS consolidated statements of income, consolidated statement of cash flows and consolidated statement of shareholders’ equity for the year then ended have been obtained from the consolidated data, prepared in accordance with ITA GAAP, by making the appropriate IFRS adjustments and reclassifications to reflect the changes in the presentation, recognition and valuation required by IFRS.

#### **Accounting options elected by the Group in the first-time adoption of IFRS accounting standards**

As required by the IFRS 1 at the date of transition to the new standards a consolidated balance sheet has been prepared whereby:

- only those assets and liabilities that can be reported under the new standards have been recognised;
- items that were shown in the financial statements in accordance with accounting policies other than IFRS have been restated;
- all assets and liabilities have been valued as if the IFRS have always been applied with the exception provided for by IFRS 1 as reported in this document;
- the effect of adjustments resulting from the application of IFRS to the opening balances of assets and liabilities has been recognised in the shareholders’ equity net of the relevant deferred tax effect which is accounted for within deferred tax assets or liabilities.

The restatement of the opening consolidated balance sheet as of 1 January 2012 and of the consolidated financial statements for the year ended 31 December 2012 required the following preliminary decisions by the AdR Group among the options provided by IFRS.

#### **Financial statements presentation**

The “current/non-current” classification has been adopted for the balance sheet (which is generally applied by industrial and commercial enterprise), while the classification of expenses by nature has been chosen for the income statement. Accordingly the Company has reclassified its financial statements previously prepared in accordance with ITA GAAP.

Optional exemptions provided by IFRS 1 and chosen by the Company are as follows:

- business combinations: the Company has not applied IFRS 3 retrospectively to business combinations that occurred prior to its date of transition to IFRS;
- valuations of property, plant and equipment and intangible assets at fair value or, alternatively, at revalued cost as the deemed cost: the Company has not used fair value or revaluation as deemed cost for property, plant and equipment and intangible assets;

- employee benefits: the Group elected to recognise all cumulative actuarial gains and losses that existed as of 1 January 2012;
- classification and measurement of financial instruments: IAS 32 (Financial Instruments: Disclosures and Presentation) and IAS 39 (Financial Instruments: Recognition and Measurement), have been earlier adopted, as allowed, on 1 January 2012;
- reserve for net exchange differences deriving from the translation of the financial statements of foreign operations: the Company does not have any foreign operations;
- Share based payments: the Company has applied IFRS 2 to liabilities arising from share-based payment transactions that were settled before the date of transition to IFRS;
- Service concession arrangements: the Company has applied transitional provisions provided in IFRIC 12.

Mandatory exemptions provided by IFRS 1 adopted by the Company are as follows:

- derecognition of financial assets and liabilities: in accordance with IFRS 1, if certain non-derivative financial assets and/or liabilities pertaining to transactions that occurred before 1 January 2012 have been de-recognised in accordance with previous accounting policies, those assets and/or liabilities do not have to be recognised and therefore derecognised in the financial statements;
- estimates: the estimates previously formulated in accordance with ITA GAAP have been maintained.

Accounting treatments chosen from the accounting options provided by IFRS include:

- Inventories: in accordance with IAS 2, the cost of inventories should be determined by using the FIFO method or the weighted average cost method. The Group has chosen to use the weighted average cost method;
- Valuation of tangible assets and intangible assets: subsequent to the initial recording at cost, IAS 16 and IAS 38 provide that these assets may be valued at cost (and depreciated/amortised) or at fair value. The Group has chosen to adopt the cost method.

#### Reconciliation of consolidated balance sheet under ITA GAAP to IFRS as of 31 December 2012:

	Note	ITA GAAP	Reclassifications	IFRS Adjustments	IFRS Restated
			<i>(in thousands of euro)</i>		
<b>Assets</b>					
<b>Non-current assets</b>					
Tangible assets .....	(1)	177,039	—	(167,767)	9,272
Intangible assets deriving from concession rights .....	(2)	1,552,435	—	449,225	2,001,660
Other intangible fixed assets .....	(3)	262,409	109	(258,795)	3,723
<b>Intangible assets</b> .....		<b>1,814,844</b>	<b>109</b>	<b>190,430</b>	<b>2,005,383</b>
Equity investments .....	(4)	2,316	—	(100)	2,216
Other non-current financial assets .....	(5)	—	—	9,555	9,555
Deferred tax assets, net .....	(6)	45,613	—	92,089	137,702
Other non-current assets .....	(7)	29,330	—	(2,758)	26,572
<b>Total non-current assets</b> .....		<b>2,069,142</b>	<b>109</b>	<b>121,449</b>	<b>2,190,700</b>
<b>Current assets</b>					
Inventories .....		2,363	—	—	2,363
Contract work in progress .....	(8)	8,117	(7,758)	—	359
Trade receivables .....	(9)	163,758	7,883	—	171,641
Other current financial assets .....	(10)	43,648	2,425	(496)	45,577
Current tax assets .....		11,022	—	—	11,022
Other current assets .....	(11)	12,661	(3,064)	—	9,597
Cash and cash equivalents .....	(12)	393,418	—	92	393,510
<b>Total current assets</b> .....		<b>634,987</b>	<b>(514)</b>	<b>(404)</b>	<b>634,069</b>
<b>Total assets</b> .....		<b>2,704,129</b>	<b>(405)</b>	<b>121,045</b>	<b>2,824,769</b>

The accompanying notes are an integral part of these consolidated financial statements.

	Note	ITA GAAP	Reclassifications	IFRS Adjustments	IFRS Restated
			<i>(in thousands of euro)</i>		
<b>Shareholders' equity and liabilities</b>					
<b>Shareholders' equity</b>					
Share capital.....		62,225	—	—	62,225
Reserves and retained earnings.....		729,720	—	(173,792)	555,928
Profit/(loss) for the year.....		262,879	—	(27,123)	235,756
<b>Equity attributable to owners of the parent.....</b>		<b>1,054,824</b>	<b>—</b>	<b>(200,915)</b>	<b>853,909</b>
Share capital and reserves.....		603	—	(40)	563
Profit/(loss) for the year.....		224	—	(12)	212
<b>Equity attributable to non-controlling interests.....</b>		<b>827</b>	<b>—</b>	<b>(52)</b>	<b>775</b>
<b>Total equity.....</b>		<b>1,055,651</b>	<b>—</b>	<b>(200,967)</b>	<b>854,684</b>
<b>Non-current liabilities</b>					
Provisions for employee benefits.....	(13)	22,091	—	(757)	21,334
Provisions for repair and replacement obligations.....	(14)	—	—	167,284	167,284
Other provisions.....		53,465	—	—	53,465
<b>Non-current provisions.....</b>		<b>75,556</b>	<b>—</b>	<b>166,527</b>	<b>242,083</b>
Bond issued.....	(15)	—	700,019	(73,380)	626,639
Medium/long-term borrowings.....	(15)	789,369	(700,019)	(265)	89,085
Non-current derivatives.....	(16)	—	—	132,321	132,321
<b>Non-current financial liabilities.....</b>		<b>789,369</b>	<b>—</b>	<b>58,676</b>	<b>848,045</b>
<b>Total non-current liabilities.....</b>		<b>864,925</b>	<b>—</b>	<b>225,203</b>	<b>1,090,128</b>
<b>Current liabilities</b>					
Provisions for repair and replacement obligations.....	(14)	—	—	97,055	97,055
Other provisions.....		17,604	—	—	17,604
<b>Current provisions.....</b>		<b>17,604</b>	<b>—</b>	<b>97,055</b>	<b>114,659</b>
<b>Trade payables.....</b>	(17)	<b>107,948</b>	<b>1,792</b>	—	<b>109,740</b>
Current portion of medium/long-term financial liabilities.....	(18)	523,899	(111)	(246)	523,542
Current derivatives.....	(19)	—	111	—	111
<b>Current financial liabilities.....</b>		<b>523,899</b>	<b>—</b>	<b>(246)</b>	<b>523,653</b>
Current tax liabilities.....		4,629	—	—	4,629
Other current liabilities.....	(20)	129,473	(2,197)	—	127,276
<b>Total current liabilities.....</b>		<b>783,553</b>	<b>(405)</b>	<b>96,809</b>	<b>879,957</b>
<b>Total shareholders' equity and liabilities.....</b>		<b>2,704,129</b>	<b>(405)</b>	<b>121,045</b>	<b>2,824,769</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Reconciliation of consolidated income statement and comprehensive income statement under ITA GAAP to IFRS for the year ended 31 December 2012:**

	Note	ITA GAAP	IFRS		IFRS Restated
			Reclassifications	Adjustments	
<i>(in thousands of euro)</i>					
<b>Income Statement</b>					
Revenues from airport management .....		598,178	(54,515)	—	543,663
Revenues from construction services.....	(21)	2,832	910	5,399	9,141
Other operating income .....	(21)	23,911	(19,845)	2,410	6,476
<b>Total revenues</b> .....		<b>624,921</b>	<b>(73,450)</b>	<b>7,809</b>	<b>559,280</b>
<b>Raw and consumable materials</b> .....		<b>(72,349)</b>	<b>33,447</b>	—	<b>(38,902)</b>
<b>Service costs</b> .....	(22)	<b>(102,944)</b>	<b>(34,948)</b>	<b>(5,527)</b>	<b>(143,419)</b>
<b>Staff costs</b> .....	(23)	<b>(122,137)</b>	<b>13,128</b>	<b>658</b>	<b>(108,351)</b>
Concession fees .....		(8,110)	—	—	(8,110)
Lease expenses .....		(3,379)	3	—	(3,376)
Provisions/(utilisations) for repair and replacement .....	(24)	—	45,110	(67,571)	(22,461)
Other provisions, net .....		(2,687)	77	—	(2,610)
Other costs .....	(22)	(32,717)	4,211	(360)	(28,866)
<b>Other operating costs</b> .....		<b>(46,893)</b>	<b>49,401</b>	<b>(67,931)</b>	<b>(65,423)</b>
Amortisation of tangible assets .....		(20,946)	201	16,407	(4,338)
Amortisation of intangible assets deriving from concession rights.....		(49,284)	—	(12,056)	(61,340)
Amortisation of other intangible assets .....		(48,675)	197	45,607	(2,871)
<b>Amortisation and depreciation</b> .....	(25)	<b>(118,905)</b>	<b>398</b>	<b>49,958</b>	<b>(68,549)</b>
<b>(Impairment losses)/reversals of impairment losses</b> .....		<b>(10)</b>	—	—	<b>(10)</b>
<b>Total costs</b> .....		<b>(463,238)</b>	<b>61,426</b>	<b>(22,842)</b>	<b>(424,654)</b>
<b>Operating profit</b> .....		<b>161,683</b>	<b>(12,024)</b>	<b>(15,033)</b>	<b>134,626</b>
<b>Financial income</b> .....	(26)	<b>2,608</b>	<b>1,792</b>	<b>5,349</b>	<b>9,749</b>
Financial expenses from discounting of provisions for repair and replacement.....	(27)	—	—	(12,610)	(12,610)
Financial interests .....	(28)	(69,182)	3,460	(5,397)	(71,119)
Other financial expenses .....	(29)	(1,193)	(4,653)	(347)	(6,193)
<b>Financial expenses</b> .....		<b>(70,375)</b>	<b>(1,193)</b>	<b>(18,353)</b>	<b>(89,921)</b>
<b>Foreign exchange gains/(losses)</b> .....	(30)	<b>28</b>	<b>(22)</b>	<b>(5,943)</b>	<b>(5,937)</b>
<b>Financial expenses, net</b> .....		<b>(67,739)</b>	<b>577</b>	<b>(18,947)</b>	<b>(86,109)</b>
<b>Extraordinary income/(losses)</b> .....		<b>216,580</b>	<b>(216,580)</b>	—	—
<b>Profit before tax from continuing operations</b> .....		<b>310,524</b>	<b>(228,027)</b>	<b>(33,981)</b>	<b>48,517</b>
Current tax expense .....		(52,864)	13,447	—	(39,417)
Deferred tax income and expenses .....	(6)	5,443	(180)	11,023	16,286
<b>Income tax/(expense)/benefit</b> .....		<b>(47,421)</b>	<b>13,267</b>	<b>11,023</b>	<b>(23,131)</b>
<b>Profit/(loss) from continuing operations</b> .....		<b>263,103</b>	<b>(214,760)</b>	<b>(22,958)</b>	<b>25,386</b>
Profit/(loss) from discontinued operations .....	(31)	—	214,760	(4,178)	210,582
<b>Profit/(loss) for the year</b> .....		<b>263,103</b>	—	<b>(27,136)</b>	<b>235,968</b>
Profit/(loss) for the year attributable to the group .....		262,879	—	(27,123)	235,756
Profit/(loss) attributable to non-controlling interests.....		224	—	(13)	212

*The accompanying notes are an integral part of these consolidated financial statements.*

**Reconciliation of consolidated statement of cash flows under ITA GAAP to IFRS for the year ended 31 December 2012:**

	Note	ITA GAAP	IFRS Adjustments <i>(in thousands of euro)</i>	IFRS Restated
<b>Consolidated Statement of Cash Flow</b>				
<b>Cash flows from operating activities</b>				
Profit/(loss) from continuing operations.....		263,103	(237,718)	25,385
Profit/(loss) from discontinued operations.....		—	210,583	210,583
<b>Adjustments to reconcile the profit/(loss) for the year with the cash flows from/(used in) operating activities</b>				
Amortisation and depreciation .....	(24)	118,905	(50,356)	68,549
Provisions/(utilisations) for repair and replacement .....	(23)	—	58,972	58,972
Financial expenses from discounting of provisions for repair and replacement .....	(26)	—	12,610	12,610
Impairments/(Reversal of impairment losses) on non-current financial assets and investments accounted for at cost or fair value .....		10	—	10
Other non-cash costs/(income) .....		17,352	15,811	33,163
Net change in deferred tax (assets)/liabilities .....		(4,989)	(19,212)	(24,201)
Profits from discontinued operations.....	(30)	(210,579)	4,528	(206,051)
Change in working capital and other changes.....		(56,692)	12,478	(44,214)
<b>Net cash generated from/(used in) operating activities (A) .....</b>		<b>127,111</b>	<b>7,696</b>	<b>134,807</b>
<b>Cash flows from (used in) investing activities</b>				
Purchases of tangible and intangible assets .....		(60,030)	11,822	(48,208)
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments .....		202	—	202
Change in other non-current assets.....		—	(11,942)	(11,942)
Investments in financial assets .....		(3)	—	(3)
Proceeds from sales of consolidated investments net of cash and cash equivalents transferred.....	(30)	210,579	(4,564)	206,015
<b>Net cash generated from/(used in) investing activities (B).....</b>		<b>150,748</b>	<b>(4,684)</b>	<b>146,064</b>
<b>Cash flows from (used in) financing activities</b>				
Decrease in medium/long-term borrowings (excluding finance lease liabilities) .....		(74,066)	479	(73,587)
Net change in other current and non-current financial assets/liabilities .....		12,474	(769)	11,705
<b>Net cash generated from/(used in) financing activities (C).....</b>		<b>(61,592)</b>	<b>(290)</b>	<b>(61,882)</b>
<b>Increase/(decrease) in cash and cash equivalents (A + B + C).....</b>		<b>216,267</b>	<b>2,722</b>	<b>218,989</b>
Cash and cash equivalents at the beginning of the year .....	(12)	174,425	96	174,521
<b>Net cash and cash equivalents at end of year .....</b>		<b>390,692</b>	<b>2,818</b>	<b>393,510</b>

**Additional information to the Consolidated Cash Flows as of 31 December 2012:**

	IFRS Restated <i>(in thousands of euro)</i>
Income taxes paid.....	65,790
Interest expense and other financial expenses paid, net of interest income and other financial income received.....	68,874

*The accompanying notes are an integral part of these consolidated financial statements.*

Explanatory notes to the adjustments to the Balance Sheet as at 31 December 2012 and to the statement of income for the year ended 31 December 2012:

**Consolidated Balance Sheet**

**1. Tangible Assets**

Under ITA GAAP, fixed assets to be devolved according to the service concession arrangement are accounted for within the tangible fixed assets. According to the service concession arrangement, the grantor maintains the control over these assets and the operator (AdR) receives the right to manage the infrastructure and to charge for the use of a public sector asset that it constructs, upgrades, and must maintain for a specified period of time.

Under IFRS, these tangible fixed assets are within the scope of IFRIC 12 (“**Service Concession Arrangements**”), and, in compliance with the asset regime governed by the Management Agreement, all such assets are represented as part of the assets to be handed over and classified within the “**Intangible assets deriving from concession rights**” line.

## 2. Intangible Assets Deriving from Concession Rights

The “**Intangible assets deriving from concession rights**”, includes the value of the construction and improvement services rendered by the AdR Group which have to be transferred to the grantor at the conclusion of the concession, expiring on 30 June 2044.

Under ITA GAAP investments in infrastructure related to concessions are accounted for within intangible fixed assets or tangible fixed assets depending on the nature of the investment, based on specific capitalisation policies. According to IFRIC 12, which establishes the accounting for agreements between the public and the private sector, the infrastructures in scope are recorded as Intangible Assets as AdR has the license to charge the users a price for the use of the infrastructure. In addition, the capitalisation criteria might differ from those used under ITA GAAP.

The net amount of the airport management concession recorded by the Company according to IFRS as of 31 December 2012 is Euro 449,225 thousand and includes:

- Euro 437,924 thousand related to assets of AdR S.p.A. and AdR Mobility;
- Euro 11,301 thousand related to assets of the subsidiaries AdR Assistance and AdR Tel.

## 3. Other Intangible fixed assets

IFRS Adjustments to “**Other intangible fixed assets**” include:

	<u>2012</u>
	<i>(in thousands of euro)</i>
Leasehold improvements on infrastructure in concession .....	(239,259)
Transaction costs incurred on loans .....	(19,450)
Incorporation and development costs .....	(86)
<b>Total</b> .....	<b><u>(258,795)</u></b>

In detail:

- Leasehold improvements: include modernisation and upgrades, carried out on assets belonging to third parties and held under concession or constructed on behalf of third parties. Under ITA GAAP these costs are capitalised and amortised in relation to their residual service lives, usually less than the period of the concession. Under IFRS, these leasehold improvements are recognised within the scope of IFRIC 12 (“**Service Concession Arrangements**”) and accounted for accordingly and classified in a separate line of the financial statements (“**Intangible assets deriving from concession rights**”).
- Transaction costs incurred to obtain loans: under ITA GAAP such costs are capitalised and amortised on the basis of the duration of the loan, in accordance with the financial method. Under IFRS, these costs are charged against the related loans and amortised using the effective interest rate. The related financial liability was reduced in the amount of Euro 7,500 thousand. In addition, the Company incurred transaction costs related to the “**Term Loan**” granted to AdR in May 2012, which can be used in February 2013 to repay a tranche of the bond issue. Under IFRS these transaction costs have been classified as “**Other non-current financial assets**” (for an amount of Euro 9,555 thousand) as the underlying financial liability has not been incurred at closing date.
- Incorporation and development costs: under ITA GAAP, the Group capitalised and amortised certain costs incurred in connection with the incorporation and

development costs. According to IFRS these costs do not meet recognition criteria, therefore, they have to be written off.

#### 4. Equity Investments

Under ITA GAAP the investment in AdR Sviluppo S.r.l. was not consolidated since it was considered not significant (Euro 100 thousand).

#### 5. Other Non-Current Financial Assets

The IFRS adjustment of Euro 9,555 thousand includes transaction costs incurred by the Company on an underlying financial liability not yet borrowed at closing date and accounted for applying the amortised cost method, that were classified as “**Other intangibles fixed assets**” under ITA GAAP, while they are classified as “**Other non-current financial assets**” under IFRS.

#### 6. Deferred Tax Assets, Net

The deferred tax assets and changes reconciliation from ITA GAAP to IFRS is shown in the following table.

	1 January 2012			31 December 2012	
	Gross difference	Tax effect	P/L effect	Gross difference	Tax effect
	<i>(in thousands of euro)</i>				
<b>Deferred taxes</b>					
Allowances for risks and charges .....	46,445	14,773	(2,009)	40,444	12,764
Allowance for obsolete and slow moving goods....	292	81	(49)	116	32
Provision for doubtful accounts .....	42,447	11,675	4,954	60,463	16,629
Staff provisions .....	7,628	2,098	(225)	6,811	1,873
Accelerated amortisation/depreciation .....	722	201	(37)	593	164
Consolidation adjustments .....	18,652	6,085	125	19,035	6,210
Other .....	20,770	5,711	2,311	29,174	8,022
<b>Deferred tax assets</b> .....	<b>136,956</b>	<b>40,624</b>	<b>5,070</b>	<b>156,636</b>	<b>45,694</b>
Dividends .....	—	—	(81)	(296)	(81)
<b>Deferred tax liabilities</b> .....	—	—	<b>(81)</b>	<b>(296)</b>	<b>(81)</b>
<b>Deferred tax assets (ITA GAAP)</b> .....	<b>136,956</b>	<b>40,624</b>	<b>4,989</b>	<b>156,340</b>	<b>45,613</b>
Incorporation and development costs .....	4	1	41	86	28
Transaction costs incurred on loans .....	2,382	777	5	2,396	782
Reversal A4 obligations .....	(2,031)	(558)	(31)	(2,143)	(589)
Transaction costs incurred on obligations .....	99	27	(2)	92	25
Premium on obligations A4 reversal .....	361	99	35	487	134
TFR according to IAS 19 .....	(4,315)	(1,051)	(143)	(757)	(208)
Cash flow hedge .....	60,004	16,772	86	70,749	19,456
Intercompany margins reversal .....	(18,653)	(6,084)	(169)	(19,035)	(6,209)
Tangible assets write off (IFRIC 12) .....	(15,723)	(5,129)	(2,028)	(16,237)	(5,297)
Provision for restoration charges .....	223,028	72,752	13,475	264,339	86,227
Tangible assets write off (subsidiary AdR Assistance) .....	(323)	(105)	(40)	(447)	(146)
Tangible assets write off (subsidiary AdR Tel) .....	(5,847)	(1,907)	(206)	(6,480)	(2,114)
<b>Deferred taxes on IFRS adjustments</b> .....	<b>238,987</b>	<b>75,593</b>	<b>11,023</b>	<b>293,050</b>	<b>92,089</b>
<b>Deferred taxes (IFRS Gaap)</b> .....	<b>375,943</b>	<b>116,217</b>	<b>16,012</b>	<b>449,390</b>	<b>137,702</b>

Deferred taxes on IFRS adjustments are recorded in connection with the recognition of temporary differences between assets and liabilities according to ITA GAAP and the correspondent IFRS taxable amount.

#### 7. Other Non-Current Assets

Under ITA GAAP, “**Other non-current assets**” include a portion of the A4 bonds issued by the special purpose vehicle, Romulus Finance, purchased by AdR on 13 February 2009. The bonds, which had a face value of 4 million pounds sterling, were purchased for Euro 2,758 thousand (equal to 2.4 million pounds).

Under IFRS, the special purpose vehicle Romulus Finance is consolidated line-by-line by AdR. Accordingly, the AdR financial assets due by Romulus Finance of Euro 2,758 thousand are considered intercompany balances and are eliminated against the related financial liabilities of Romulus Finance of Euro 4,901 thousand. The premium realised by AdR as a separate entity in previous years is written off.

## 8. Contract Work in Progress

Reclassifications to “**Contract work-in-progress**” include the following:

- Decrease by Euro 8,068 thousand for work-in-progress within the scope of IFRIC 12 (“**Service Concession Arrangements**”), and related to work-in-progress financed by the Ministry of Transport, that have been reclassified within “**Trade receivables**” for IFRS purposes.
- Increase by Euro 310 thousand for work-in-progress to third parties, classified within “**Trade receivables**” for ITA GAAP purposes.

## 9. Trade Receivables

Reclassifications to “**Trade receivables**” include the following:

- Increase by Euro 7,554 thousand for work-in-progress within the scope of IFRIC 12 (“**Service Concession Arrangements**”), and related to work-in-progress (for an amount of Euro 8,068 thousand) financed by the Ministry of Transport, that have been reclassified within “**Contract work in progress**” for IFRS purposes (netted of Euro 514 thousand of advances from customers, classified within “**Trade payables**” for ITA GAAP purposes).
- Decrease by Euro 310 thousand for work-in-progress to third parties, classified within “**Contract work in progress**” for IFRS purposes.
- Increase by Euro 639 thousand related to certain accrued income and prepaid expenses classified within “**Other current assets**” for ITA GAAP purposes.

## 10. Other Current Financial Assets

The IFRS adjustment is mainly due to the Romulus Finance obligations negotiation premium recognised by AdR for Euro 487 thousand. This amount is recognised under ITA GAAP, since the special purpose vehicle Romulus Finance is not consolidated for ITA GAAP purposes.

The IFRS reclassification of Euro 2,425 thousand is detailed in note (11) “**Other current assets**”.

## 11. Other Current Assets

Reclassifications to “**Other Current Assets**” include the following:

- Decrease by Euro 639 thousand related to certain accrued income and prepaid expenses classified within “**Trade receivables**” for IFRS purposes.
- Decrease by Euro 2,425 thousand related to the insurance premiums paid to AMBAC and Intesa San Paolo and the secured bond issued by Romulus Finance and a loan granted classified within “**Other current financial assets**” for IFRS purposes.

## 12. Cash and Cash Equivalents

The adjustment of Euro 92 thousand to “**Cash and cash equivalents**” represents the effect of the consolidation under IFRS of the subsidiary AdR Sviluppo S.r.l. Such subsidiary, whose investment amounts to Euro 100 thousand, is included within “**Other non-current assets**” and was not consolidated under ITA GAAP since it was considered not significant.

## 13. Provisions for Employee Benefits

Under ITA GAAP, the liability for termination indemnities is posted at nominal value. Under IFRS, the liability for termination indemnities falls under the category of defined benefit plans subject to actuarial valuation to express the present value of the benefit, payable upon termination of employment, that employees have matured up to the balance sheet date. The IFRS adjustment of Euro 757 thousand is due to the following:

- Decrease of Euro 4,455 thousand, due to the effect of the actuarial valuation on the employee severance indemnities in accordance with IAS 19.
- Increase of Euro 3,698 thousand, as a result of the implementation of IAS 19 Revised, which no longer allows the application of the “**corridor approach**”: as a result, all actuarial gains and losses not previously recognised, have been recorded against net equity.

## 14. Provision for Repair and Replacement Obligations

Under IFRS the Company recorded a provision of Euro 264,339 thousand, of which Euro 167,284 thousand of non-current portion and Euro 97,055 thousand, related to the estimated expenditure that would be required to settle the present obligation to maintain the airport infrastructure (intended as a concessioner’s infrastructure) functionality at the end of the concession arrangement; this amount was accounted for according to IFRIC 12 (“**Service Concession Arrangements**”). Such provision is not required under ITA GAAP.

## 15. Bond Issued and Medium/Long Term Borrowings

Under IFRS the Romulus Finance Loans of Euro 700,019 thousand have been reclassified from “**Medium/long term borrowings**” to “**Bond issued**”.

Under IFRS, transaction costs incurred to obtain loans are recognised in accordance with IAS 39 as a reduction of the related financial liability when measured at amortised cost using the effective interest rate method. Transaction costs amount to Euro 265 thousand with regards to “**Medium/long term borrowings**” and to Euro 6,999 thousand with regards to “**Bond issued**”. Under ITA GAAP such costs are capitalised within the “**Other intangible fixed assets**” category and amortised on the basis of the duration of the loan.

In addition, under IFRS, the Group applied the cash flow hedge method to the derivative financial instruments in accordance with IAS 39 requirements. The cash flow hedge application resulted in the recognition through equity of the result of the measurement at fair value of the hedging instruments, with a net negative effect on the equity of Euro 70,749, due to a decrease of Euro 61,572 thousand in the “**Bond issued**” balance, counterbalanced by an increase by Euro 132,321 thousand in the “**Non-current derivatives**” caption. ITA GAAP does not require the recognition of such fair value on the hedging instruments.

Moreover, under IFRS the Company consolidated line-by-line the special purpose vehicle Romulus Finance, resulting in the elimination of intercompany balances (Romulus bond subscribed by AdR) for Euro 4,809 thousand.

**16. Non-Current Derivatives**

Under IFRS, the Group applied the cash flow hedge method to the derivative financial instruments in accordance with IAS 39 requirements, as above explained: the cash flow hedge application resulted in decrease of Euro 61,572 thousand in the “**Bond issued**” balance, counterbalanced by an increase by Euro 132,321 thousand in the “**Non-current derivatives**” caption. ITA GAAP does not require the recognition of such fair value on the hedging instruments.

**17. Trade Payables**

Reclassifications to “**Trade payables**” include the following:

- Decrease by Euro 514 thousand for advances from customers on work in progress financed by the Ministry of Transport, that have been reclassified as a reduction of the related work in progress within the “**Trade receivables**” for IFRS purposes.
- Increase by Euro 2,306 thousand mainly related to certain accrued expenses and deferred income classified within “**Other current liabilities**” for ITA GAAP purposes.

**18. Current Portion of Medium/Long Term Financial Liabilities**

The IFRS reclassification includes the derivative financial instruments recognised within the Romulus Finance consolidation.

The IFRS adjustment of Euro 246 thousand was recognised within the application of amortised cost method in accordance with IAS 39.

**19. Current Derivatives**

The IFRS reclassification of Euro 111 thousand is the counterbalance of the reclassification previously mentioned, involved in the consolidation of Romulus Finance.

**20. Other Current Liabilities**

Reclassifications to “**Other current liabilities**” include the following:

- Decrease by Euro 2,295 thousand related to certain accrued expenses and deferred income reclassified within “**Trade payables**” for IFRS purposes.
- Increase by Euro 98 thousand related to the Romulus Finance S.r.l. consolidation.

## Consolidated Income Statement

The amounts included in the column “**IFRS 5 Reclassifications**” are mainly related to the fact that under IFRS, revenues and expenses related to the disposed operations AdR Retail and the vehicle maintenance branch have been reclassified into “**Profit/(Loss) from discontinued operations**”. In addition, some minor reclassifications have been performed within certain caption of revenues and expenses to better reflect IFRS classification.

The following table illustrates the main impact of the reclassifications due to the application of IFRS 5:

	<b>IFRS 5 Reclassifications</b>
	<i>(in thousands of euro)</i>
<b>Income Statement</b>	
<b>Total revenues</b> .....	<b>(54,071)</b>
Raw and consumable materials.....	(33,437)
Service costs.....	(2,488)
Staff costs.....	(9,338)
Other operating costs.....	(1,274)
Amortisation and depreciation.....	(398)
<b>Total costs</b> .....	<b>(46,935)</b>
Financial expenses, Net.....	(22)
Extraordinary income/(losses).....	(210,227)
Income tax/(expense)/benefit.....	2,625
Profit/(loss) from discontinued operations.....	214,760
<b>Net impact on profit (loss) for the year</b> .....	<b>—</b>

### 21. Revenues from Construction Services and Other Operating Income

Under IFRS, the Company recognised construction services for Euro 5,399 thousand and increase in fixed assets for internal work of Euro 2,410 thousand according to IFRIC 12 (“**Service Concession Arrangements**”). In particular, revenues for construction and/or improvement services, which represent the consideration due for the activity performed, are valued at their fair value, calculated on the basis of the total costs incurred, which mainly comprise the costs of materials and external services, the costs of benefits for the employees committed to these activities,(as applicable) the attributable financial expenses, plus any arm’s length profits realised on Group construction. The related costs are included within the Other operating costs line for Euro 5,736 thousand. Under ITA GAAP such costs are directly capitalised within the related fixed assets. See note (1) to (3) above for additional information on the differences in accounting principles between IFRS (IFRIC 12) and ITA GAAP.

### 22. Service Costs and Other Costs

IFRS Adjustments to “**Service costs**” and “**Other costs**” include:

	<b>2012</b>
	<i>(in thousands of euro)</i>
Recognition of service costs and other expenses related to IFRIC 12.....	(5,736)
Incorporation and development costs expensed.....	(147)
Other (AdR Sviluppo consolidation).....	(4)
<b>Total</b> .....	<b>(5,887)</b>

Under IFRS the Company recorded adjustments for a net amount of Euro 5,887 thousand, due to the following:

- Euro 5,376 thousand for construction and maintenance costs (classified within “**Service costs**”) and Euro 360 thousand due to other costs, classified within “**Other costs**”, according to IFRIC 12 (“**Service Concession Arrangements**”). As explained

above, under ITA GAAP such costs are directly capitalised within the related fixed assets;

- Euro 147 thousand in connection with the reversal of the incorporation and development costs (capitalised according to ITA GAAP);
- Euro 4 thousand due to the AdR Sviluppo consolidation according to IFRS.

The IFRS reclassification of Euro 34,948 thousand is mainly due to the maintenance costs incurred for the airport infrastructure.

### 23. Staff Costs

The IFRS adjustment of Euro 658 thousand is related to the net effect of the actuarial valuation on the employee severance indemnities in accordance with IAS 19 (Euro 874 thousand) and to the stock options plans in accordance with IFRS 2 (Euro 216 thousand)

The IFRS reclassification of Euro 13,128 thousand is mainly due to:

- for Euro 9,338 thousand, to the fact that under IFRS, revenues and expenses related to the disposed operations AdR Retail and the vehicle maintenance branch have been reclassified into “**Profit/(loss) from discontinued operations**”;
- for Euro 2,468 thousand, to the reclassification of other expenses in relation to active update evaluation.

### 24. Provisions/(Utilisations) for Repair and Replacement

Under IFRS the adjustment of Euro 67,571 thousand is due to the provision for restoration recognised in accordance with IFRIC 12 (“**Service Concession Arrangements**”), and represents the estimated expenditure that would be required to settle the present obligation to maintain the airport infrastructure functionality at the end of the concession arrangement. Under ITA GAAP Service Concession Arrangements are accounted for under a different policy and such provision is not required.

The IFRS reclassification of Euro 45,110 thousand represents, for an amount of Euro 36,511 thousand, the counterpart of maintenance costs explained in the previous note (22) “**Service costs and Other costs**”.

### 25. Amortisation and Depreciation

IFRS Adjustments to “**Amortisation and depreciation**” include:

	<b>2012</b>
	<i>(in thousands of euro)</i>
IFRIC 12 cumulative effect .....	44,285
Elimination of amortisation on transaction costs .....	5,652
Elimination of incorporation and development costs.....	21
<b>Total</b> .....	<b>49,958</b>

Under IFRS, the adjustment to amortisation and depreciation related to IFRIC 12 application amounts to Euro 44,285 thousand and is detailed as follows:

- elimination of ITA GAAP depreciation of tangible fixed assets by Euro 16,407 thousand (Euro 16,847 thousand, netted by Euro 495 thousand of intercompany profit elimination and increased by Euro 55 thousand on adjustment on the assets owned by subsidiary AdR Tel);

- elimination of ITA GAAP amortisation of intangible fixed assets by Euro 39,934 thousand (Euro 40,017 thousand, netted by Euro 1,348 thousand of intercompany profit elimination and increased by Euro 1,265 thousand on adjustment on the assets owned by AdR Assistance and AdR Tel);
- increase of Euro 11,720 thousand related to the IFRS amortisation of airport concession (based on future economic benefits estimated) increased by Euro 336 thousand to adjust the assets owned by AdR Assistance and AdR Tel.

Additional IFRS adjustments to “**Amortisation and depreciation**” include:

- decrease of Euro 5,652 thousand is referred to the adoption of amortised cost criteria in relation to additional costs of financing;
- decrease of Euro 21 thousand, due to the elimination of incorporation and development costs.

## 26. **Financial Income**

Under IFRS, the Group applied the cash flow hedge method to the derivative financial instruments that resulted in an adjustment to “**Financial income**” for Euro 5,744 thousand.

The IFRS adjustment also includes the Romulus Finance obligations negotiation premium and interests recognised by AdR for Euro 395 thousand as of 31 December 2012. This amount is recognised under ITA GAAP, since the special purpose vehicle Romulus Finance is not consolidated for ITA GAAP purposes.

The IFRS reclassification of Euro 1,792 thousand is mainly related to financial income recorded in the “**Other operating income**” in accordance with ITA GAAP.

## 27. **Financial Expenses from Discounting of Provisions for Repair and Replacement**

Under IFRS the Company accounted for Euro 12,610 thousand related to the financial portion of the provision for construction services recognised according to IFRIC 12 (“**Service Concession Arrangements**”).

## 28. **Financial Interests**

Under IFRS “**Financial interests**” for Euro 3,460 thousand were reclassified to “**Other financial Expenses**”, referred to the accrued expenses related to cash flow hedge method applied on the swap with Mediobanca/Unicredit.

The IFRS adjustment of Euro 5,397 thousand can be explained as follows:

- Increase of Euro 5,666 thousand is related to the accounting for transaction cost incurred on loans according to the amortised cost method;
- Euro 269 thousand related to Romulus Finance obligations negotiation premium write off, due to the consolidation of the special purpose Vehicle Romulus Finance according to IFRS.

## 29. **Other Financial Expenses**

The IFRS adjustment of Euro 347 thousand is related to the following:

- increase of Euro 354 thousand is the consequence of the discounting of the employee severance indemnities in accordance with IAS 19;

- decrease of Euro 7 thousand in relation to the elimination of additional costs related to the elimination of the intercompany balances of the Romulus Finance bond;

The IFRS reclassification of Euro 4,653 thousand is composed as follows:

- Euro 1,193 thousand mainly related to bank commissions;
- Euro 3,460 thousand detailed in note (28) Financial interest.

### 30. Foreign Exchange Gains/(Losses)

IFRS adjustment of Euro 5,943 thousand is composed as follows:

- the IFRS adjustment of Euro 6,055 thousand is related to the cash flow hedge;
- the IFRS adjustment amounting to Euro 112 thousand is due to the Finance, exchange rate of the loan owned by AdR.

### 31. Profit/(Loss) from Discontinued Operations

Under IFRS the disposed operations AdR Retail and the vehicle maintenance branch were reclassified into “**Profit/(Loss) from discontinued operations**” for an amount of Euro 214,760 thousand.

The IFRS adjustment of Euro 4,178 thousand is due to the different carrying value of these businesses between ITA GAAP and IFRS.

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Based on the IFRS adjustments outlined above, in the table below is represented a reconciliation of consolidated shareholders’ equity at the beginning of the year, as of 31 December 2012 and net income for the year:

	Total shareholders’ equity 1 January 2012	Net income 2012 <sup>(*)</sup>	Stock Options Reserve	Other comprehensive income	Total shareholders’ equity 31 December 2012
			<i>(in thousands of euro)</i>		
<b>Equity reconciliation</b>					
Total shareholders’ equity under ITA GAAP .....	791,945	262,879	—	—	1,054,824
Minority interest .....	603	224	—	—	827
<b>Total shareholders’ equity of the Group under Italian GAAP .....</b>	<b>792,548</b>	<b>263,103</b>	—	—	<b>1,055,651</b>
<b>Adjustments relating to:</b>					
<b>IFRIC 12 application:</b>					
Intangible fixed assets elimination .....	(245,138)	5,880	—	—	(239,258)
Tangible fixed assets elimination .....	(176,537)	8,770	—	—	(167,767)
Airport management concession – investments in infrastructure in concession .....	462,221	(12,997)	—	—	449,224
Provision for restoration charges .....	(223,029)	(41,310)	—	—	(264,339)
<b>Total IFRIC 12 application .....</b>	<b>(182,483)</b>	<b>(39,657)</b>	—	—	<b>(222,140)</b>
Derivative financial instruments fair value (cash flow hedge) .....	(60,990)	(311)	—	(9,448)	(70,749)
Amortisation cost applied to financial liabilities .....	(2,381)	(14)	—	—	(2,395)
Romulus consolidation and elimination of “A4 financial obligation” .....	1,571	(7)	—	—	1,564
IAS 19 recalculation on termination indemnities and accounting of share based payments .....	3,823	(76)	216	(3,206)	757
Incorporation and development costs write-off .....	(4)	(82)	—	—	(86)
Deferred taxes on IFRS adjustments .....	75,593	13,016	—	3,480	92,089
Change in consolidation perimeter (AdR Sviluppo) .....	(3)	(4)	—	—	(7)
<b>Total adjustments .....</b>	<b>(164,873)</b>	<b>(27,136)</b>	<b>216</b>	<b>(9,174)</b>	<b>(200,966)</b>
<b>Total shareholders’ equity under IFRS .....</b>	<b>627,675</b>	<b>235,968</b>	<b>216</b>	<b>(9,174)</b>	<b>854,684</b>

(\*) From continuing and discontinued operations.

## **INDEPENDENT AUDITORS' REVIEW REPORT**

**Interim consolidated financial data at June 30, 2013, restated in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU for the sole purpose of its inclusion in the Offering Circular**

To the Board of Directors of  
Aeroporti di Roma S.p.A.

1. We have reviewed the accompanying interim consolidated financial data as of June 30, 2013 and for the six month period then ended, restated in accordance with IFRS as adopted by the EU (the "IFRS Restated Interim Consolidated Financial Data") comprising the interim consolidated balance sheet and the interim consolidated statement of income, comprehensive income, cash flows and changes in shareholders' equity and the related accompanying notes of Aeroporti di Roma S.p.A. (the "Company" or "ADR") and its subsidiaries (together with the Company, the "ADR Group"). The IFRS Restated Interim Consolidated Financial Data has been prepared for the sole purpose of its inclusion in the Offering Circular for the issuance of certain notes of the Company to be admitted to trading on the regulated market of the Irish Stock Exchange or other regulated markets. The scope of this IFRS Restated Interim Consolidated Financial Data is to present the financial position and the results of operations and cash flows of the ADR Group as of June 30, 2013 and for the six month period then ended in accordance with the measurement and valuation criteria required by IFRS as adopted by the EU and described in the note "Basis of Presentation". The IFRS Restated Interim Consolidated Financial Data is the responsibility of the Company's Directors. Our responsibility is to issue this review report based on our review.
2. We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. Based on our review, nothing has come to our attention that causes us to believe that the accompanying IFRS Restated Interim Consolidated Financial Data prepared for the sole purpose of its inclusion in the Offering Circular, has not been prepared, in all material respects, in accordance with the principles and the criteria described in the note "Basis of Presentation".
4. The Directors in the note "Basis of Presentation" report that the IFRS Restated Interim Consolidated Financial Data does not include comparative data and disclosures which would be required by IFRS as adopted by the EU. As a result the IFRS Restated Interim Consolidated Financial Data is not a complete set of interim consolidated financial statements of the ADR Group and, accordingly it cannot be considered a first time adoption of IFRS.

/s/Reconta Ernst & Young S.p.A.

Rome, Italy,  
November 22, 2013

**AEROPORTI DI ROMA S.P.A.**  
**INTERIM CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2013**

	<b>30 June 2013</b>
	<b>IFRS Restated</b>
	<i>unaudited</i>
	<i>(in thousands of euro)</i>
<b>Non-current assets</b>	
<b>Tangible assets</b> .....	<b>7,949</b>
Intangible assets deriving from concession rights .....	1,977,584
Other intangible fixed assets .....	4,600
<b>Intangible assets</b> .....	<b>1,982,184</b>
Equity investments .....	2,216
Other non-current financial assets .....	465
Deferred tax assets, net .....	142,422
Other non-current assets .....	26,564
<b>Total non-current assets</b> .....	<b>2,161,800</b>
<b>Current assets</b> .....	
Inventories .....	2,458
Contract work in progress .....	274
Trade receivables .....	206,410
Other current financial assets .....	26,368
Current tax assets .....	8,323
Other current assets .....	10,458
Cash and cash equivalents .....	113,537
<b>Total current assets</b> .....	<b>367,828</b>
<b>Total assets</b> .....	<b>2,529,628</b>

*The accompanying notes are an integral part of these interim consolidated financial statements*

**AEROPORTI DI ROMA S.P.A.**  
**INTERIM CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2013**

	<b>30 June 2013</b>
	<b>IFRS Restated</b>
	<i>unaudited</i>
	<i>(in thousands of euro)</i>
<b>Shareholders' equity</b>	
Share capital .....	62,225
Reserves and retained earnings .....	805,758
Profit/(loss) for the period .....	29,653
<b>Equity attributable to owners of the parent</b> .....	<b>897,636</b>
Share capital and reserves .....	775
Profit/(loss) for the period .....	(206)
<b>Equity attributable to non-controlling interests</b> .....	<b>569</b>
<b>Total equity</b> .....	<b>898,205</b>
<b>Non-current liabilities</b>	
Provisions for employee benefits .....	20,270
Provisions for repair and replacement obligations .....	155,226
Other provisions .....	56,600
<b>Non-current provisions</b> .....	<b>232,096</b>
Bond issued .....	614,889
Medium/long-term borrowings .....	233,394
Non-current derivatives .....	126,423
<b>Non-current financial liabilities</b> .....	<b>974,706</b>
<b>Total non-current liabilities</b> .....	<b>1,206,802</b>
<b>Current liabilities</b>	
Provisions for repair and replacement obligations .....	113,620
Other provisions .....	16,642
<b>Current provisions</b> .....	<b>130,262</b>
<b>Trade payables</b> .....	<b>139,373</b>
Current portion of medium/long-term financial liabilities .....	10,174
Current derivatives .....	117
<b>Current financial liabilities</b> .....	<b>10,291</b>
Current tax liabilities .....	13,933
Other current liabilities .....	130,762
<b>Total current liabilities</b> .....	<b>424,621</b>
<b>Total shareholders' equity and liabilities</b> .....	<b>2,529,628</b>

*The accompanying notes are an integral part of these interim consolidated financial statements*

**AEROPORTI DI ROMA S.P.A.**  
**INTERIM CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30**  
**JUNE 2013**

	<b>30 June 2013</b>
	<b>IFRS Restated</b>
	<i>unaudited</i>
	<i>(in thousands of euro)</i>
Revenues from airport management.....	300,929
Revenues from construction services.....	8,916
Other operating income.....	2,690
<b>Total revenues</b> .....	<b>312,535</b>
<b>Raw and consumable materials</b> .....	<b>(17,521)</b>
<b>Service costs</b> .....	<b>(93,197)</b>
<b>Staff costs</b> .....	<b>(56,601)</b>
Concession fees.....	(13,190)
Lease expenses.....	(1,570)
Provisions/(utilisations) for repair and replacement.....	(2,763)
Other provisions, net.....	(4,103)
Other costs.....	(9,607)
<b>Other operating costs</b> .....	<b>(25,707)</b>
Amortisation of tangible assets.....	(2,287)
Amortisation of intangible assets deriving from concession rights.....	(30,665)
Amortisation of other intangible assets.....	(1,333)
<b>Amortisation and depreciation</b> .....	<b>(34,285)</b>
<b>Total costs</b> .....	<b>(227,311)</b>
<b>Operating profit</b> .....	<b>85,224</b>
<b>Financial income</b> .....	<b>1,292</b>
Financial expenses from discounting of provisions for repair and replacement.....	(7,269)
Financial interests.....	(24,893)
Other financial expenses.....	(14,696)
<b>Financial expenses</b> .....	<b>(46,858)</b>
<b>Foreign exchange gains/(losses)</b> .....	<b>12,395</b>
<b>Financial expenses, net</b> .....	<b>(33,172)</b>
<b>Profit before tax from continuing operations</b> .....	<b>52,052</b>
Current tax expense.....	(32,768)
Deferred tax income and expenses.....	10,163
<b>Income tax (expense)/benefit</b> .....	<b>(22,605)</b>
<b>Profit/(loss) for the period</b> .....	<b>29,447</b>
Profit/(loss) for the period attributable to the group.....	29,653
Profit/(loss) attributable to non-controlling interests.....	(206)

*The accompanying notes are an integral part of these interim consolidated financial statements*

**AEROPORTI DI ROMA S.P.A.**  
**INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE**  
**SIX MONTHS ENDED 30 JUNE 2013**

	<b>30 June 2013</b>
	<b>IFRS Restated</b>
	<i>unaudited</i>
	<i>(in thousands of euro)</i>
<b>Profit for the period (A)</b> .....	<b>29,447</b>
Fair value gains/(losses) on cash flow hedges .....	17,948
Tax effect.....	(4,936)
<b>Other comprehensive income/(loss) for the period reclassifiable to profit or loss, after related taxation (B)</b>	<b>13,012</b>
Gains/(Losses) from actuarial valuations of provisions for employee benefits .....	510
Tax effect.....	(140)
<b>Other comprehensive income/(loss) for the period not reclassifiable to profit or loss, after related taxation (C)</b> .....	<b>370</b>
<b>Comprehensive income for the period (A + B + C)</b> .....	<b>42,829</b>
<i>of which:</i>	
attributable to owners of the parent .....	43,035
attributable to non-controlling interests .....	(206)

*The accompanying notes are an integral part of these interim consolidated financial statements*

**AEROPORTI DI ROMA S.P.A.**  
**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS**  
**ENDED 30 JUNE 2013**

	<b>30 June 2013</b>
	<b>IFRS Restated</b>
	<i>unaudited</i>
	<i>(in thousands of euro)</i>
<b>Cash flows from operating activities</b>	
Profit (loss) from continuing operations .....	29,447
<b>Adjustments to reconcile the profit/(loss) for the period with the cash flows from/(used in) operating activities</b>	
Amortisation and depreciation .....	34,285
Provisions/(utilisation) for repair and replacement .....	37,885
Financial expenses from discounting of provisions for repair and replacement .....	7,269
Bad debt write off and other funds .....	10,492
Financial interests due to amortised cost method .....	3,859
Net change in deferred tax (assets)/liabilities .....	(9,795)
Change in working capital and other changes .....	2,613
<b>Net cash generated from/(used in) operating activities (A)</b> .....	<b>116,056</b>
<b>Cash flows from/(used in) investing activities</b>	
Purchases of tangible and intangible assets .....	(52,640)
<b>Net cash generated from/(used in) investing activities (B)</b> .....	<b>(52,640)</b>
<b>Cash flows from/(used in) financing activities</b>	
Decrease in medium/long-term borrowings (excluding finance lease liabilities) .....	(362,133)
Net change in other current and non-current financial assets/liabilities .....	18,744
<b>Net cash generated from/(used in) financing activities (C)</b> .....	<b>(343,389)</b>
<b>Increase/(decrease) in cash and cash equivalents (A + B + C)</b> .....	<b>(279,973)</b>
Cash and cash equivalents at the beginning of the year .....	393,510
<b>Net cash and cash equivalents at end of period</b> .....	<b>113,537</b>

*The accompanying notes are an integral part of these interim consolidated financial statements*

**AEROPORTI DI ROMA S.P.A.**  
**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2013**

<i>unaudited</i>	<u>Share capital</u>	<u>Legal reserve</u>	<u>Other reserves</u>	<u>Net income for the Group</u>	<u>Group shareholders' equity</u>	<u>Non controlling interests</u>	<u>Total shareholders' equity</u>
				<i>(in thousands of euro)</i>			
<b>Balance as at 31 December 2012 (IFRS) .....</b>	<b>62,225</b>	<b>12,462</b>	<b>543,466</b>	<b>235,756</b>	<b>853,909</b>	<b>775</b>	<b>854,684</b>
Allocation of net result for the period.....	—	—	235,756	(235,756)	—	—	—
Profit/(loss) from fair value measurement of derivative instruments (cash flow hedge).....	—	—	13,012	—	13,012	—	13,012
Profit/(loss) from actuarial evaluation .....	—	—	370	—	370	—	370
Other changes .....	—	—	692	—	692	—	692
Net income for the period.....	—	—	—	29,653	29,653	(206)	29,447
<b>Balance as at 30 June 2013 (IFRS) .....</b>	<b>62,225</b>	<b>12,462</b>	<b>793,296</b>	<b>29,653</b>	<b>897,636</b>	<b>569</b>	<b>898,205</b>

*The accompanying notes are an integral part of these interim consolidated financial statements*

**AEROPORTI DI ROMA S.P.A.**  
**NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL DATA**  
**RESTATED IN ACCORDANCE WITH IFRS AS OF AND FOR THE SIX MONTHS ENDED**  
**30 JUNE 2013**

**Introduction**

Aeroporti di Roma S.p.A. (hereinafter the “**Company**” or “**AdR**”) manages the Roman airport system on an exclusive basis under the concession granted to the Company by Law n° 755 of 13 November 1973 and Management Agreement n° 2820 of 30 June 1974, as subsequently amended (see “*Regulatory Framework*” for further information). This deed governs the relationships between the concessionaire, ENAC (“*Ente Nazionale per l’Aviazione Civile*”) the Italian civil aviation authority and the Government Authorities.

The Company is controlled by Gemina S.p.A. as of 30 June 2013, an entity listed in the Italian Stock Exchange, that prepares its consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (“**IFRS**”).

Aeroporti di Roma S.p.A. and its subsidiaries (together with the Company, the “**Group**” or the “**AdR Group**”) prepares the consolidated financial statements in accordance with the Italian Civil Code interpreted and integrated by the accounting standards issued by the Italian Accounting Standards Setter (hereinafter ITA GAAP). The Company is included in the consolidated financial statements of Gemina S.p.A., as of 30 June 2013 that are prepared in accordance with IFRS.

**Basis of Presentation**

The interim consolidated financial statements of the AdR Group as at 30 June 2013 and for the six months period then ended, have been restated in conformity with IFRS solely for the purpose of its inclusion in this Offering Circular, as required by the Regulation 809/2004/UE and by the “ESMA update of the CESR recommendations. The consistent implementation of Commission Regulation (EC) n° 809/2004 implementing the Prospectus Directive”, previously Recommendation 05-054b of the Committee of European Securities Regulators (“**CESR**”).

The above statements, therefore, do not present comparative figures and the necessary notes which would be required to represent a true and fair view and give a complete presentation of the consolidated financial position, results of operations and cash flows of the AdR Group in conformity with IFRS and, accordingly, it cannot be considered a first time adoption of IFRS.

The information required by IFRS 1 for the transition from the local generally accepted accounting principles to IFRS is detailed below in accordance with the Recommendations of the Committee of European Securities Regulators (“**CESR**”) published on 30 December 2003.

Such information relates to the impact that the conversion to IFRS has on the interim consolidated financial position, consolidated results of operations and consolidated cash flows presented.

The interim consolidated financial statements include the interim financial statements of Aeroporti di Roma S.p.A. and its majority-owned subsidiaries.

These interim consolidated financial statements as at 30 June 2013 and for the six months period then ended in accordance with ITA GAAP have been reclassified into an IFRS statements presentation solely for the purpose of their inclusion in this restated financial information in conformity with IFRS.

The Group has prepared the interim consolidated financial statements as of 30 June 2013 and for the six months period then ended in accordance with IFRS for the sole purpose of their inclusion in the Offering Circular for the issuance of the notes of Aeroporti di Roma S.p.A. and the admission to the listing on the Irish Stock Exchange or other regulated market, as required by the Regulation 809/2004/UE and by the “ESMA update of the CESR recommendations. The consistent

implementation of Commission Regulation (EC) n° 809/2004 implementing the Prospectus Directive”.

For the purpose of the presentation of the effects of the transition to IFRS and to satisfy the rules for disclosure indicated in paragraphs 24 and 25 of IFRS 1 concerning the effects of the first-time application of IFRS, the Group has followed the example contained in IFRS 1.

The effects of the transition to IFRS due to the application of different accounting principles with respect to those previously applied were reflected in the opening shareholders' equity at 1 January 2012, as required by IFRS 1. In the transition to IFRS, the estimates previously formulated in accordance with ITA GAAP have been maintained, unless the adoption of IFRS required the formulation of estimates in accordance with different methods.

The IFRS interim consolidated balance sheet as of 30 June 2013 and the IFRS interim consolidated statements of income, interim consolidated statement of cash flows and consolidated statement of shareholders' equity for the six months period ended 30 June 2013 have been obtained from the consolidated data, prepared in accordance with ITA GAAP, by making the appropriate IFRS adjustments and reclassifications to reflect the changes in the presentation, recognition and valuation required by IFRS.

#### **Accounting options elected by the Group in the first-time adoption of IFRS accounting standards**

As required by the IFRS 1 at the date of transition to the new standards a consolidated balance sheet has been prepared whereby:

- only those assets and liabilities that can be reported under the new standards have been recognised;
- items that were shown in the financial statements in accordance with accounting policies other than IFRS have been restated;
- all assets and liabilities have been valued as if the IFRS have always been applied with the exception provided for by IFRS 1 as reported in this document;
- the effect of adjustments resulting from the application of IFRS to the opening balances of assets and liabilities has been recognised in the shareholders' equity net of the relevant deferred tax effect which is accounted for within deferred tax assets or liabilities.

The restatement of the opening consolidated balance sheet as of 1 January 2012 and of the interim consolidated financial statements for the period ended 30 June 2013 required the following preliminary decisions by the AdR Group among the options provided by IFRS.

#### **Financial Statements Presentation**

The “current/non-current” classification has been adopted for the balance sheet (which is generally applied by industrial and commercial enterprise), while the classification of expenses by nature has been chosen for the income statement. Accordingly the Company has reclassified its consolidated financial statements previously prepared in accordance with ITA GAAP.

Optional exemptions provided by IFRS 1 and chosen by the Company are as follows:

- business combinations: the Company has not applied IFRS 3 retrospectively to business combinations that occurred prior to its date of transition to IFRS;
- valuations of property, plant and equipment and intangible assets at fair value or, alternatively, at revalued cost as the deemed cost: the Company has not used fair value or revaluation as deemed cost for property, plant and equipment and intangible assets;

- employee benefits: the Group elected to recognise all cumulative actuarial gains and losses that existed as of 1 January 2012;
- classification and measurement of financial instruments: IAS 32 (Financial Instruments: Disclosures and Presentation) and IAS 39 (Financial Instruments: Recognition and Measurement), have been earlier adopted, as allowed, on 1 January 2012;
- reserve for net exchange differences deriving from the translation of the financial statements of foreign operations: the Company does not have any foreign operations;
- Share based payments: the Company has applied IFRS 2 to liabilities arising from share-based payment transactions that were settled before the date of transition to IFRS;
- Service concession arrangements: the Company has applied transitional provisions provided in IFRIC 12.

Mandatory exemptions provided by IFRS 1 adopted by the Company are as follows:

- derecognition of financial assets and liabilities: in accordance with IFRS 1, if certain non-derivative financial assets and/or liabilities pertaining to transactions that occurred before 1 January 2012 have been de-recognised in accordance with previous accounting policies, those assets and/or liabilities do not have to be recognised and therefore derecognised in the financial statements;
- estimates: the estimates previously formulated in accordance with ITA GAAP have been maintained.

Accounting treatments chosen from the accounting options provided by IFRS include:

- Inventories: in accordance with IAS 2, the cost of inventories should be determined by using the FIFO method or the weighted average cost method. The Group has chosen to use the weighted average cost method;
- Valuation of tangible assets and intangible assets: subsequent to the initial recording at cost, IAS 16 and IAS 38 provide that these assets may be valued at cost (and depreciated/amortised) or at fair value. The Group has chosen to adopt the cost method.

## Reconciliation of the interim consolidated balance sheet under ITA GAAP to IFRS as of 30 June 2013:

<i>unaudited</i>	<u>Note</u>	<u>ITA Gaap</u>	<u>Reclassifications</u>	<u>IFRS Adjustments</u>	<u>IFRS Restated</u>
			<i>(in thousands of euro)</i>		
<b>Assets</b>					
<b>Non-current assets</b>					
<b>Tangible assets</b> .....	(1)	<b>174,823</b>	—	<b>(166,874)</b>	<b>7,949</b>
Intangible assets deriving from concession rights.....		1,527,793	—	449,791	1,977,584
Other intangible fixed assets.....	(3)	278,635	—	(274,035)	4,600
<b>Intangible assets</b> .....		<b>1,806,428</b>	—	<b>175,756</b>	<b>1,982,184</b>
Equity investments.....	(4)	2,316	—	(100)	2,216
Other non-current financial assets.....		465	—	—	465
Deferred tax assets, net.....	(5)	48,707	—	93,714	142,422
Other non-current assets.....	(6)	29,322	—	(2,758)	26,564
<b>Total non-current assets</b> .....		<b>2,062,061</b>	—	<b>99,739</b>	<b>2,161,800</b>
<b>Current assets</b>					
Inventories.....		2,458	—	—	2,458
Contract work in progress.....	(7)	5,489	(5,215)	—	274
Trade receivables.....	(8)	200,441	5,969	—	206,410
Other current financial assets.....	(9)	24,969	1,491	(92)	26,368
Current tax assets.....		8,323	—	—	8,323
Other current assets.....	(10)	12,994	(2,536)	—	10,458
Cash and cash equivalents.....	(11)	113,445	—	92	113,537
<b>Total current assets</b> .....		<b>368,119</b>	<b>(291)</b>	—	<b>367,828</b>
<b>Total assets</b> .....		<b>2,430,180</b>	<b>(291)</b>	<b>99,739</b>	<b>2,529,628</b>

The accompanying notes are an integral part of these interim consolidated financial statements

<i>unaudited</i>	<u>Note</u>	<u>ITA Gaap</u>	<u>Reclassifications</u>	<u>IFRS Adjustments</u>	<u>IFRS Restated</u>
			<i>(in thousands of euro)</i>		
<b>Shareholders' equity and liabilities</b>					
<b>Shareholders' equity</b>					
Share capital.....		62,225	—	—	62,225
Reserves and retained earnings.....		992,599	—	(186,841)	805,758
Profit/(loss) for the period.....		44,133	—	(14,480)	29,653
<b>Equity attributable to owners of the parent</b> .....		<b>1,098,957</b>	—	<b>(201,321)</b>	<b>897,636</b>
Share capital and reserves.....		827	—	(52)	775
Profit/(loss) for the period.....		(199)	—	(7)	(206)
<b>Equity attributable to non-controlling interests</b> .....		<b>628</b>	—	<b>(59)</b>	<b>569</b>
<b>Total equity</b> .....		<b>1,099,585</b>	—	<b>(201,380)</b>	<b>898,205</b>
<b>Non-current liabilities</b>					
Provisions for employee benefits.....	(12)	21,562	—	(1,292)	20,270
Provisions for repair and replacement obligations.....	(13)	—	—	155,226	155,226
Other provisions.....		56,600	—	—	56,600
<b>Non-current provisions</b> .....		<b>78,162</b>	—	<b>153,934</b>	<b>232,096</b>
Bond issued.....	(14)	—	700,019	(85,130)	614,889
Medium/long-term borrowings.....	(14)	941,119	(700,019)	(7,706)	233,394
Non-current derivatives.....	(15)	—	—	126,423	126,423
<b>Non-current financial liabilities</b> .....		<b>941,119</b>	—	<b>33,587</b>	<b>974,706</b>
<b>Total non-current liabilities</b> .....		<b>1,019,281</b>	—	<b>187,521</b>	<b>1,206,802</b>
<b>Current liabilities</b>					
Provisions for repair and replacement obligations.....	(13)	—	—	113,620	113,620
Other provisions.....		16,642	—	—	16,642
<b>Current provisions</b> .....		<b>16,642</b>	—	<b>113,620</b>	<b>130,262</b>
Trade payables.....	(16)	128,972	10,401	—	139,373
Current portion of medium/long-term financial liabilities.....	(17)	10,301	(104)	(23)	10,174
Current derivatives.....	(18)	13	104	—	117
<b>Current financial liabilities</b> .....		<b>10,314</b>	—	<b>(23)</b>	<b>10,291</b>
Current tax liabilities.....		13,933	—	—	13,933
Other current liabilities.....	(19)	141,454	(10,692)	—	130,762
<b>Total current liabilities</b> .....		<b>311,315</b>	<b>(291)</b>	<b>113,597</b>	<b>424,621</b>
<b>Total shareholders' equity and liabilities</b> .....		<b>2,430,180</b>	<b>(291)</b>	<b>99,739</b>	<b>2,529,628</b>

The accompanying notes are an integral part of these interim consolidated financial statements

**Reconciliation of the interim consolidated income statement and comprehensive income statement under ITA GAAP to IFRS and for the six months period then ended 30 June 2013:**

<i>unaudited</i>	<u>Note</u>	<u>ITA Gaap</u>	<u>Reclassifications</u>	<u>IFRS Adjustments</u>	<u>IFRS Restated</u>
			<i>(in thousands of euro)</i>		
<b>Income Statement</b>					
Revenues from airport management .....		300,592	337	—	300,929
Revenues from construction services .....	(20)	4,123	(2,628)	7,421	8,916
Other operating income .....	(20)	5,116	(4,637)	2,211	2,690
<b>Total revenues</b> .....		<b>309,831</b>	<b>(6,928)</b>	<b>9,632</b>	<b>312,535</b>
<b>Raw and consumable materials</b> .....		<b>(17,519)</b>	<b>(2)</b>	<b>—</b>	<b>(17,521)</b>
<b>Service costs</b> .....	(21)	<b>(49,047)</b>	<b>(37,054)</b>	<b>(7,096)</b>	<b>(93,197)</b>
<b>Staff costs</b> .....	(22)	<b>(57,536)</b>	<b>1,370</b>	<b>(435)</b>	<b>(56,601)</b>
Concession fees .....		(13,190)	—	—	(13,190)
Lease expenses .....		(1,570)	—	—	(1,570)
Provisions/(utilisations) for repair and replacement .....	(23)	—	41,857	(39,094)	2,763
Other provisions, net .....		(4,103)	—	—	(4,103)
Other costs .....	(21)	(10,382)	945	(170)	(9,607)
<b>Other operating costs</b> .....		<b>(29,245)</b>	<b>42,802</b>	<b>(39,264)</b>	<b>(25,707)</b>
Amortisation of tangible assets .....		(10,417)	—	8,130	(2,287)
Amortisation of intangible assets deriving from concession rights .....		(24,642)	—	(6,023)	(30,665)
Amortisation of other intangible assets .....		(25,638)	—	24,305	(1,333)
<b>Amortisation and depreciation</b> .....		<b>(60,697)</b>	<b>—</b>	<b>26,412</b>	<b>(34,285)</b>
<b>Total costs</b> .....		<b>(214,044)</b>	<b>7,116</b>	<b>(20,383)</b>	<b>(227,311)</b>
<b>Operating profit</b> .....		<b>95,787</b>	<b>188</b>	<b>(10,751)</b>	<b>85,224</b>
<b>Financial income</b> .....	(25)	<b>893</b>	<b>6</b>	<b>393</b>	<b>1,292</b>
Financial expenses from discounting of provisions for repair and replacement .....	(26)	—	—	(7,269)	(7,269)
Financial interests .....	(27)	(23,466)	1,668	(3,095)	(24,893)
Other financial expenses .....	(28)	(167)	(14,299)	(230)	(14,696)
<b>Financial expenses</b> .....		<b>(23,633)</b>	<b>(12,631)</b>	<b>(10,594)</b>	<b>(46,858)</b>
<b>Foreign exchange gains/(losses)</b> .....	(29)	<b>(1)</b>	<b>12,631</b>	<b>(235)</b>	<b>12,395</b>
<b>Financial expenses, net</b> .....		<b>(22,741)</b>	<b>6</b>	<b>(10,436)</b>	<b>(33,172)</b>
<b>Extraordinary income/(losses)</b> .....		<b>56</b>	<b>(56)</b>	<b>—</b>	<b>—</b>
<b>Profit before tax from continuing operations</b> .....		<b>73,102</b>	<b>138</b>	<b>(21,188)</b>	<b>52,052</b>
Current tax expense .....		(32,630)	(138)	—	(32,768)
Deferred tax income and expenses .....	(5)	3,462	—	6,701	10,163
<b>Income tax (expense)/benefit</b> .....		<b>(29,168)</b>	<b>(138)</b>	<b>6,701</b>	<b>(22,605)</b>
<b>Profit for the period</b> .....		<b>43,934</b>	<b>—</b>	<b>(14,487)</b>	<b>29,447</b>
Profit/(loss) for the period attributable to the group .....		44,133	—	(14,480)	29,653
Profit/(loss) attributable to non-controlling interests .....		(199)	—	(7)	(206)

*The accompanying notes are an integral part of these interim consolidated financial statements*

## Interim Consolidated Statement of Cash Flow

As of and for the six month period ended 30 June 2013

<i>unaudited</i>	<u>Note</u>	<u>ITA Gaap</u>	<u>Adjustments</u>	<u>IFRS</u> <u>Restated</u>
		<i>(in thousands of euro)</i>		
<b>Cash flows from operating activities</b>				
Profit/(loss) from continuing operations .....		43,934	(14,487)	29,447
<b>Adjustments to reconcile the profit/(loss) for the year with the cash flows from/(used in) operating activities</b>				
Amortisation and depreciation .....	(24)	60,697	(26,412)	34,285
Provisions for repair and replacement .....	(23)	—	37,885	37,885
Financial expenses from discounting of provisions for repair and replacement .....	(26)	—	7,269	7,269
Bad debt write off and other funds .....		10,492	—	10,492
Financial interests due to amortised cost method .....		—	3,859	3,859
Net change in deferred tax (assets)/liabilities .....		(3,094)	(6,701)	(9,795)
Change in working capital and other changes .....		1,232	1,381	2,613
<b>Net cash generated from/(used in) operating activities (A)</b> .....		<b>113,261</b>	<b>2,795</b>	<b>116,056</b>
<b>Cash flows from/(used in) investing activities</b>				
Purchases of tangible and intangible assets .....		(50,065)	(2,575)	(52,640)
<b>Net cash generated from/(used in) investing activities (B)</b> .....		<b>(50,065)</b>	<b>(2,575)</b>	<b>(52,640)</b>
<b>Cash flows from/(used in) financing activities</b>				
Decrease in medium/long-term borrowings (excluding finance lease liabilities) .....		(361,848)	(285)	(362,133)
Net change in other current and non-current financial assets/liabilities .....		18,679	65	18,744
<b>Net cash generated from/(used in) financing activities (C)</b> .....		<b>(343,169)</b>	<b>(220)</b>	<b>(343,389)</b>
<b>Increase/(decrease) in cash and cash equivalents (A + B + C)</b> .....		<b>(279,973)</b>	<b>—</b>	<b>(279,973)</b>
Cash and cash equivalents at the beginning of the year .....	(12)	393,418	92	393,510
<b>Net cash and cash equivalents at end of period</b> .....		<b>113,445</b>	<b>92</b>	<b>113,537</b>

Additional information to the interim consolidated cash flows for the six months period ended 30 June 2013:

	<u>30 June 2013</u>
	<i>unaudited</i>
	<i>(in thousands of euro)</i>
Income taxes paid .....	15,490
Interest expense and other financial expenses paid, net of interest income and other financial income received .....	35,800

*The accompanying notes are an integral part of these interim consolidated financial statements*

Explanatory notes to the adjustments to the Interim Consolidated Balance Sheet as at 30 June 2013 and to the statement of income for the six months period then ended:

### Interim Consolidated Balance Sheet

#### 1. Tangible Assets

Under ITA GAAP, fixed assets to be devolved according to the service concession arrangement are accounted for within the tangible fixed assets. According to the service concession arrangement, the grantor maintains the control over these assets and the operator (AdR) receives the right to manage the infrastructure and to charge for the use of a public sector asset that it constructs, upgrades, and must maintain for a specified period of time.

Under IFRS, these tangible fixed assets are within the scope of IFRIC 12 (“**Service Concession Arrangements**”), and, in compliance with the asset regime governed by the Management Agreement, all such assets are represented as part of the assets to be handed over and classified within the “**Intangible assets deriving from concession rights**” line.

## 2. Intangible Assets Deriving from Concession Rights

The “**Intangible assets deriving from concession rights**”, include the value of the construction and improvement services rendered by the AdR Group which have to be transferred to the grantor at the conclusion of the concession, expiring on 30 June 2044.

Under ITA GAAP investments in infrastructure related to concessions are accounted for within intangible assets or tangible fixed assets depending on the nature of the investment, based on specific capitalisation policies. According to IFRIC 12, which establishes the accounting for agreements between the public and the private sector, the infrastructures in scope are recorded as Intangible Assets as AdR has the license to charge the users a price for the use of the infrastructure. In addition, the capitalisation criteria might differ from those used under ITA GAAP.

The net amount of the airport management concession recorded by the Company according to IFRS as of 30 June 2013 is Euro 449,791 thousand and includes:

Euro 439,307 thousand related to assets of AdR S.p.A.;

Euro 11,319 thousand related to assets of the subsidiaries AdR Assistance and AdR Tel.;

decrease of Euro 835 thousand related to the IFRIC Concession reclassified into the leasehold improvements.

## 3. Other Intangible Fixed Assets

IFRS Adjustments to “**Other intangible fixed assets**” include:

	<b>30 June 2013</b>
	<i>unaudited</i>
	<i>(in thousands of euro)</i>
Leasehold improvements on infrastructure in concession .....	(257,185)
Transaction costs incurred on loans .....	(16,775)
Incorporation and development costs .....	(75)
<b>Total</b> .....	<b>(274,035)</b>

In detail:

- Leasehold improvements: include modernisation and upgrades, carried out on assets belonging to third parties and held under concession or constructed on behalf of third parties. Under ITA GAAP these costs are capitalised and amortised in relation to their residual service lives, usually less than the period of the concession. Under IFRS, these leasehold improvements are recognised within the scope of IFRIC 12 (“**Service Concession Arrangements**”) and accounted for accordingly and classified in a separate line of the interim consolidated financial statements (“**Intangible assets deriving from concession rights**”).
- Transaction costs incurred to obtain loans: under ITA GAAP such costs are capitalised and amortised on the basis of the duration of the loan, in accordance with the financial method. Under IFRS, these costs are charged against the related loans and amortised using the effective interest rate. The related financial liability was reduced in the amount of Euro 16,775 thousand;
- Incorporation and development costs: under ITA GAAP, the Group capitalised and amortised certain costs incurred in connection with the incorporation and development costs. According to IFRS these costs do not meet recognition criteria, therefore, they have to be written off against net equity.

#### 4. Equity Investments

Under ITA GAAP the investment in AdR Sviluppo S.r.l. was not consolidated since it was considered not significant (Euro 100 thousand).

#### 5. Deferred Tax Assets, Net

The deferred tax assets and changes reconciliation from ITA GAAP to IFRS is shown in the following table.

<i>unaudited</i>	1 January 2013		30 June 2013		
	Tax base	Tax	P/L	Tax base	Tax
	<i>(in thousands of euro)</i>				
<b>Deferred taxes</b>					
Allowances for risks and charges .....	40,444	12,764	928	43,458	13,692
Allowance for obsolete and slow moving goods.....	116	32	(5)	99	27
Provision for doubtful accounts.....	60,463	16,629	1,020	64,372	17,649
Staff provisions .....	6,811	1,873	(293)	5,534	1,580
Accelerated amortisation/depreciation .....	593	164	(18)	530	146
Consolidation adjustments.....	19,035	6,210	450	20,277	6,660
Other.....	29,174	8,022	931	32,484	8,953
<b>Deferred tax assets</b> .....	<b>156,636</b>	<b>45,694</b>	<b>3,013</b>	<b>166,754</b>	<b>48,707</b>
Dividends .....	(296)	(81)	81	—	—
<b>Deferred tax liabilities</b> .....	<b>(296)</b>	<b>(81)</b>	<b>81</b>	<b>—</b>	<b>—</b>
<b>Deferred tax assets (ITA GAAP)</b> .....	<b>156,340</b>	<b>45,613</b>	<b>3,095</b>	<b>166,754</b>	<b>48,707</b>
Incorporation and development costs .....	86	28	(4)	73	24
Transaction costs incurred on loans.....	2,396	782	(51)	2,240	731
Reversal A4 obligations.....	(2,143)	(589)	64	(1,908)	(525)
Transaction costs incurred on obligations .....	92	25	(1)	89	24
Premium on obligations A4 reversal .....	487	134	17	549	151
TFR according to IAS 19.....	(757)	(208)	(7)	(1,291)	(355)
Cash flow hedge.....	70,749	19,456	(159)	52,222	14,361
Intercompany margins reversal.....	(19,035)	(6,209)	(448)	(20,409)	(6,657)
Tangible assets write off (IFRIC 12).....	(16,237)	(5,297)	6,298	3,070	1,001
Provision for repair and replacement.....	264,339	86,227	1,471	268,846	87,698
Tangible assets write off (subsidiary AdR Assistance).....	(447)	(146)	(187)	(509)	(333)
Tangible assets write off (subsidiary AdR Tel).....	(6,480)	(2,114)	(292)	(6,865)	(2,405)
<b>Deferred taxes on IFRS adjustments</b> .....	<b>293,050</b>	<b>92,089</b>	<b>6,701</b>	<b>296,108</b>	<b>93,715</b>
<b>Deferred taxes (IFRS Gaap)</b> .....	<b>449,390</b>	<b>137,702</b>	<b>9,796</b>	<b>462,862</b>	<b>142,422</b>

Deferred taxes on IFRS adjustments are recorded in connection with the recognition of temporary differences between assets and liabilities according to ITA GAAP and the correspondent IFRS taxable amount.

#### 6. Other Non-Current Assets

Under ITA GAAP, “**Other non-current assets**” include a portion of the A4 bonds issued by the special purpose vehicle, Romulus Finance, purchased by AdR on 13 February 2009. The bonds, which had a face value of 4 million pounds sterling, were purchased for Euro 2,758 thousand (equal to 2.4 million pounds).

Under IFRS, the special purpose vehicle Romulus Finance is consolidated line-by-line by AdR. Accordingly, the AdR financial assets due by Romulus Finance of Euro 2,758 thousand are considered intercompany balances and are eliminated against the related financial liabilities of Romulus Finance of Euro 4,666 thousand. The premium realised by the AdR as a separate entity in previous years is written off and recognised against equity.

#### 7. Contract Work in Progress

Reclassifications to “**Contract work-in-progress**” include the following:

- decrease by Euro 5,441 thousand for work-in-progress within the scope of IFRIC 12 (“**Service Concession Arrangements**”), and related to work-in-progress financed by

the Ministry of Transport, that have been reclassified within “**Trade receivables**” for IFRS purposes;

- increase by Euro 226 thousand for work-in-progress to third parties, classified within “**Trade receivables**” for ITA GAAP purposes.

## 8. Trade Receivables

Reclassifications to “**Trade receivables**” include the following:

- increase by Euro 5,150 thousand for work-in-progress within the scope of IFRIC 12 (“**Service Concession Arrangements**”), and related to work-in-progress (for an amount of Euro 5,441 thousand) financed by the Ministry of Transport, that have been reclassified within “**Trade receivables**” for IFRS purposes (netted of Euro 291 thousand of advances from customers, classified within “**Trade payables**” for ITA GAAP purposes);
- decrease by Euro 226 thousand for work-in-progress to third parties, classified within “**Contract work in progress**” for IFRS purposes;
- increase by Euro 1,045 thousand related to certain accrued income and prepaid expenses classified within “**Other current assets**” for ITA GAAP purposes.

## 9. Other Current Financial Assets

- The IFRS adjustment, for a net amount of Euro 92 thousand, is mainly due to:
- the Romulus Finance obligations negotiation premium recognised by AdR for Euro 549 thousand (increased by Euro 8 thousand due to the interests elimination) is recognised under ITA GAAP, since the special purpose vehicle Romulus Finance is not consolidated for ITA GAAP purposes;
- the costs amounting to Euro 465 thousand related to the recognition of a credit line “**Revolving and Term Loan Facility Agreement**” to AdR, that can be used until February 2015. These transaction costs incurred by the Company are recognised within intangible assets and amortised on the basis of the duration of the credit line.

## 10. Other Current Assets

Reclassifications of “**Other Current Assets**” include the following:

- Decrease by Euro 1,045 thousand related to certain accrued income and prepaid expenses classified within “**Trade receivables**” for IFRS purposes;
- Decrease by Euro 1,491 thousand related to the insurance premiums paid to AMBAC and Intesa San Paolo and the secured bond issued by Romulus Finance and a loan granted classified within “**Other current financial assets**” for IFRS purposes.

## 11. Cash and Cash Equivalents

The adjustment of Euro 92 thousand to “**Cash and cash equivalents**” represents the effect of the consolidation under IFRS of the subsidiary AdR Sviluppo S.r.l.. Such subsidiary, whose investment amounts to Euro 100 thousand, is included within “**Other non-current assets**” and was not consolidated under ITA GAAP since it was considered not significant.

## 12. Provisions for Employee Benefits

Under ITA GAAP, the liability for termination indemnities is posted at nominal value. Under IFRS, the liability for termination indemnities falls under the category of defined benefit

plans subject to actuarial valuation to express the present value of the benefit, payable upon termination of employment, that employees have matured up to the balance sheet date. The IFRS adjustment of Euro 1,292 thousand is due to the following:

- decrease of Euro 4,480 thousand, due to the effect of the actuarial valuation on the employee severance indemnities in accordance with IAS 19;
- increase of Euro 3,188 thousand, as a result of the implementation of IAS 19 Revised, which no longer allows the application of the “**corridor approach**”: as a result, all actuarial gains and losses have been recorded against net equity.

### **13. Provisions for Repair and Replacement Obligations**

Under IFRS the Company recorded a provision of Euro 268,846 thousand, of which Euro 155,226 thousand of non-current portion and Euro 113,620 thousand of current portion, related to the estimated expenditure that would be required to settle the present obligation to maintain the airport infrastructure (intended as a concessioner’s infrastructure) functionality at the end of the concession arrangement; this amount was accounted for according to IFRIC 12 (“**Service Concession Arrangements**”). Such provision is not required under ITA GAAP.

### **14. Bond Issued and Medium/Long Term Borrowings**

Under IFRS the Romulus Finance Loans of Euro 700,019 thousand have been reclassified from “**Medium/long term borrowings**” to “**Bond issued**”.

Under IFRS, transaction costs incurred to obtain loans are recognised in accordance with IAS 29 as a reduction of the related financial liability when measured at amortised cost using the effective interest rate method. Transaction costs amount to Euro 7,706 thousand with regards to “**Medium/long term borrowings**” and to Euro 6,350 thousand with regards to “**Bond issued**”. Under ITA GAAP such costs are capitalised within the “**Other intangible fixed assets**” category and amortised on the basis of the duration of the loan.

In addition, under IFRS, the Group applied the cash flow hedge method to the derivative financial instruments in accordance with IAS 39 requirements. The cash flow hedge application resulted in the recognition through equity of the result of the measurement at fair value of the hedging instruments, with a net negative effect on the equity of Euro 52,220, due to a decrease of Euro 74,203 thousand in the “**Bond issued**” balance, counterbalanced by an increase by Euro 126,423 thousand in the “**Non-current derivatives**” caption. ITA GAAP does not require the recognition of such fair value on the hedging instruments.

Moreover, under IFRS the Company consolidated line-by-line the special purpose vehicle Romulus Finance, resulting in the elimination of intercompany balances (Romulus bond subscribed by AdR) for Euro 4.577 thousand.

### **15. Non-Current Derivatives**

Under IFRS, the Group applied the cash flow hedge method to the derivative financial instruments in accordance with IAS 39 requirements as above explained, the cash flow hedge application resulted decrease of Euro 74,203 thousand in the “**Bond issued**” balance, counterbalanced by an increase by Euro 126,423 thousand in the “**Other current financial liabilities**” caption. ITA GAAP does not require the recognition of such fair value on the hedging instruments.

## 16. Trade Payables

Reclassifications to “**Trade payables**” include the following:

- decrease by Euro 291 thousand for advances from customers on work in progress financed by the Ministry of Transport, that have been reclassified as a reduction of the related work in progress within the “**Trade receivables**” for IFRS purposes;
- increase by Euro 10,692 thousand mainly related to certain accrued expenses and deferred income classified within “**Other current liabilities**” for ITA GAAP purposes.

## 17. Current Portion of Medium/Long Term Financial Liabilities

The IFRS includes the derivative financial instruments recognised within the Romulus Finance Consolidation.

The IFRS adjustment of Euro 23 thousand was recognised within the application of amortised cost method in accordance with IAS 39.

## 18. Current Derivatives

The IFRS reclassification is the counterbalance of the reclassification previously mentioned, involved in the consolidation of Romulus Finance.

## 19. Other Current Liabilities

Reclassifications to “**Other current liabilities**” include the following:

- decrease by Euro 11,054 thousand related to certain accrued expenses and deferred income reclassified within “**Trade payables**” for IFRS purposes;
- increase by Euro 362 thousand related to the Romulus Finance S.r.l. consolidation.

## Interim Consolidated Income Statement

### 20. Revenues from Construction Services and other Operating Income

Under IFRS, the Company recognised construction services for Euro 7,421 thousand and an increase in fixed assets for internal work of Euro 2,211 thousand according to IFRIC 12 (“**Service Concession Arrangements**”). In particular, revenues for construction and/or improvement services, which represent the consideration due for the activity performed, are valued at their fair value, calculated on the basis of the total costs incurred, which mainly comprise the costs of materials and external services, the costs of benefits for the employees committed to these activities and (as applicable) the attributable financial expenses, plus any arm’s length profits realised on Group construction. The related costs are included within the Other operating costs line for Euro 5,736 thousand. Under ITA GAAP such costs are directly capitalised within the related fixed assets. See note (1) to (3) above for additional information on the differences in accounting principles between IFRS (IFRIC 12) and ITA GAAP.

### 21. Service Costs and Other Costs

Under IFRS the Company recorded adjustments to AdR assets, according to IFRIC 12 (“**Service Concession Arrangements**”), referred to:

- for Euro 170 thousand, to other maintenance costs, classified within “**Other costs**”;
- for Euro 7,096 thousand, to construction costs and maintenance costs, classified within “**Service costs**”.

The IFRS reclassification of Euro 37.054 thousand is mainly due to the maintenance costs incurred for the airport infrastructure.

**22. Staff Costs**

The IFRS adjustment of Euro 435 thousand is related to the net effect of the actuarial valuation on the employee severance indemnities in accordance with IAS 19 (Euro 258 thousand) and to the stock options plans in accordance with IFRS 2 (Euro 693 thousand).

The IFRS reclassification of Euro 1,370 thousand is mainly due to the reclassification of the expenses in relation to active update evaluation (Euro 894 thousand).

**23. Provisions/(Utilisations) for Repair and Replacement**

Under IFRS the adjustment of Euro 39,094 thousand is due the provision for restoration recognised in accordance with IFRIC 12 (“**Service Concession Arrangements**”), and represents the estimated expenditure that would be required to settle the present obligation to maintain the airport infrastructure functionality at the end of the concession arrangement. Under ITA GAAP Service Concession Arrangements are accounted for under a different policy and such provision is not required.

The IFRS reclassification of Euro 41,857 thousand represents, for an amount of Euro 40,648 thousand, the counterpart of maintenance costs explained in the previous note (21) “**Service costs and Other costs**”.

**24. Amortisation and Depreciation**

IFRS Adjustments to “**Amortisation and depreciation**” include:

	<b>30 June 2013</b>
	<i>unaudited</i>
	<i>(in thousands of euro)</i>
IFRIC 12 cumulative effect .....	23,024
Elimination of amortisation on transaction costs .....	3,377
Elimination of incorporation and development costs.....	11
<b>Total</b> .....	<b>26,412</b>

Under IFRS, the adjustment to amortisation and depreciation related to IFRIC 12 application amount to Euro 23,024 thousand and is detailed as follows:

- elimination of ITA GAAP depreciation of tangible fixed assets by Euro 8,130 thousand (Euro 8,300 thousand, netted by Euro 197 thousand of intercompany profit elimination and increased by Euro 27 thousand on adjustment on the assets owned by subsidiary AdR Tel);
- elimination of ITA GAAP amortisation of intangible fixed assets by Euro 20,753 thousand (Euro 20,953 thousand, netted by Euro 657 thousand of intercompany profit elimination and increased by Euro 439 thousand on adjustment on the assets owned by AdR Assistance and AdR Tel);
- increase of Euro 5,841 thousand related to the IFRS amortisation of airport concession (based on future economic benefits estimated).

Additional IFRS adjustments to “**Amortisation and depreciation**” include:

- decrease of Euro 3,377 thousand is referred to the adoption of amortised cost criteria in relation to additional costs of financing;

- decrease of Euro 11 thousand, due to the elimination of incorporation and development costs.

## 25. **Financial Income**

Under IFRS, the Group applied the cash flow hedge method to the derivative financial instruments that resulted also in an adjustment to “**Financial Income**” for Euro 581 thousand.

The IFRS adjustments also includes the Romulus Finance obligations negotiation premium and interests recognised by AdR for Euro 188 thousand. This amount is recognised under ITA GAAP, since the special purpose vehicle Romulus Finance is not consolidated for ITA GAAP purposes.

## 26. **Financial Expenses from Discounting of Provisions for Construction Services required by Contract**

Under IFRS the Company accounted for Euro 7,269 thousand related to the financial portion of the provision for construction services recognised according to IFRIC 12 (“**Service Concession Arrangements**”).

## 27. **Financial Interests**

Under IFRS “**Financial Interests**” for Euro 1,668 thousand were reclassified to “**Other financial Expenses**”, referred to the accrued expenses related to cash flow hedge method applied on the swap with Mediobanca/Unicredit.

The IFRS adjustment of Euro 3,095 thousand can be explained as follows:

- Increase of Euro 3,221 thousand is related to the accounting for transaction costs incurred on loans according to the amortised cost method;
- Decrease of Euro 126 thousand related to Romulus Finance obligations negotiation premium write off, due to the consolidation of the special purpose vehicle Romulus Finance according to IFRS.

## 28. **Other Financial Expenses**

The IFRS adjustment of Euro 230 thousand is related to the following:

- increase of Euro 233 thousand is the consequence of the discounting of the employee severance indemnities in accordance with IAS 19;
- decrease of Euro 3 thousand in relation to the elimination of additional costs related to the elimination of the intercompany balances of the Romulus Finance bond.

The IFRS reclassification of Euro 14,299 thousand is composed as follows:

- Euro 1,668 thousand detailed in note (27) Financial Interest;
- Euro 12,631 thousand related to the application cash flow hedge method.

## 29. **Foreign Exchange Gains/(Losses)**

The IFRS adjustment amounting to Euro 235 thousand is due to the accounting of negotiation premium referred to a portion of the bonds issued by the special purpose vehicle, Romulus Finance, purchased by the AdR in previous years. The bonds, which had a face value of 4 million pounds sterling, were purchased for Euro 2,758 thousand (equal to 2.4 million pounds).

\*\*\*\*

Based on the IFRS adjustments outlined above, below is represented a reconciliation consolidated shareholders' equity at the beginning of the year, as of 30 June 2013 and net income for the six months period than ended.

<i>unaudited</i>	<b>Total shareholders' equity 31 December 2012</b>	<b>Net income 2013</b>	<b>Other comprehensive income</b>	<b>Total shareholders' equity 30 June 2013</b>
		<i>(in thousands of euro)</i>		
Total shareholders' equity under Italian GAAP .....	1,054,824	44,133	—	1,098,957
Non-controlling interests .....	827	(199)	—	628
<b>Total shareholders' equity of the Group under ITA GAAP .....</b>	<b>1,055,651</b>	<b>43,934</b>	<b>—</b>	<b>1,099,585</b>
<b>Adjustments relating to:</b>				
<b>IFRIC 12 application:</b>				
Intangible fixed assets elimination .....	(239,259)	(17,926)	—	(257,185)
Tangible fixed assets elimination .....	(167,767)	893	—	(166,874)
Airport management concession – investments in infrastructure in concession .....	449,224	567	—	449,791
Provision for restoration charges .....	(264,338)	(4,509)	—	(268,846)
<b>Total IFRIC 12 application .....</b>	<b>(222,140)</b>	<b>(20,975)</b>	<b>—</b>	<b>(243,115)</b>
Derivative financial instruments fair value (cash flow hedge)	(70,749)	581	17,948	(52,220)
Amortisation cost applied to financial liabilities .....	(2,395)	156	—	(2,239)
Romulus consolidation and elimination of "A4 financial obligation" .....	1,564	(294)	—	1,270
IAS 19 recalculation on termination indemnities .....	757	(668)	1,202	1,291
Incorporation and development costs write off .....	(86)	11	—	(75)
Deferred taxes on IFRS adjustments .....	92,089	6,702	(5,076)	93,715
Change in consolidation perimeter (AdR Sviluppo) .....	(7)	—	—	(7)
<b>Total adjustments .....</b>	<b>(200,967)</b>	<b>(14,487)</b>	<b>14,074</b>	<b>(201,380)</b>
<b>Total shareholders' equity under IFRS .....</b>	<b>854,684</b>	<b>29,447</b>	<b>14,074</b>	<b>898,205</b>

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