



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

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PRESS RELEASE

2005 THIRD QUARTER RESULTS

- **The Board of Directors approves the 2005 Third Quarter Report**
- **Third quarter results highlight an increase in revenues from “motorway operations” (+5.8%) against a reduction in “operating costs”: EBITDA thus increased by EUR 6.9 million (+13.9%);**
- **The net financial position improved by EUR 21 million.**

The consolidated gross operating margin (EBITDA) and the net financial position can be summarized as follows (compared with the corresponding data for 2004).

Revenues and result of operations

(amounts in EUR millions)

9 months 2005	9 months 2004		Q3 2005	Q3 2004
216.1	206.1	- Revenues from “motorway operations”	75.3	71.2
65.3	88.5	- Revenues from the “construction and engineering” sectors	16.4	29.9
<u>17.1</u>	<u>17.7</u>	- Other revenues	<u>5.6</u>	<u>4.7</u>
298.5	312.3	Total revenues (A)	97.3	105.8
(145.4)	(170.4)	Total operating costs (B)	(40.6)	(56.0)
<u>153.1</u>	<u>141.9</u>	Gross operating margin – EBITDA (A-B)	<u>56.7</u>	<u>49.8</u>

During the **third quarter 2005**, “revenues from motorway operations” rose by EUR 4.1 million (+5.8%) due to increases in both royalties from service areas (up EUR 1.2 million) and “net toll revenues” (up EUR 2.9 million). The latter was the result of a toll increase from the application of the “price-cap” formula and higher traffic volumes—particularly for subsidiary SAV S.p.A.—owing to the temporary closure of the Frejus tunnel.

This increase, along with a reduction in “operating costs” associated with a streamlining in maintenance activity compared with the same period of 2004, resulted in a “gross operating margin” (EBITDA) of EUR 56.7 million, with an **increase of EUR 6.9 million or 13.9%** versus the third quarter 2004. Revenues and costs for the “construction and engineering” sector declined as work on behalf of the C.A.V. TO-MI consortium was completed.



With reference to the period **1 January–30 September 2005**, revenues from “*motorway operations*” showed an increase of EUR 9.9 million (+4.83%). As previously mentioned, this was the result of a higher income from the service area concessions and toll revenues.

The reduction in “*operating costs*” reflects the decrease in maintenance activity with respect to the corresponding period of 2004. This decrease was partly offset by increases in personnel costs generated by the renewal of the national collective labor contract for the motorway sector (expired on 31 December 2003).

For the foregoing reasons, the “*gross operating margin*” (**EBITDA**) grew by **7.9%** to **EUR 153 million**. As noted above, the decline in revenues and costs for the “construction and engineering” sector was the result of completion of works on behalf of the C.A.V. TO-MI consortium.

The main components of the **financial situation** at 30 September 2005, compared with those at 30 June 2005, can be summarized as follows (amounts in EUR millions):

	30/9/2005	30/6/2005	Changes
Cash and cash equivalents	219.8	197.6	22.2
Other current financial assets	9.7	9.9	(0.2)
Short term debt - banks and other lenders	(189.0)	(195.6)	6.6
Short-term balance	40.5	11.9	28.6
Other medium-term financial assets (*)	4.6	5.9	(1.3)
Medium/long term debt - banks and other lenders	(442.3)	(436.2)	(6.1)
Net financial position	(397.2)	(418.4)	21.2

(*) Capitalization contracts and bonds that, though of multi-year duration, could be rapidly cashed-in on request.

The **net financial position** of the Group at **30 September 2005 improved** by **EUR 21 million** with respect to 30 June 2005 and shows a negative balance of EUR 397 million (EUR 418 million at 30 June 2005). This amount would be equal to EUR 530 million (EUR 550 million at 30 June 2005), when including the present value of the “amount owed to the Central Guaranty Fund and ANAS”.

The decrease in net debt during the period is the result of: i) the cash flow generated in the period, along with cash proceeds from the sale of the investments in Milano Serravalle – Milano Tangenziali S.p.A. (equal to EUR 140.3 million) and in Ferrovie Nord Milano S.p.A. (EUR 4.9 million), as well as the cash-in of the credit (EUR 18 million) deriving from the sale of the investment in SALT S.p.A. to SIAS S.p.A.; and ii) expenditures related to the expansion of the motorway infrastructure and the subscription by subsidiary SATAP S.p.A. of its share of the convertible bond loan issued by associate S.I.A.S. S.p.A. (with an outlay of EUR 102.8 million) and the purchase of additional shares in Assicurazioni Generali S.p.A. (for EUR 22.6 million).

The Chairman
Riccardo Formica

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