



ASTM – AUTOSTRADA TORINO-MILANO S.P.A.

Turin, 12 May 2006

PRESS RELEASE

2006 FIRST QUARTER REPORT

2006 First Quarter Report approved by the Board of Directors:

- Revenues from motorway operations increase by €6.3 million (+9.4%)
- Rise in maintenance work and personnel costs (due to the renewal of the national contract for motorway employees)
- “Gross operating margin” (EBITDA) in line with 2005

The Group gross operating margin (EBITDA) and net financial position can be summarized as follows (compared to corresponding 2005 data).

Total revenues and gross operating margin (EBITDA)

<i>(amounts in € millions)</i>	Q1 2006	Q1 2005	Changes
- Revenues from “motorway operations”	73.2	66.9	6.3
- Production of the “construction sector”	17.8	22.6	(4.8)
- Production of the “engineering sector”	5.5	7.4	(1.9)
- Other revenues	<u>5.2</u>	<u>5.6</u>	<u>(0.4)</u>
<u>Total revenues (A)</u>	101.7	102.5	(0.8)
<u>Total Operating Costs (B)</u>	(82.8)	(77.3)	(5.5)
<u>Capitalized costs on fixed assets (C)</u>	29.4	23.3	6.1
Gross operating margin - EBITDA (A – B + C)	<u>48.3</u>	<u>48.5</u>	<u>(0.2)</u>

The significant increase in “revenues from motorway operations” was offset by a reduction in extra-Group activity of the “engineering” and “construction” sectors and by an increase in “operating costs” (associated primarily with maintenance work and personnel costs). Consequently the “gross operating margin” for the first quarter of 2006 was basically in line with the corresponding figure for 2005.

More specifically, revenues from “motorway operations” totaled €73.2 million (€66.9 million in the first quarter of 2005). This increase over the corresponding period of 2005 (€6.3 million or 9.42%) was the result of increases in royalties from service areas (up €0.6 million) and in “toll

revenues” (up €5.7 million). This last change was the result of an increase in traffic (related - inter alia - to the XX Winter Olympics held in Turin in February 2006) and the additional tolls collected due to the opening of the Turin-Pinerolo motorway section (managed by subsidiary ATIVA S.p.A.), as well as the additional toll charges connected with progress on construction of the motorway link to the Exhibition area in Rho-Pero (under the management of SATAP S.p.A. – Tronco A4).

“*Production of the construction sector*” declined with respect to the same period of 2005 because of lower activities for the CAV TO-MI Consortium (which is building the high-speed rail line from Turin to Milan). The construction activity of the companies operating in this sector is therefore focused on Group projects.

There was also a reduction in “*production of the engineering sector*” due to the completion of some contracts and the absence of a one-off amount of €1.6 million that boosted results in the first quarter of 2005.

“*Operating costs*” increased by €5.5 million due to the anticipation of some maintenance works (equal to €1.7 million) and an increase in “personnel costs” (equal to €1.9 million), which primarily reflects the renewal of the national collective labor contract for motorway employees. The remaining increase derived from “costs for services” related in part to the opening of the new Turin-Pinerolo section, as well as the Winter Olympics.

The increase in “*capitalized costs on fixed assets*” reflects the significant volume of construction work completed by Group companies and accounted as “reversible goods”.

For the foregoing reasons, the “*gross operating margin*” (EBITDA) in the first quarter of 2006, equal to €48.3 million, was basically in line with the corresponding figure for 2005.

The main components of the **net financial position** at 31 March 2006, compared with those at 31 December 2005, can be summarized as follows (amounts in €millions):

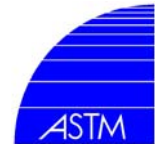
	31/3/2006	31/12/2005	Changes
Cash and cash equivalents	112.7	93.7	19.0
Other short-term financial assets	60.0	59.9	0.1
Short-term debt to banks and other lenders	(85.0)	(86.4)	1.4
Short-term balance	87.7	67.2	20.5
Other medium-long term financial assets (*)	5.7	5.6	0.1
Medium-long term debt to banks and other lenders	(597.1)	(561.4)	(35.7)
Net financial position	(503.7)	(488.6)	(15.1)

(*) Capitalization contracts and bonds that, though of multi-year duration, could be liquidated rapidly if required.

The net financial position of the Group at 31 March 2006, basically in line with the corresponding figure at 31 December 2005, shows a negative balance of €504 million (€489 million at 31 December 2005). If the net present value of the “payable to the Fondo Centrale di Garanzia and ANAS” had been included, this amount would have been €632 million (€615 million at 31 December 2005). Bank debts are guaranteed by the State for an amount of €31 million.

Among the **subsequent events** are the following:

- on 3 April 2006, within the context of a company reorganization affecting the "motorway construction and maintenance sector", which calls for the concentration of construction activities under the Argo Finanziaria Group through the merger by incorporation of



subsidiary **Itinera S.p.A.** into Grassetto Lavori S.p.A., the Court of Tortona appointed Deloitte & Touche S.p.A. as the independent expert pursuant to Article 2501-sexies of the Civil Code.

This transaction, aimed at creating functional and operational synergies, will be concluded by the end of 2006 and will result—based on the presumable share exchange ratio currently being assessed by the respective Boards of Directors—in the "deconsolidation" of the investment in Itinera S.p.A., which will be valued by the "equity method" in the consolidated financial statements;

- on 27 April 2006, subsidiary SATAP S.p.A., in a joint venture with Milano Serravalle-Milano Tangenziali S.p.A. and Grassetto Lavori S.p.A. based on a specific contract award, assumed the role of promoter for drafting the preliminary engineering for the **Broni-Pavia-Mortara** motorway section. This JV will be entitled to participate in the subsequent bidding (which will presumably be launched by the end of this year) to select the recipient of the related construction and operation concession.

The Chairman
Riccardo Formica