



(Translation from the Italian original which remains the definitive version)

**SUMMARY OF THE MAIN RESULTS AND TREND
OF THE 1ST HALF-YEAR 2016 OF FERROVIE DELLO
STATO ITALIANE GROUP
2016 INTERIM REPORT HIGHLIGHTS**

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Group highlights

millions of Euros

Main results and financial data	First half 2016	First half 2015	Change	%
Revenue	4,250	4,193	57	1.4
Operating costs	(3,245)	(3,245)		
Gross operating profit	1,005	948	57	6.0
Operating profit	344	333	11	3.3
Profit for the period	286	292	(6)	(2.1)
Total cash flows of the period	424	(735)	1,159	157.7
Investments of the period	2,198	2,088	110	5.3
	30.06.2016	31.12.2015	Change	%
Net invested capital (NIC)	44,859	44,695	164	0.4
Equity (E)	38,157	37,953	204	0.5
Net financial debt (NFD)	6,702	6,742	(40)	(0.6)
NFD/E	0.18	0.18		

Main performance indicators	First half 2016	First half 2015
GROSS OPERATING PROFIT/REVENUE	23.65%	22.61%
ROS (OPERATING PROFIT/REVENUE)	8.09%	7.94%
PERSONNEL EXPENSE/REVENUE	(46.69)%	(46.90)%

The Group's performance

Main operating data	First half 2016	First half 2015	Change	%
Length of the railway network (km)	16,726	16,723	3	
Total track length (km)	24,330	24,283	47	0.2
Long-haul passengers train-km (thousands)	41,238	39,378	1,860	4.7
Regional passengers train-km (thousands)	103,877	101,030	2,847	2.8
Rail passengers-km (millions)	20,323	20,818	(495)	(2.4)
Road passengers-km (millions)	969	911	58	6.3
Tonne-km (millions)	11,710	11,492	218	1.9
Employees ⁽¹⁾	69,090	69,347	(257)	(0.4)

(1) Period-end total

The Ferrovie dello Stato Italiane group's **consolidated income statement** is presented and discussed below:

	First half 2016	First half 2015	Change	%
millions of Euros				
REVENUE	4,250	4,193	57	1.4
Revenue from sales and services	3,932	3,891	41	1.1
Other income	318	302	16	5.3
OPERATING COSTS	(3,245)	(3,245)		
GROSS OPERATING PROFIT	1,005	948	57	6.0
Amortisation, depreciation, provisions and impairment losses	(661)	(615)	(46)	(7.5)
OPERATING PROFIT	344	333	11	3.3
Net financial expense	(46)	(22)	(24)	(109.1)
PRE-TAX PROFIT	298	311	(13)	(4.2)
Income taxes	(12)	(19)	7	36.8
PROFIT FROM CONTINUING OPERATIONS	286	292	(6)	(2.1)
Profit (loss) from assets held for sale, net of taxes				
PROFIT FOR THE PERIOD	286	292	(6)	(2.1)
PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT	281	289	(8)	(2.8)
PROFIT FOR THE PERIOD ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	5	3	2	66.7

The group recorded a **profit for the period** of €286 million, down slightly on the profit for the corresponding period of 2015 (-2.1%), solely due to financial factors.

This is confirmed by the considerable improvement in both the **gross operating profit** and the **operating profit**, which have an increase of €57 million (+6%) and €11 million (+3.3%), respectively.

The effects of the changes in legislation in 2015 had a less significant impact on the results for the period compared to the first six months of 2015. A key factor mitigating the adverse impact of the earlier reduction in the freight service contract was the legislative measure of 22 January 2016 (the Eco bonus), which provides additional support to freight transport by reducing the toll by €2.5/train-km, and thereby re-establishing a sustainable framework for the sector.

Revenue increased by €57 million as a result of the rise in revenue from sales and services (+€41 million) and other income (€+16 million).

The increase in **revenue from sales and services** is due to rise in the revenue from transport services (+€22 million), revenue from infrastructure services (+€9 million) and other revenue from services (+€10 million).

With respect to the main factors behind the increase in **revenue from transport services**, a positive contribution came from the increase in short haul passenger transport services (€51 million), split between regional rail transport (+€22 million), road transport (+€14 million) and foreign transport provided by the Netinera group (+€15 million). Conversely, the long haul rail segment recorded a €34 million reduction in its revenue earned in Italy and abroad, compared to the corresponding period of 2015, as described in more detail in the section on the Transport segment.

The rise in **revenue from infrastructure services** (+€9 million) is almost entirely a result of the increase in toll revenue (+€10 million), thanks to the upturn in production volumes.

With respect to **other service revenue** (+€10 million), revenue from contract work in progress, carried out by Italferr S.p.A., increased by more than €13 million, decreased by the other smaller captions (-€3 million).

The €16 million increase in **other income** is mainly a consequence of the rise in the revenue from the ancillary electrical services provided to the railway infrastructure (€14 million), as per the contract for the sale of the electricity transmission grid to Terna S.p.A. at the end of 2015.

Operating costs amount to €3,245 million, in line with the corresponding period of 2015. They may be analysed as follows:

- the rise in net personnel expense (€18 million) is mainly due to the combined effect of the increase in remuneration costs (€20 million) offset by the recording of social security contribution tax benefits for 2014, which had a positive effect of €10 million; the caption also includes the larger accruals of €8 million;
- the €18 million decrease in other net costs is the result of the following variations: a reduction in costs due to the aforesaid Eco bonus and compensation of the additional costs to use railway infrastructure to transport goods to or from southern Italy (-€18 million), smaller costs for RFI S.p.A. incurred for maintenance and repairs and to streamline warehouse procedures (-€26 million) plus the greater capitalisations (-€8 million), all of which are offset by the normal increase in costs at group level due to the higher turnover volumes (+€34 million).

Gross operating profit increased by €57 million or 6% to €1,005 million as a result of the variations in revenue and operating costs described above.

Operating profit amounts to €344 million. The €11 million increase is due to the factors that have impacted gross operating profit, as reported above, as well as greater amortisation and depreciation of roughly €50 million offset by smaller impairment losses of €4 million.

Net financial expense of €46 million increased by a net €24 million over the corresponding period of 2015. This variation is mainly the result of non-recurring items which affected both income and expense in the first half of 2015. Specifically, the group recorded financial income in that period arising on the derecognition of the financial liability of €75 million related to the investment in Eurofima SA, only partly offset by the smaller borrowing costs and exchange rate losses of approximately €30 million.

Income taxes amount to €12 million, down by €7 million (-36.8%).

Reclassified statement of financial position

millions of Euros

	30.06.2016	31.12.2015	Change
ASSETS			
Net operating working capital	1,180	929	251
Other assets, net	(698)	(581)	(117)
Working capital	482	348	134
Net non-current assets	47,370	47,357	13
Other provisions	(3,083)	(3,010)	(73)
Net assets held for sale	90		90
NET INVESTED CAPITAL	44,859	44,695	164
COVERAGE			
Net current financial (position) debt	813	884	(71)
Net non-current financial debt	5,889	5,858	31
Net financial debt	6,702	6,742	(40)
Equity	38,157	37,953	204
COVERAGE	44,859	44,695	164

Net invested capital of €44,859 million rose by €164 million in the period due to the increase in **working capital** (+€134 million), **net non-current assets** (+€13 million) and **net assets held for sale** (+€90 million) offset by the increase in **other provisions** (-€73 million).

Net operating working capital amounts to €1,180 million, up by €251 million as a result of:

- smaller receivables arising from the service contract with the Ministry of the Economy and Finance (also "MEF") (-€84 million) and the service contract with the Regions (-€167 million) due to variations in the procedure for collecting considerations during the period;
- smaller trade receivables (-€107 million), mainly due to the final settlement of the amounts due for services rendered in previous years to the Campania region waste emergency government commissioner to manage the USW emergency in the region (€100 million). During the period, the deed settling the receivable was agreed with the technical administrative unit and the Office of the Prime Minister;
- greater inventories (+€133 million) mainly due to the increase in raw materials, consumables and supplies following the increase in purchases and related consumption of materials for infrastructure and production by the Officine Nazionali Armamento e Apparecchiature Elettriche (national armaments and electrical device workshops) in Pontassieve, Bologna and Bari, offset by the decrease in rolling stock parts. The latter decrease is the result of the implementation of improvement solutions and the introduction of new materials management procedures. The change in this caption was also due to the decrease in receivables arising from construction contracts and the increase in trading land and buildings included in the group's real estate properties to be sold;
- smaller trade payables (€476 million), principally attributable to the faster settlement times.

Other assets, net decreased by €117 million, mainly as a result of the combination of the following factors:

- larger receivables from the Ministry of the Economy and Finance, the Ministry of Infrastructures and Transport ("MIT") and other bodies (+€559 million), offset by larger payables for advances on grants related to assets (-€571 million).

million), particularly infrastructural investments to complete HS/HC lines, works to improve the railway network and the design of the Turin-Lyon tunnel;

- the net decrease in other payables (+€118 million) and other receivables (-€13 million). The decrease is mostly due to the elimination of the payable tied to the settlement of the receivable for the services rendered to the Campania waste emergency government commissioner;
- the decrease in the VAT assets (-€202 million), mainly due to the combined effect of the VAT reimbursement by the tax authorities in 2012 and 2013 and the VAT paid in the period;
- the decrease in deferred tax assets (-€8 million).

Net non-current assets increased by €13 million as a result of greater investments for the period (€2,198 million), partly offset by the grants related to assets recognised on an accruals basis (€1,276 million) and advances recouped during the period (-€61 million), amortisation and depreciation of the period (€648 million) and other sales and reclassifications (-€3 million). The increase was also impacted by the reclassification of the business unit, which will become Grandi Stazioni Retail, to assets held for sale (-€197 million).

Other provisions increased by €73 million as a consequence of the contrasting effects of the increase in the provisions for risks and post-employment benefits (+€14 million and +€70 million, respectively), offset by the decrease in deferred tax liabilities (-€11 million). The latter decrease is mainly due to the release of deferred IRES tax liabilities recognised in previous years on default interest generated on the receivable for services rendered to the Campania waste emergency government commissioner, settled in the period, as described earlier.

Net assets held for sale of €90 million include the assets and liabilities to be transferred to Grandi Stazioni Retail S.p.A., pursuant to IFRS 5. This company was set up after the partial non-proportionate, asymmetrical demerger of Grandi Stazioni S.p.A. into Grandi Stazioni Immobiliare S.p.A. and Grandi Stazioni Retail S.p.A., which took place on 1 July 2016. The caption also includes Grandi Stazioni Ceska Republika's assets and liabilities.

Net financial debt of €6,702 million improved by €40 million on 31 December 2015, mainly due to the following:

- the reduction in the cash pooling balance (-€115 million), which comprises the payments made by the Ministry of the Economy and Finance during the period in relation to the Government Programme Contract and the European Commission's payments for other contributions to meet the group's operating requirements, essentially relating to RFI S.p.A.;
- the decrease in the financial receivable from the Ministry of the Economy and Finance (-€204 million) following the net reduction due to the collection of the annual portion of the grants related to the 2007 and the 2006 Finance Acts;
- the decrease in loans and borrowings from other financial backers (-€281 million), mainly due to repayment of loans obtained from Cassa Depositi e Prestiti for railway infrastructure (traditional network and HS) during the period; repayment was guaranteed by the grants to be received from the state in the period from 2007 to 2021;
- the decrease in other financial liabilities (-€96 million), related to the factoring business;
- the reduction in bonds (-€222 million) following reimbursement of the four issues placed by Eurofima SA offset by issue of the third instalment of €300 million of the bonds as part of the Euro Medium Term Notes Programme;
- the increase in bank loans and borrowings (+€776 million) mainly due to the new short-term syndicated loans taken out to purchase new rolling stock for regional transport in the Lazio, Tuscany, Veneto, Piedmont and Liguria regions;
- the increase in other financial assets (-€536 million), mainly as a result of the rise in cash and cash equivalents due to the greater use of the credit facilities obtained to purchase new rolling stock, collection of the above-mentioned third

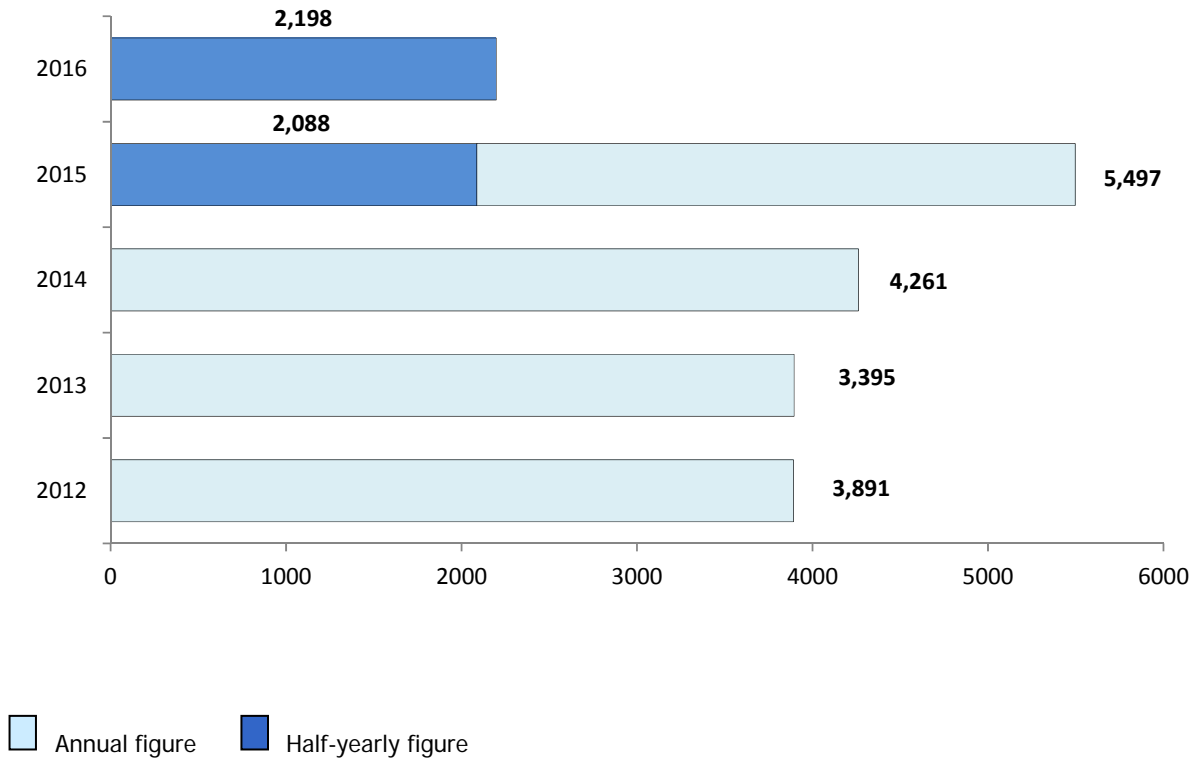
instalment of the listed bonds and reimbursement of VAT assets. The caption is offset by repayment of the principal of the loans from Eurofima and Cassa Depositi e Prestiti.

Equity rose from €37,953 million to €38,157 million, up by €204 million as a result of the following:

- the increase in the profit for the period (+€286 million);
- the decrease in the fair value reserve for derivatives and the actuarial reserve (€79 million);
- the decrease in liabilities for derivatives (-€3 million).

Investments

The Group made investments of €2,198 million during the period (including for cyclical maintenance of rolling stock and the recovery of advances), up 5% on the corresponding period of 2015. "Technical" investments amounted to €1,928 million, substantially in line with the first half of the previous year.



Approximately 68% of the period's investments targeted the infrastructure segment, with projects carried out by RFI S.p.A. totalling €1,281 million, including €1,224 million for the traditional network and €57 million for the HS/HC network between Turin, Milan and Naples. Investments may be broken down as follows:

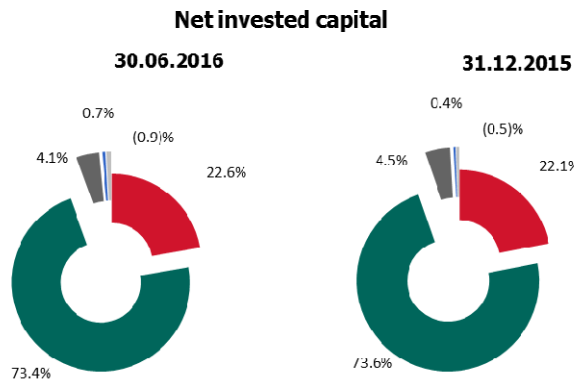
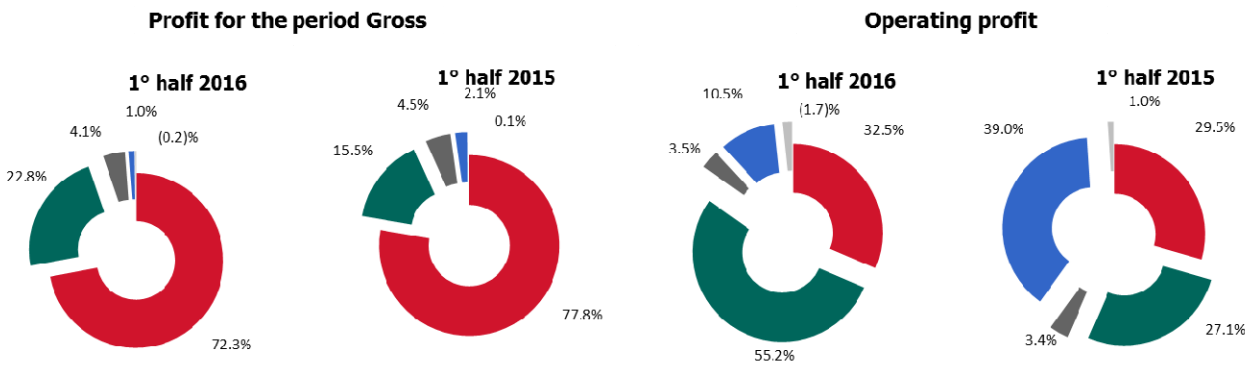
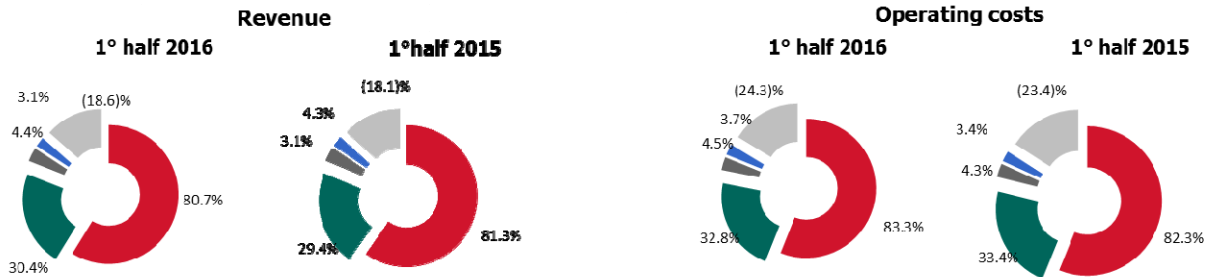
- maintaining the efficiency of infrastructure and projects carried out around Italy, accounting for 54%;
- construction of works for large infrastructural development projects, making up 46% and including the strengthening of corridors and metropolitan areas.

Approximately €84 million (roughly 6.6%) of all investments made by RFI S.p.A. went to cutting-edge technologies.

About 30% of investments went to the transport segment for projects devoted to the transport of passengers by rail and road, both in Italy and abroad, and to the transport of freight. In particular, Trenitalia S.p.A. invested €501 million, Netinera Deutschland GmbH €44 million and the Busitalia group companies, which operate in road transport in Italy, €12 million. The real estate segment accounts for approximately 2% of the group's investments, which mainly related to Grandi Stazioni S.p.A. and Centostazioni S.p.A. to relaunch and redevelop the main railway stations, in their new design concept as major service hubs for the cities.

Operating segments

The financial highlights of the group's operating segments (Transport, Infrastructure, Real Estate Services and Other Services) for the first half of 2016 and 2015 are shown below. The following pages comment on each segment's performance.



■ Transport
 ■ Infrastructure
 ■ Real Estate Services
 ■ Other Services
 ■ Adjustments and eliminations

Transport

FS Italiane group companies operating in the transport of passengers and/or freight by rail, road or sea are part of the Transport segment - the group's primary segment.

More specifically, Trenitalia S.p.A. mainly operates by rail, handling services for passenger and freight transport both domestically and internationally. The German group, Netinera Deutschland, also contributes to the results of this segment, as it carries out transport activities by rail and road on the local and metropolitan transport market in Germany, through approximately 40 investees. In addition to Trenitalia's freight business unit, the companies that mainly handle rail freight transport are FS Logistica S.p.A. and its investees (in Italy and abroad) and the TX Logistik group (mainly operating in Germany, Austria, Switzerland and Denmark). The Transport segment also includes road passenger transport, which is handled by Busitalia-Sita Nord S.r.l. and its investees.

	millions of Euros			
	First half 2016	First half 2015	Change	
Revenue	3,428	3,411	17	0.5%
Operating costs	(2,701)	(2,673)	(28)	(1.0)%
Gross operating profit	727	738	(11)	(1.5)%
Operating profit	146	197	(51)	(25.9)%
Segment profit (attributable to the owners of the parent and non-controlling interests)	93	87	6	6.9%
	30.06.2016	31.12.2015	Change	
Net invested capital	10,151	9,898	253	2.6%

The Transport segment shows a profit for the period of €93 million, up by €6 million on the corresponding period of 2015 (+6.9%).

Revenue generated in the Transport segment amounts to €3,428 million, up by €17 million on the first half of 2015, solely due to the rise in revenue from transport services.

millions of Euros

	First half 2016	First half 2015	Change	
Revenue from transport services	3,183	3,163	20	0.6%
Other revenue and income	245	248	(3)	(1.2)%
Revenue	3,428	3,411	17	0.5%

The increase in revenue from transport services is the net result of the varying performances recorded by the individual group companies active in this segment. Specifically revenue increased for:

- the regional short haul passenger services (+€22 million on the corresponding period of 2015) due to the higher traffic revenue (mainly as a result of tariff rises) and higher fees paid by Lazio Region for the Jubilee;
- the road short haul passenger services (+€14 million on the corresponding period of 2015), which have benefitted from the contribution by APS Holding S.p.A. into Busitalia Veneto S.p.A.;
- the Netinera group (+€15 million on the corresponding period of 2015), principally attributable to work performed on the new routes acquired at the end of 2015 (Enno and ODEG); only slightly offset by smaller revenues from:
- the long haul passenger transport service (-€22 million on the corresponding period of 2015), due to the market-driven contraction in the average yield (average unit revenue -2.5% on the first half of 2015);
- the universal long haul passenger transport service (-€12 million on the corresponding period of 2015), caused by the reduction in demand (passenger-km -7.8% on the first half of 2015), especially for the Night segment, offset by a rise in the average yield (average unit revenue +3.3% on the first half of 2015) due to a different service mix.

The gross operating profit of the Transport segment came to €727 million in the period, down by €11 million on the corresponding period of 2015.

Specifically, the positive contribution of the short haul passenger transport service (rail and road) and the Netinera group companies, active in the passenger transport sector in Germany, is offset by the smaller profits recorded for the long haul passenger segment (market and universal) due to the competitive market.

The **operating profit** amounts to €146 million, down by €51 million (-25.9%) on the previous year. This contraction is a result of the above-mentioned effects as well as greater amortisation and depreciation (€47 million), mainly due to the roll out of new rolling stock, offset by smaller impairment losses (approximately €7 million). The latter balance mainly refers to impairment losses on rolling stock made in the first six months of 2015.

Net financial expense of €39 million decreased significantly by €51 million compared to the first half of the previous year. This improvement is mainly due to two companies:

- FS Logistica S.p.A. (€18 million), related to the income generated by the settlement agreement between it and UTA and the Presidenza del Consiglio dei Ministri covering the receivables for services rendered in previous years to the Campania waste emergency government commissioner for the USW in the region,

- Trenitalia S.p.A. (€25 million) due to smaller expense, including smaller net exchange rate losses recorded in the first half of 2015 (€10 million) and the downturn in interest rates, for the remainder.

Income taxes for this segment amount to €14 million, down by €6 million.

Loans and borrowings

- **Interest rate risk hedges**

In March 2016, four interest rate caps were agreed to hedge interest rate risk. They have a notional amount of €300 million, will become effective in the second half of 2016 until the end of 2018 and set a cap rate on the 6M Euribor (interest rate for the underlying financing) of 0.00% against payment of a 10 bp premium per year.

- **€300 million loan agreement**

On 10 November 2015, FS Italiane S.p.A. entered into a four-year loan agreement for an amount of €300 million with the joint venture made up of BNL Gruppo, BNP Paribas, as the agent, UBI Banca and Banca Carige as the principals.

Subsequently, on 28 April 2016, Trenitalia S.p.A. signed an intercompany financing agreement with FS Italiane S.p.A. for the same amount and with basically the same characteristics and conditions in terms of the parties' commitments and obligations.

The financing will be used to purchase rolling stock for medium and long haul regional transport services.

Infrastructure

The main group company operating in the *Infrastructure* segment is Rete Ferroviaria Italiana S.p.A. ("RFI") which, as the national railway network operator, maintains, develops and uses it and the related safety systems, in addition to managing research and development in the field of railway transport and ensuring connections to Italy's largest islands by sea. Moreover, RFI S.p.A. manages real estate assets that are not functional to railway operations as owner.

To a lesser extent, Italferr S.p.A., the group's engineering company, also contributes to the results of this segment, along with other group companies that handle infrastructure, such as Brenner Basis Tunnel ("BBT"), Tunnel Ferroviario del Brennero ("TFB") and Tunnel Euralpin Lyon Turin ("TELT"). The core business of all these companies is the construction of tunnels between Italy and Austria and Italy and France.

millions of Euros

	First half 2016	First half 2015	Change	
Revenue	1,295	1,231	64	5.2%
Operating costs	(1,066)	(1,084)	18	1.7%
Gross operating profit	229	147	82	55.8%
Operating profit	176	99	77	77.8%
Segment profit (attributable to the owners of the parent and non-controlling interests)	158	80	78	97.5%

	30/06/2016	31/12/2015	Change	
Net invested capital	32,959	32,880	79	0.2%

The Infrastructure segment shows a profit for the period of €158 million, up by €78 million (+97.5%) on the corresponding period of 2015.

Revenue amounts to €1,295 million showing a €64 million increase on the first half of the previous year (+5.2%).

millions of Euros

	First half 2016	First half 2015	Change	
Infrastructure services	1,113	1,074	39	3.6%
<i>Government Programme Contract - services</i>	488	488	0	0.0%
<i>Tolls</i>	529	500	29	5.8%
<i>Sale of electrical energy for traction</i>	87	77	10	13.0%
<i>Ferrying services</i>	9	9	0	0.0%
Other revenue and income	182	157	25	15.9%
Revenue	1,295	1,231	64	5.2%

The increase is due to:

- the €39 million rise in revenue from infrastructure services, related to RFI S.p.A. for tolls (€29 million) and the longer routes requested by railway companies (trains-km travelled +3.5%) and the sale of electrical energy (€10 million) pursuant to Law no. 116/2014 which led to the reorganisation of the electricity tariff system of Ferrovie dello Stato Italiane

S.p.A.. Despite the rise in revenue, this law led to the partial transfer of costs incurred by RFI S.p.A. to supply electrical energy for traction to railway companies;

- higher other revenue and income, due to the development of Italferr's international business (engineering services +€13 million on the first half of 2015) and net revenue (+€14 million on the first half of 2015) generated on the contracts with Rete S.r.l. agreed for the sale of the electricity grid to Terna S.p.A..

Gross operating profit of the Infrastructure segment came to €229 million in the period, up by €82 million on the corresponding period of 2015.

The positive effect of the increase in revenue is flanked by a reduction in costs, due to the decrease of €4 million in personnel expense and, for the remainder, smaller costs incurred for maintenance by RFI S.p.A. (capitalisations, materials, maintenance).

Operating profit came to €176 million for the period affected by:

- amortisation and depreciation of €51 million, up €6 million on the corresponding period of 2015, mainly due to the change in the HS/HC network rate, tied to the rise in volumes of trains-km forecast for 2016;
- impairment losses of €2 million, down €1 million on the first half of the previous year due to the smaller accruals for impairment losses on receivables.

Net financial income of €18 million did not change significantly compared to the corresponding period of 2015.

Real Estate Services

The main companies operating in the Real Estate Services segment are those that manage the main railway stations (Grandi Stazioni group and Centostazioni). In addition, this segment also includes the companies that develop real estate assets that are not functional to railway operations.

Furthermore, the parent FS S.p.A.'s real estate activities also contribute to the results of this segment, as it provides support/consultancy services to the group companies and handles the sale of the FS group's land and buildings held for trading.

Finally, this segment includes companies like Metropark S.p.A. which studies, designs and builds car parks and operates the car parks and depots for all types of private and public means of transport.

millions of Euros

	First half 2016	First half 2015	Change	
Revenue	187	182	5	2.7%
Operating costs	(145)	(139)	(6)	(4.3)%
Gross operating profit	42	43	(1)	(2.3)%
Operating profit	21	26	(5)	(19.2)%
Segment profit (attributable to the owners of the parent and non-controlling interests)	10	12	(2)	(16.7)%

	30/06/2016	31/12/2015	Change	
Net invested capital	1,991	2,000	(9)	(0.5)%

The Real Estate Services segment shows a profit for the period of €10 million, down €2 million on the same period of 2015.

Revenue amounts to €187 million, up by €5 million on the corresponding period of 2015. This increase is mainly due to the higher revenue from leases and condominium expenses related to Grandi Stazioni S.p.A. following the opening of new areas with retail arcades and points of sale to the public mainly in the last quarter of 2015. Accordingly, the full effects of these new openings have been seen in the period and were only slightly countered by the lower real estate sales of the six months.

The segment's **gross operating profit** amounts to €42 million, in line with the first half of 2015.

The slight reduction in this figure, due to the smaller gains on the sale of real estate, was offset by savings on other costs (mainly professional services and consultancies).

The greater revenue from the recharge of condominium expenses is accompanied by the related higher costs (maintenance, cleaning, utilities).

Operating profit amounts to €21 million. It is net of amortisation and depreciation of €16 million and impairment losses of €5 million.

Net financial expense amounts to €2 million and is substantially in line with the balance for the corresponding period of 2015.

Other Services

Ferrovie dello Stato Italiane S.p.A. operates in the Other Services segment in its role as the group's holding company, steering and coordinating the operating companies' business policies and strategies. The other companies that operate in this segment are: Ferservizi S.p.A., which manages the activities not directly related to railway operations as outsourcer for the group's main companies, Fercredit S.p.A. principally developing the credit factoring and lease business on the captive market and strives to expand the consumer credit business for Ferrovie dello Stato Italiane S.p.A. employees, and Italcertifer S.p.A. which carries out certification, validation and testing activities on transport and infrastructure systems.

millions of
Euros

	First half 2016	First half 2015	Change	
Revenue	130	129	1	0.8%
Operating costs	(120)	(109)	(11)	(10.1)%
Gross operating profit	10	20	(10)	(50.0)%
Operating profit	4	11	(7)	(63.6)%
Segment profit (attributable to the owners of the parent and non-controlling interests)	29	113	(84)	(74.3)%

	30/06/2016	31/12/2015	Change	
Net invested capital	146	160	(14)	(8.8)%

Other Services showed a profit for the period of €29 million, down by €84 million on the corresponding period of the previous year (-74.3%), mostly due to the recognition of non-recurring financial income in the latter period.

Revenue of €130 million increased by €1 million, entirely related to Ferservizi, as the net effect of higher revenue from fees and other real estate services (following the larger number of services requested by customers) and the decrease in revenue from administrative services, mostly caused by the review of the unit prices of services provided to group companies.

Gross operating profit amounts to €10 million (-€10 million on the corresponding period of 2015); the reduction is due to the aforesaid unit price revision and a rise in the group's holding costs (contributions to Fondazione FS).

Operating profit of €4 million is down by €7 million on the first half of 2015 caused by smaller amortisation and depreciation (-€3 million).

Net financial income decreased from €87 million for the first half of 2015 to €13 million for the period. This reduction is mainly due to the recognition of financial income in the former period on the investment in Eurofima SA, based in Basel, generated by the recalculation of the obligations related to the callable shares following an in-depth analysis of Swiss law, which had an effect of €75 million.

Income taxes amount to a positive €12 million, down by €3 million on the corresponding period of 2015. This caption reflects the positive effects of the domestic tax consolidation scheme managed by the parent on behalf of the group.

Loans and borrowings

- **EIB bond issue**

On 23 December 2015, the European Investment Bank fully subscribed the bonds issued by FS Italiane S.p.A. as part of the EMTN Programme. They amount to €300 million, bear interest at a floating rate and have a 10-year term. Settlement took place on 12 January 2016.

The rating agencies issued a rating in line with those assigned to FS Italiane S.p.A. and the EMTN Programme (S&P: BBB-; Fitch: BBB+ with stable outlook).

These bonds will finance the purchase of new rolling stock for regional transport in the Lazio, Tuscany, Veneto, Piedmont and Liguria regions, entailing the agreement of an intercompany loan between FS Italiane S.p.A. and Trenitalia S.p.A., using the proceeds from the issue, and substantially reflecting the contractual terms and conditions in terms of restrictions and commitments for the parties.

- **Resolution approving long-term financing**

On 27 May 2016, the parent's board of directors approved the issue of bonds for €1.8 billion as part of the EMTN Programme to be listed on the Dublin stock exchange and offered to institutional investors.

It also approved financing for a maximum of €300 million as an alternative funding source to the bonds, allowing the parent to again benefit indirectly from the TLTRO2 funds, allocated by the ECB to banks to finance European companies.

FS Group will use these funds garnered on the debt capital markets to finance its requirements, prioritising RFI S.p.A.'s investments in HS/HC infrastructure and Trenitalia S.p.A.'s purchase of rolling stock for regional and medium to long haul transport services.

As part of the new bond issues, FS Italiane S.p.A. also plans to issue green bonds to finance those projects that are environmentally friendly and comply with the international "responsible investment" principles set out by for Environment, Social and Governance (ESG) category.

- **Private bond placement**

Following the resolution taken on 27 May 2016, FS Italiane S.p.A. on 30 June 2016 placed bonds worth €350 million with a floating interest rate and a six-year term as part of the EMTN Programme on the Irish Stock Exchange in Dublin as part of a private placement. The transaction will be settled on 18 July 2016.

UniCredit Bank and Monte dei Paschi di Siena Capital Services are the transaction arrangers and the subscribers include Cassa Depositi e Prestiti.

The bond issue maintained the rating assigned by Fitch (BBB+) and S&P's (BBB) to the Group and is part of the €1.8 billion long-term financing approved by FS Italiane S.p.A.'s board of directors on May 27th. The proceeds will be used to finance the purchase of rolling stock for the regional and medium to long haul transport services provided by Trenitalia S.p.A., through the agreement of an intercompany loan between FS Italiane S.p.A. and Trenitalia S.p.A., which will substantially reflect the contractual terms and conditions in terms of the parties' restrictions and commitments.

Ferrovie dello Stato Italiane S.p.A.'s performance

Income statement

	millions of Euros			
	First half 2016	First half 2015	Change	%
Revenue	70	73	(3)	(4.1)
- Revenue from sales and services	68	69	(1)	(1.4)
- Other revenue	2	4	(2)	(50.0)
Operating costs	(72)	(69)	(3)	(4.3)
GROSS OPERATING PROFIT (LOSS)	(2)	4	(6)	(150.0)
Amortisation and depreciation	(9)	(13)	4	(30.8)
Reversals of impairment losses	(1)		(1)	(100.0)
Provisions				N/A
OPERATING LOSS	(12)	(9)	(3)	33.3
Net financial income	132	166	(34)	(20.5)
PRE-TAX PROFIT	120	157	(37)	(23.6)
Income taxes	(6)	(6)		
PROFIT FOR THE PERIOD	114	151	(37)	(24.5)

The **profit for the period** amounts to €114 million, showing a €37 thousand (-24%) decrease on profit for the corresponding period of 2015. This reduction is mainly due to the non-recurring financial income recorded in the latter period although the parent received greater dividends from its investees in the reporting period.

Gross operating profit decreased by €6 million, from a gross operating profit of €4 million to a gross operating loss of €2 million, the net result of the following factors:

- €3 million decrease in revenue, mainly due to the effect of lower revenue from sales of land and buildings held for trading;
- €3 million increase in operating costs, principally attributable to the higher undeductible VAT expense (+€1.1 million) and larger contributions to Fondazione FS (+€2 million) compared to the corresponding period of 2015.

The parent reports another **operating loss** of €12 million compared to a loss of €9 million for the first half of 2015.

Net financial income decreased by €34 million, mainly due to the combined effect of:

- the above-mentioned recognition of non-recurring financial income of €75 million in the first six months of 2015 following recalculation of the carrying amount of the investment in Eurofima SA, based in Basel, after the in-depth analysis of Swiss company law with respect to the obligations related to the callable shares;
- the larger dividends of €42 million approved for distribution by the group companies using the 2015 profits.

Income taxes are a negative €6 million, unchanged from the corresponding period of 2015.

Reclassified statement of financial position

millions of Euros

	30.06.2016	31.12.2015	Change
ASSETS			
Net operating working capital	546	537	9
Other assets, net	16	(232)	248
Working capital	562	305	257
Non-current assets	573	583	(10)
Equity investments	35,062	35,062	
Net non-current assets	35,635	35,645	(10)
Post-employment benefits	(12)	(12)	
Other provisions	(659)	(644)	(15)
Post-employment benefits and other provisions	(671)	(656)	(15)
NET INVESTED CAPITAL	35,526	35,294	232
COVERAGE			
Net current financial debt	(965)	(1,084)	119
Net non-current financial debt	(1)		(1)
Net financial debt	(966)	(1,084)	118
Equity	36,492	36,378	114
COVERAGE	35,526	35,294	232

Net invested capital of €35,526 million increased by €232 million in the period due to the rise in **working capital** (€257 million), offset by the decrease in **net non-current assets** (€10 million) and the increase in **post-employment benefits and other provisions** (€15 million).

Net operating working capital of €546 million increased by €9 million in the period, mainly due to the net rise in trade receivables and payables.

Other assets, net increased by €248 million being the sum of the net reduction in VAT assets and liabilities (€47 million) and the balance of other current and non-current receivables and payables, which increased by a net €295 million mainly as a result of payment of the liability for grants related to assets by RFI S.p.A. recognised in 2015 after the sale of Self S.r.l. to Terna S.p.A. for €272 million.

Net non-current assets came to €35,635 million, down by €10 million on the corresponding period of 2015, principally due to the reduction in property, plant and equipment following the combined effect of the depreciation expense for the period (€9 million), capitalisations of investment projects for software (€4 million) net of the recognition of grants related to assets as part of the 2007-2013 Network and Mobility National Operating Programme (PON) (€5 million).

The increase in **post-employment benefits and other provisions** (€15 million) mainly reflects the net increase in the tax provision for tax consolidation (€23 million) offset by the decrease in provision for other sundry risks (€7 million).

Net financial debt decreased by €118 million, with net cash rising from €1,084 million at 31 December 2015 to €966 million at the reporting date. This change is mainly due to the increase in the liability for the intercompany current account (€715 million) offset by the increase in cash and cash equivalents (€590 million).

Finally, **equity** shows an €114 million increase, mainly due to the profit for the period.

Interim consolidated financial statements

Consolidated statement of financial position

millions of Euros

	30.06.2016	31.12.2015
Assets		
Property, plant and equipment	44,713	44,692
Investment property	1,562	1,578
Intangible assets	703	713
Deferred tax assets	184	192
Equity-accounted investments	321	302
Non-current financial assets (including derivatives)	2,576	2,788
Non-current trade receivables	5	94
Other non-current assets	2,077	1,866
Total non-current assets	52,141	52,225
Construction contracts	34	46
Inventories	2,099	1,953
Current trade receivables	2,507	2,777
Current financial assets (including derivatives)	612	607
Cash and cash equivalents	1,729	1,305
Tax assets	118	122
Other current assets	4,197	4,069
Total current assets	11,296	10,878
Assets held for sale and disposal groups	300	
Total assets	63,737	63,103
Total equity and liabilities		
Share capital	36,340	36,340
Reserves	(96)	(96)
Valuation reserves	(612)	(533)
Retained earnings	1,836	1,388
Profit for the period	281	448
Equity attributable to the owners of the parent	37,749	37,547
Profit attributable to non-controlling interests	5	16
Share capital and reserves attributable to non-controlling interests	291	273
Total equity attributable to non-controlling interests	296	289
Equity	38,045	37,836
Liabilities		
Non-current loans and borrowings	8,391	8,571
Post-employment benefits and other employee benefits	1,869	1,799
Provisions for risks and charges	900	889
Deferred tax liabilities	281	293
Non-current financial liabilities (including derivatives)	115	112
Non-current trade payables	1	18
Other non-current liabilities	320	344
Total non-current liabilities	11,877	12,026
Current loans and borrowings and current portion of non-current loans and borrowings	3,025	2,572
Current portion of provisions for risks and charges	33	30
Current trade payables	3,488	3,952
Tax liabilities	6	7
Current financial liabilities (including derivatives)	132	244
Other current liabilities	6,921	6,436
Total current liabilities	13,605	13,241
Liabilities held for sale and disposal groups	210	
Total liabilities	25,692	25,268
Total equity and liabilities	63,737	63,103

Consolidated income statement

millions of Euros

	First half 2016	First half 2015
Revenue		
Revenue from sales and services	3,932	3,891
Other income	318	302
Total revenue	4,250	4,193
Operating costs		
Personnel expense	(1,984)	(1,966)
Raw materials, consumables, supplies and goods	(449)	(467)
Services	(1,140)	(1,140)
Use of third-party assets	(89)	(89)
Other operating costs	(87)	(71)
Internal work capitalised	504	488
Total operating costs	(3,245)	(3,245)
Amortisation and depreciation	(648)	(598)
Reversals of impairment losses	(13)	(17)
Operating profit	344	333
Financial income and expense		
Financial income	34	93
Financial expense	(86)	(119)
Net financial expense	(52)	(26)
Share of profits of equity-accounted investees	6	4
Pre-tax profit	298	311
Income taxes	(12)	(19)
Profit for the period (attributable to the owners of the parent and non-controlling interests)	286	292
<i>Profit for the period attributable to the owners of the parent</i>	281	289
<i>Profit for the period attributable to non-controlling interests</i>	5	3

Consolidated statement of other comprehensive income

millions of Euros

	First half 2016	First half 2015
Profit for the period (attributable to the owners of the parent and non-controlling interests)	286	292
Other comprehensive income		
Items that will not be reclassified to profit or loss, net of the tax effect:		
Actuarial gains (losses)	(86)	76
attributable to the owners of the parent	(86)	76
attributable to non-controlling interests		
Items reclassified to profit or loss	11	12
Items that will or may be reclassified to profit or loss, net of the tax effect:		
Cash flow hedges - effective portion of changes in fair value	(4)	50
attributable to the owners of the parent	(4)	49
attributable to non-controlling interests		1
Net exchange rate gains		1
Total other comprehensive income (expense), net of the tax effect	(79)	139
Comprehensive income (attributable to the owners of the parent and non-controlling interests)	207	431
<i>Comprehensive income attributable to:</i>		
Owners of the parent	202	427
Non-controlling interests	5	4

Consolidated statement of changes in equity

millions of Euros

Equity														
	Reserves									Retained earnings (losses carried forward)	Profit for the period	Equity attributable to the owners of the parent	Equity attributable to non-controlling interests	Total equity
	Share capital	Legal reserve	Extraordinary reserve	Other reserves	Translation reserve	Hedging reserve	Actuarial reserve	Fair value reserve	Total reserves					
Balance at 1 January 2015	38,790	25	28	255	3	(291)	(395)		(375)	(1,661)	292	37,046	272	37,318
Capital increase (capital decrease)	(2,450)	(25)	(28)	(255)			2		(306)	2,756				
Dividend distribution													(8)	(8)
Allocation of profit for the previous year										292	(292)			
Change in consolidation scope														
Other changes				(40)					(40)			(40)	5	(35)
Comprehensive income					1	61	76		138		289	427	4	431
of which:														
Profit for the period											289	289	3	292
Gains/(losses) recognised directly in equity					1	61	76		138			138	1	139
Balance at 30 June 2015	36,340			(40)	4	(230)	(317)		(583)	1,387	289	37,433	273	37,706
Balance at 1 January 2016	36,340			(100)	4	(212)	(321)		(629)	1,388	448	37,547	289	37,836
Capital increase (capital decrease)													15	15
Dividend distribution													(12)	(12)
Allocation of profit for the previous year										448	(448)			
Change in consolidation scope														
Other changes													(1)	(1)
Comprehensive income						7	(86)		(79)		281	202	5	207
of which:														
Profit for the period											281	281	5	286
Gains/(losses) recognised directly in equity						7	(86)		(79)			(79)		(79)
Balance at 30 June 2016	36,340			(100)	4	(205)	(407)		(708)	1,836	281	37,749	296	38,045

Consolidated statement of cash flows

millions of Euros

	30.06.2016	30.06.2015
Profit for the period	286	292
Amortisation and depreciation	648	598
Share of losses of equity-accounted investees	(6)	(4)
Provisions and impairment losses	75	37
Profits on sales	(14)	(17)
Change in inventories	(136)	(62)
Change in trade receivables	336	(510)
Change in trade payables	(454)	(9)
Change in current and deferred taxes	24	(24)
Change in other liabilities	468	181
Change in other assets	(401)	(1,338)
Utilisation of the provisions for risks and charges	(47)	(55)
Payment of employee benefits	(29)	(42)
Net cash flows generated by (used in) operating activities	750	(953)
Increases in property, plant and equipment	(2,100)	(1,967)
Increases in investment property	(1)	
Increases in intangible assets	(34)	(56)
Increases in equity investments	(65)	(74)
Investments, before grants	(2,200)	(2,097)
Grants for property, plant and equipment	1,270	1,112
Grants for investment property		
Grants for intangible assets	5	
Grants for equity investments	50	69
Grants	1,325	1,181
Divestments of property, plant and equipment	21	33
Divestments of investment property		
Divestments of intangible assets		
Divestments of equity investments	1	
Divestments	22	33
Net cash flows used in investing activities	(853)	(883)
Disbursement and repayment of non-current loans	(763)	(265)
Disbursement and repayment of current loans	1,175	1,135
Change in financial assets	207	353
Change in financial liabilities	(94)	(82)
Changes in equity	2	(40)
Net cash flows generated by financing activities	527	1,101
Total cash flows	424	(735)
Opening cash and cash equivalents	1,305	1,308
Closing cash and cash equivalents	1,729	573

Interim financial statements of Ferrovie dello Stato Italiane S.p.A.

Statement of financial position

Euros

	30.06.2016	31.12.2015
Assets		
Property, plant and equipment	46,188,619	46,631,796
Investment property	491,300,238	495,697,316
Intangible assets	35,585,230	40,751,376
Deferred tax assets	213,663,074	216,513,175
Equity investments	35,061,749,047	35,061,749,047
Non-current financial assets (including derivatives)	5,149,902,070	4,955,020,659
Non-current trade receivables	5,523,239	5,951,878
Other non-current assets	713,308,173	741,695,836
Total non-current assets	41,717,219,690	41,564,011,083
Inventories	489,998,897	489,746,963
Current trade receivables	137,453,715	129,455,018
Current financial assets (including derivatives)	2,873,535,084	2,701,009,924
Cash and cash equivalents	847,821,492	257,675,108
Tax assets	81,657,839	82,388,664
Other current assets	1,099,582,789	1,068,079,921
Total current assets	5,530,049,816	4,728,355,598
Total assets	47,247,269,506	46,292,366,681
Equity		
Share capital	36,340,432,802	36,340,432,802
Reserves	(100,000,000)	(100,000,000)
Valuation reserves	(26,813)	357,416
Retained earnings	137,379,615	
Profit for the period	113,888,194	137,379,615
Total equity	36,491,673,798	36,378,169,833
Liabilities		
Non-current loans and borrowings	5,148,789,647	4,953,357,794
Post-employment benefits and other employee benefits	12,044,010	11,878,392
Provisions for risks and charges	139,350,236	146,844,806
Deferred tax liabilities	519,883,553	497,569,561
Non-current financial liabilities (including derivatives)	446,632	1,331,993
Other non-current liabilities	972,383,066	958,185,773
Total non-current liabilities	6,792,897,144	6,569,168,319
Current loans and borrowings and current portion of non-current loans and borrowings	2,126,590,095	1,416,336,462
Current trade payables	87,207,893	89,034,700
Tax liabilities		4,094,971
Current financial liabilities (including derivatives)	629,587,453	458,263,790
Other current liabilities	1,119,313,123	1,377,298,606
Total current liabilities	3,962,698,564	3,345,028,529
Total liabilities	10,755,595,708	9,914,196,848
Total equity and liabilities	47,247,269,506	46,292,366,681

Income statement

	Euros	
	First half 2016	First half 2015
Revenue from sales and services	67,603,704	69,170,285
Other income	2,256,002	3,546,428
Total revenue and income	69,859,706	72,716,713
Personnel expense	(24,334,258)	(23,905,869)
Raw materials, consumables, supplies and goods	(2,153,894)	(3,342,827)
Services	(25,560,817)	(26,956,827)
Use of third-party assets	(1,690,391)	(1,764,523)
Other operating costs	(18,606,570)	(12,838,878)
Internal work capitalised	83,180	143,209
Total operating costs	(72,262,750)	(68,665,715)
Amortisation and depreciation	(9,374,489)	(12,696,304)
Reversals of impairment losses	(655,725)	(81,539)
Provisions		
Operating loss	(12,433,258)	(8,726,845)
Gains on equity investments	127,331,228	85,693,134
Other financial income	75,345,369	153,696,953
Losses on equity investments	(26,791)	
Other financial expense	(70,699,526)	(73,591,876)
Net financial income	131,950,280	165,798,211
Pre-tax profit	119,517,022	157,071,366
Income taxes	(5,628,828)	(6,188,976)
Profit from continuing operations	113,888,194	150,882,390
Profit for the period	113,888,194	150,882,390

Statement of comprehensive income

	Euros	
	First half 2016	First half 2015
Profit for the period	113,888,194	150,882,390
Items that will not be reclassified to profit or loss:		
Actuarial gains (losses)	(521,162)	535,374
Tax effect on actuarial gains (losses)	136,933	(143,474)
Other comprehensive income (expense), net of the tax effect	(384,229)	391,900
Total comprehensive income	113,503,965	151,274,290

Statement of changes in equity

Euros

Equity									
	Share capital	Reserves				Total reserves	Retained earnings (losses carried forward)	Profit for the year	Total equity
		Other reserves			Valuation reserves				
		Legal reserve	Extraordinary reserve	Other reserves	Actuarial reserve				
Balance at 1 January 2015	38,790,425,485	25,106,231	27,896,982	254,599,169	(1,869,832)	305,732,550	(2,844,937,242)	89,212,009	36,340,432,802
Share capital decrease	(2,449,992,683)	(25,106,231)	(27,896,982)	(254,599,169)	1,869,832	(305,732,550)	2,755,725,233		
Dividend distribution									
Allocation of profit for the previous year							89,212,009	(89,212,009)	
Other changes				(40,000,000)		(40,000,000)			(40,000,000)
Comprehensive income of which:									
Profit for the year								150,882,390	150,882,390
Gains/(losses) recognised directly in equity					391,900	391,900			391,900
Balance at 30 June 2015	36,340,432,802			(40,000,000)	391,900	(39,608,100)		150,882,390	36,451,707,092
Balance at 1 January 2016	36,340,432,802			(100,000,000)	357,416	(99,642,584)		137,379,615	36,378,169,833
Capital increase						(1)			
Dividend distribution									
Allocation of profit for the previous year							137,379,615	(137,379,615)	
Other changes									
Comprehensive income of which:									
Profit for the year								113,888,194	113,888,194
Gains/(losses) recognised directly in equity					(384,229)	(384,229)			(384,229)
Balance at 30 June 2016	36,340,432,802			(100,000,000)	(26,813)	(100,026,814)	137,379,615	113,888,194	36,491,673,798

STATEMENT OF CASH FLOWS

	Euros	
	30.06.2016	30.06.2015
Profit for the period	113,888,194	150,882,390
Income taxes	5,628,828	6,188,976
Net financial income (expense)		(79,995,983)
Amortisation and depreciation	9,374,489	12,696,304
Provisions and impairment losses	1,282,543	211,685
Profits on sales		(189,629)
Change in inventories	(96,078)	(8,130,191)
Change in trade receivables	(7,570,058)	7,833,688
Change in trade payables	(1,826,807)	(4,067,638)
Change in other assets	117,424,794	(182,881,652)
Change in other liabilities	(364,242,787)	207,982,900
Utilisation of the provisions for risks and charges	(8,779,547)	(1,320,646)
Payment of employee benefits	(438,512)	(948,953)
Financial income collected/financial expense paid		4,500,768
Change in tax assets/liabilities	16,308,051	26,746,915
Net cash flows generated by (used in) operating activities	(119,046,890)	139,508,934
Increases in property, plant and equipment	(112,983)	(338,815)
Increases in investment property	(39,527)	(57,707)
Increases in intangible assets	(4,547,110)	(6,528,562)
Increases in equity investments		(5,489,500)
Investments, before grants	(4,699,620)	(12,414,584)
Grants for property, plant and equipment	38,741	
Grants for intangible assets	5,022,361	
Grants	5,061,102	
Divestments of property, plant and equipment	19	17,471
Divestments of investment property	114,556	
Divestments of equity investments		335,362
Divestments	114,575	352,833
Net cash flows generated by (used in) investing activities	476,057	(12,061,751)
Disbursement and repayment of non-current loans	(289,289,032)	(273,922,396)
Disbursement and repayment of current loans	1,194,974,518	1,040,252,034
Change in financial assets	(911,089,944)	(762,598,555)
Change in financial liabilities	(479,095)	
Changes in equity		(40,000,000)
Net cash flows generated by (used in) financing activities	(5,883,553)	(36,268,917)
Total cash flows	(124,454,386)	91,178,266
Opening cash and cash equivalents	1,046,135,283	287,898,056
Closing cash and cash equivalents	921,680,897	379,076,323
of which intercompany current account	73,859,403	227,220,398

Segment reporting by business segment

The financial highlights of the group's operating segments for the first six months of 2016 and 2015 are shown below:

	millions of Euros					
First half 2016	Transport	Infrastructure	Real Estate Services	Other Services	Adjustments and eliminations of operating segments	Ferrovie dello Stato Italiane group
Revenue from third parties	3,299	708	104	10		4,121
Inter-segment revenue	129	588	83	120	(790)	130
Revenue	3,428	1,295	187	130	(790)	4,250
Personnel expense	(1,153)	(756)	(18)	(69)	12	(1,984)
Other costs, net	(1,548)	(310)	(127)	(51)	775	(1,261)
Operating costs	(2,701)	(1,066)	(145)	(120)	787	(3,245)
Gross operating profit	727	229	42	10	(3)	1,005
Amortisation and depreciation	(575)	(51)	(16)	(6)		(648)
Impairment losses and accruals	(6)	(2)	(5)			(13)
Operating profit	146	176	21	4	(3)	344
Net financial income (expense)						
Income taxes	(39)	(18)	(2)	13		(46)
	(14)		(9)	12	(1)	(12)
Segment profit (loss) (attributable to the owners of the parent and non-controlling interests)	93	158	10	29	(4)	286

	millions of Euros					
30.06.2016	Transport	Infrastructure	Real Estate Services	Other Services	Adjustments and eliminations of operating segments	Ferrovie dello Stato Italiane group
Net invested capital	10,151	32,959	1,991	146	(389)	44,859

millions of Euros

First half 2015	Transport	Infrastructure	Real Estate Services	Other Services	Adjustments and eliminations of operating segments	Ferrovie dello Stato Italiane group
Revenue from third parties	3,277	671	100	10		4,058
Inter-segment revenue	134	560	82	119	(760)	135
Revenue	3,411	1,231	182	129	(760)	4,193
Personnel expense	(1,140)	(752)	(17)	(70)	13	(1,966)
Other costs, net	(1,533)	(332)	(122)	(39)	747	(1,279)
Operating costs	(2,673)	(1,084)	(139)	(109)	760	(3,245)
Gross operating profit	738	147	43	20		948
Amortisation and depreciation	(528)	(45)	(15)	(9)	(1)	(598)
Impairment losses and accruals	(13)	(3)	(2)		1	(17)
Operating profit	197	99	26	11		333
Net financial income (expense)	(90)	(17)	(2)	87		(22)
Income taxes	(20)	(2)	(12)	15		(19)
Segment profit (loss) (attributable to the owners of the parent and non-controlling interests)	87	80	12	113		292

millions of Euros

31.12.2015	Transport	Infrastructure	Real Estate Services	Other Services	Adjustments and eliminations of operating segments	Ferrovie dello Stato Italiane group
Net invested capital	9,898	32,880	2,000	160	(243)	44,695

"The manager in charge of financial reporting, Roberto Mannozi, states, pursuant to article 154-bis.2 of the Consolidated income tax act, that the accounting figures set out in this document are consistent with the documents, books and accounting records".