



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

Turin, 13 November 2006

## PRESS RELEASE

### 2006 3RD QUARTER REPORT

- **Board of Directors Approves the 2006 3rd quarter report.**
- **Itinera S.p.A. (a company operating in the "construction" sector) exit the consolidation area following its merger with Grassetto Lavori.**
- **The data for the first nine months of 2006 (for the same consolidation area) show growth in both “revenues from motorway operations” and “revenues from the engineering sector”, with a consequent increase in EBITDA of €14 million (+ 10%).**

During the third quarter of 2006, Itinera S.p.A. (company operating in the "construction" sector) was absorbed by merger into Grassetto Lavori S.p.A.. This merger resulted in the loss of control of Itinera S.p.A. during the quarter, based on the stock ratio agreed by the respective Boards of directors.

"Adjusted" accounting schemes were prepared to make the data comparable. In these schedules, the income statement data for the periods prior to 30 June 2006 are reported net of the individual components attributable to Itinera S.p.A., with separate indication of the “gross operating margin (EBITDA)” relative to that company.

The "adjusted" income statement components for the third quarter of 2006 and for the first nine months of 2006 (compared with the “adjusted” values for the corresponding period of 2005) can be summarized as follows (amounts in EUR thousands):

9 mos. 2006 “adjusted”	9 mos. 2005 “adjusted”	Changes		Q 3 2006	Q 3 2005 “adjusted”	Changes
235,186	216,096	19,090	<b>Revenues from motorway operations</b>	80,684	75,332	5,352
4,589	2,865	1,724	<b>Revenues from the construction sector</b>	2,427	884	1,543
23,086	18,660	4,426	<b>Revenues from the engineering sector</b>	8,532	6,208	2,324
22,489	39,011	(16,522)	<b>Other revenues</b>	7,939	10,163	(2,224)
<b>285,350</b>	<b>276,632</b>	<b>8,718</b>	<b>Total revenues (A)</b>	<b>99,582</b>	<b>92,587</b>	<b>6,995</b>
<b>(146,470)</b>	<b>(153,400)</b>	<b>6,930</b>	<b>Operating Costs (B)</b>	<b>(50,266)</b>	<b>(46,140)</b>	<b>(4,126)</b>
<b>15,281</b>	<b>16,909</b>	<b>(1,628)</b>	<b>Capitalized costs on non-current assets (C)</b>	<b>5,809</b>	<b>5,043</b>	<b>766</b>
<b>154,161</b>	<b>140,141</b>	<b>14,020</b>	<b>"Adjusted" gross operating margin - EBITDA (A+B+C)</b>	<b>55,125</b>	<b>51,490</b>	<b>3,635</b>
8,318	12,908	(4,590)	Gross operating margin Itinera S.p.A. and subsidiaries (D)	-	5,249	(5,249)
162,479	153,049	9,430	Gross operating margin (A+B+C+D)	55,125	56,739	(1,614)

The “revenues from motorway operations” in the **third quarter of 2006** increased by € 5.4 million

(+7.11%) attributable to an increase in royalties (+ €2.2 million) from service areas (due in part to contract renegotiations during the period) and to increased “toll revenues” (+ €3.2 million) related primarily to the opening of the Turin-Pinerolo motorway section (operated by subsidiary ATIVA S.p.A.) and to the increases in tolls applied as of 1 January 2006 by subsidiary SAV (partially offset by a reduction in traffic caused by the reopening of the Frejus international tunnel).

“*Revenues from the construction sector*” rose as a result of additional production on behalf of third parties.

“*Revenues from the engineering sector*” showed growth of €2.3 million, attributable to progress in design and project management activities.

The change in “*Other revenues*” reflects the fact that in the third quarter of 2005 this item included a one-off amount of €1.4 million paid by Telecom S.p.A. to subsidiary SATAP S.p.A. deriving from a waiver to use a fiber-optic cable.

The change in “*operating costs*” reflects an increase in the activity of companies operating in the engineering sector, as well as increased maintenance in the period by Group concession operators.

As a result, the “*adjusted gross operating margin*” (EBITDA) increased by € 3.6 million (+7.1%) compared to the same period of the previous year.

Regarding the **first nine months of 2006**, “*revenues from motorway operations*” showed an increase of € 19.1 million (+8.83%) and, as previously reported, benefited from increases in both royalties from service areas and motorway tolls (+ €13.6 million, equal to +6.58%). This increase resulted from the aforesaid events, as well as the traffic flows generated by the XX Winter Olympic Games held in Turin in February 2006.

“*Revenues from the construction sector*” reflect increased production volume, particularly in the third quarter, on behalf of third parties, while activity within the Group declined, as reflected in the reduction in “*capitalized costs on non-current assets*”.

“*Revenues from the engineering sector*” showed significant growth (+ €4.4 million) attributable primarily to the positive increase in the third quarter of 2006.

The change in “*Other revenues*” was essentially the result of a lower volume of work by SATAP S.p.A. on behalf of the CAV.TO.MI. consortium, with a corresponding decline in “operating costs”.

The reduction in “*operating costs*” is the combined effect of the lower volume of work on behalf to the CAV.TO.MI. consortium, the increased activity of companies operating in the engineering sector, and the increased maintenance activity of the concession operators.

As a result of the foregoing, the “*adjusted gross operating margin*” (EBITDA) increased by 10% (reaching €154.2 million).

Regarding the **financial position**, the following is a summary of its component items, considering that the data for Itinera S.p.A. at 30 June 2006 is indicated separately, for the reasons explained above (amounts in EUR thousands):

	<b>30/9/2006</b>	<b>30/6/2006</b> <b>“adjusted”</b>	<b>Changes</b>
Cash and cash equivalents	71,268	76,851	(5,583)
Other short-term assets	20,056	8,845	11,211
Short-term payables to banks and other lenders	(226,386)	(84,517)	(141,869)
<b>Short-term balance</b>	<b>(135,062)</b>	<b>1,179</b>	<b>(136,241)</b>
Other ML term financial assets (*)	51,109	50,613	496
ML term loans to banks and other lenders	(482,271)	(601,131)	118,860
<b>Net financial position</b>	<b>(566,224)</b>	<b>(549,339)</b>	<b>(16,885)</b>
Net financial position of Itinera S.p.A. and subsidiaries	-	(23,094)	23,094
Net financial position	(566,224)	(572,433)	6,209

(\*) Capitalization contracts and bonds that, though of multi-year duration, could be realised in the short term if required.

The net financial position of the Group at 30 September 2006, basically in line with the "adjusted" situation at 30 June 2006, shows a negative balance of €566 million (adjusted balance of €549 million at 30 June 2006). This amount, if the present value of the "payable to the Fondo Centrale di Garanzia ed ANAS" were included, would be equal to €698 million. The "loans to banks" are secured by the State for an amount of € 21 million.

The cash flows generated in the period were used primarily to finance upgrades on the motorway infrastructure.

The "net financial position" reflects, among other things, the reclassification of a loan (€150 million) due in 2007.

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The **events subsequent to** the closing at 30 September have included the following:

- on 11 October 2006, Borsa Italiana S.p.A. confirmed the inclusion of ASTM S.p.A. stock among the securities traded in the **MIDEX index**.
- today, the Board of Directors of Autostrada Torino-Milano S.p.A. voted to distribute an **advance dividend** for 2006 of €0.20 for each of the 88,000,000 outstanding common shares, for a total value of **€17.6 million**.

This advance, in conformity with the directives of Borsa Italiana S.p.A., will be payable as of 30 November 2006 (in which case the shares will be quoted ex-dividend as of 27 November 2006, against detachment of coupon no. 25)

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Regarding the report to the Italian Government filed on 19 October 2006 by the “**Authority for the supervision of contracts for public works, services and supplies**” concerning the implementation status of the investments set forth in the financial plans annexed to the respective concession agreements stipulated with ANAS, please note that, insofar as the concession operators belonging to the ASTM Group (SATAP S.p.A., SAV S.p.A., ATIVA S.p.A. and SITAF S.p.A.) are concerned, the amount of expenses sustained to upgrade the motorway infrastructure (as investments and maintenance) are substantially in line, with those contractually agreed with the Concessioneer.

With reference to the distribution of earnings by subsidiary SATAP S.p.A. (which operates the A4:Turin–Milan and A21:Turin–Alessandria–Piacenza motorway sections), please note that:

- regarding the A21 section, the distribution of dividends in a greater percentage than that established in the financial plan was in strict compliance with the program of investments and maintenance established in the convention, which, at the end of the five-year period of validity of that financial plan, resulted in a volume of investments and maintenance greater than originally agreed with ANAS;
- regarding the A4 section, the percentage of earnings distribution deriving from "core operations" was vastly lower than the amounts specified in the financial plan, thus permitting the company to bolster the resources within the company balance sheet earmarked for completion of the investment program stipulated with the concession provider and initially deferred due to causes not attributable to the company.

The Chairman  
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