



**CONCESSIONI
AUTOSTRADALI
VENETE**

C.A.V. Concessioni Autostradali Venete
Registrazione n. 0004539/2019
del 26/03/2019 alle ore 12.22
DIR. AMM. DIR. GEN.



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CERTIFIED MANAGEMENT SYSTEM
ISO 39001

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CERTIFIED MANAGEMENT SYSTEM
ISO 9001 - ISO 14001
BS OHSAS 18001

Re: Periodic Investor Report

Venice, 26th March 2019

Dear Sirs,

Common Terms Agreement dated 6 April 2016 between, among others, the Issuer, the Bond Trustee, The PBCE Provider and the Security Agent (the Common Terms Agreement)

We refer to the Common Terms Agreement.

Capitalised terms not defined here below have the meanings given to those terms in the Common Terms Agreement.

This is a Periodic Investor Report.

The Relevant Period to which this Periodic Investor Report relates is **01/07/2018 – 31/12/2018**. Furthermore, it is clarified that the following information were done on the Annual Financial Statements basis.

General Overview

- a) During the Relevant Period the performance of the Project has been positive and even above the forecasts set out under the relevant Project Budget.
In particular, the profits (*utile*) during the Relevant Period are equal to Euro 13.841.553, which represent a considerable increase (Euro 3.446.042) against the forecasts set out under the applicable Project Budget (Euro 10.395.511).
- b) Further information is available in the Annual Financial Statements related to the fiscal year ended on 31 December 2018 attached herewith as Appendix A and in the comparison between the semi-annual Project budget and the results of the Semi-Annual Financial Statements (data are based on the abovementioned of Annual Financial Statements) attached herewith as Appendix B.

Maintenance Liabilities

- a) The overall Maintenance Liabilities incurred during the Relevant Period are equal to Euro 7.872.782. For further information please refer to page 9 of Appendix B.
- b) The overall Maintenance Liabilities forecasted for the Relevant Period under the Project Budget were equal to Euro 9.123.462. Therefore, there has been a saving of Euro 1.250.680 (-15,9%) compared to the forecasted Maintenance Liabilities.
For further details please refer to pages 8 to 10 of Appendix B.

Other Liabilities

- a) The Other Liabilities incurred during the Relevant Period are, in aggregate, equal to Euro 56.598.844. The details and amount of each of the line-items of the Other Liabilities are set out in pages 4 and 5 of Appendix B.
- b) The Other Liabilities forecasted to be incurred during the Relevant Period were, in aggregate, equal to Euro 59.613.709. Therefore, there has been a spending decrease of Euro 3.014.865 compared to the forecasted Other Liabilities.

For further details please refer to pages 4 and 5 of Appendix B.

Tariffs

Please find below the Tariffs for the Relevant Period.

Vehicle Class	Mestre By-Pass/A4	Closed System/A4	Open System/A57
A	0,09507	0,04467	0,04634
B	0,09745	0,04579	0,04754
3	0,11886	0,05268	0,05466
4	0,18912	0,08704	0,09029
5	0,22662	0,10537	0,10930

Since 1st January 2018 the adopted tolls increased by +0,32% compared to 2017.

For completeness of information, we would like to provide you with a brief overview on certain potential (although not yet effective) future developments concerning the regulatory framework for Italian motorway concessions.

In September 2018 the Italian Government has enacted a law decree (the "Law Decree") aimed at enlarging the competences of the Italian Transport Regulatory Authority ("ART").

The ART, as you may know, is in charge of developing and setting, for new motorway concessions in Italy, dedicated tariffs frameworks based on "price cap" schemes, with "x" factors to be set by the ART itself for each regulatory period.

By means of the Law Decree, the regulatory powers of the ART have been extended to cover not only new motorway concessions, but also certain existing motorway concessions. The ART has interpreted its new regulatory powers so as to include the periodic 5-year update of the PEFs/PFRs of: (i) motorway concessionaires that are involved in the realisation of new investments; and (ii) to a certain extent, all other existing motorway concessions.

Based on the Law Decree, on 18 February 2019 the ART has launched a public consultation in respect of a new tariff regime, based on the above mentioned principles, and which is meant to apply – in the ART's intentions – to the majority of Italian existing motorway concessions (irrespective of whether the relevant

concessions provide for new investments). According to the ART, such new tariff regime would apply also to CAV's concession.

The proposed tariff regime is not effective yet. Following the end of the consultation period, the ART will consider contributions and suggestions received and will issue a final new resolution to officially enact the new tariff regime.

The tariff regime proposed by the ART is strongly opposed by all Italian motorway concessionaires, by among others: (i) asserting that it is not possible to change the tariff regime currently applicable under existing concessions; and (ii) questioning the ART's power to intervene and alter the tariff regime of concessions (like CAV) where no new investments are contemplated.

Based on informal discussions had in the context of the Italian Association of Italian Motorway Concessionaires ("AISCAT"), almost all Italian concessionaires potentially affected by such proposed new tariff regime are planning to: (i) challenge ART's position and the proposed tariff regime in the context of the public consultation; and (ii) if the tariff regime will be, nonetheless, enacted by ART, challenge it before the competent courts.

CAV shares this position and is in fact envisaging to follow the same path and challenge ART's future resolution and the proposed new tariff regime both in the context of the public consultation and before the competent courts (should the tariff regime be formally enacted by ART).

Whilst we confirm that, as of today, the foregoing has no impact on CAV (since the proposed tariff regime is not effective), we also confirm that we will keep the Finance Parties informed about any material development in respect of the foregoing.

Traffic Figures

The Vehicles_km registered during the Relevant Period are 945.519.775, with an increase of approximately + 0,18% compared to the same period of 2017.

Project Revenues

- a) The overall Project Revenues (*production value*) during the Relevant Period are equal to Euro 83.927.270.
- b) The overall Project Revenues (*production value*) forecasted under the Project Budget for the Relevant Period were equal to Euro 83.711.004.
Therefore, there has been an increase of Euro 216.266 compared to the forecasts set out under the Project Budget (+ 0,26%) mainly due to the increase in the tariffs registered during the Relevant Period.
For further details please refer to pages 4 and 5 of Appendix B.

Insurance

The Insurances currently in place are the following:

- 1) ALL RISK POLICY
- 2) THIRD PARTY LIABILITY – I RISK
- 3) THIRD PARTY LIABILITY – II RISK
- 4) THEFT
- 5) WORK ACCIDENTS
- 6) FIRE/THEFT/KASKO VEHICLES
- 7) LEGAL COSTS INSURANCE
- 8) DIRECTORS & OFFICERS – I RISK
- 9) DIRECTORS & OFFICERS – II RISK
- 10) LIFE INSURANCE FOR DIRECTORS
- 11) PUBLIC OFFERING INSURANCE (P.O.S.I.)
- 12) ENVIRONMENTAL LIABILITY INSURANCE
- 13) CIVIL LIABILITY INSURANCE – SIMPLE NEGLIGENCE
- 14) CYBER RISK

The Insurances currently in place are the same Insurances that were in place at the time of the issue of the Project Bond and that have been analysed by the Insurance Advisor in that context.

In connection with the “All Risk Policy”, it’s useful to point out the following.

As stated previously, as of 1st April 2016, in accordance with the Insurance Due Diligence Report, the Issuer arranged the extension of the abovementioned “All Risk Policy”: the level of cover – in particular in respect of NatCat events – increased for the Property Insurance, comprehensive of business interruption guarantee.

Furthermore, it’s useful to point out that, as of 1st January 2019, the Issuer arranged an insurance cover called “Environmental Liability Insurance” (Insurance Company - HDI Global S.E).

In addition to this, as of 1st December 2018, the Issuer arranged an insurance cover called “Civil Liability Insurance – Simple negligence” (Insurance Company - Syndacate leader “ARCH” dei “Llyod’s di Londra”).

Last but not least, starting on 1st April 2019, the Issuer will be covered by a “Cyber RiskPolicy”.

No material insurance claim has been made during the Relevant Period.

Disputes

No new disputes having a value higher than Euro 1,000,000 have been commenced during the Relevant Period.

Acquisitions and/or Disposals

No Permitted Acquisitions have been made during the Relevant Period.

No Permitted Disposal having a value greater than Euro 500,000 has been made during the Relevant Period.

Restricted Payments

Restricted Payments have been made during the Relevant Period:

- Reimbursement of the VAT Subordinated Facility for Euro 25.979.366,50 on October 2018.

No Default or Trigger Event

We hereby certify that no Default has occurred or is continuing.

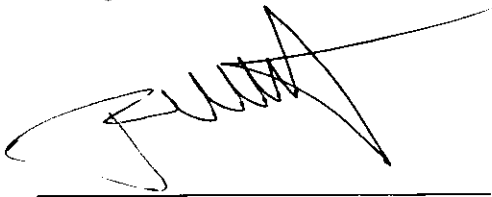
Reserve Accounts

Below are the amounts standing to the credit of the Maintenance Reserve Account, Debt Service Reserve Account and Capex Reserve Account as of 31 December 2018:

- a) Maintenance Reserve Account: Euro 4.273.901
- b) Debt Service Reserve Account: Euro 38.470.540
- c) Capex Reserve Account: Euro 27.079.815

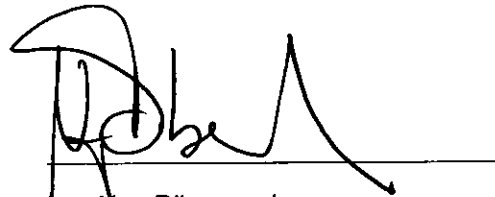
For completeness of information, please find attached herewith the Annual Financial Statements related to the fiscal year ended on 31 December 2018, both in the Italian and English version (Appendix C).

Kind regards,



Dott. Giovanni Bordignon
Authorised Signatory
for and on behalf of

Concessioni Autostradali Venete S.p.A.



Ing. Ugo Dibennardo
Authorised Signatory
for and on behalf of

Concessioni Autostradali Venete S.p.A.

Appendix A: Annual Financial Statements – Italian version.

Appendix B: Comparison between Semi-Annual Financial Statements and Project Budget.

Appendix C: Annual Financial Statements – English version.

AFSAD/GB/CR/cr