



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

Turin, 27 March 2006

### PRESS RELEASE

#### 2005 FINANCIAL STATEMENTS

The Board of Directors of ASTM S.p.A. today examined the separate and consolidated financial statements for the year ended 31 December 2005:

- **Increase** in “revenues from motorway operations (+ 3.2%)”
- **Growth** in “gross operating margin” (EBITDA) of € 11.2 million (+ 5.85%)
- “**Net profit for the year**” € 254.1 million (+ € 153.6 million)
- **Increased dividend** (interim dividend + proposed balance) of **50%**

Annual general meeting of shareholders convened for 28 April 2006 (1st call) and 5 May 2006 (2nd call)

#### GROUP ECONOMIC PERFORMANCE

The main income statement components of the Gruppo for 2005, compared with the corresponding figures for 2004 (based on the IAS/IFRS accounting principles), can be summarized as follows:

<i>(values in € millions)</i>	<b>2005</b>	<b>2004</b>	<b>Changes</b>
Revenues from the motorway operations	286.3	277.4	8.9
Revenues from construction & engineering	98.1	141.8	(43.7)
Other revenues	26.2	22.4	3.8
Operating Costs	(208.0)	(250.2)	42.2
<b>Gross operating margin (EBITDA)</b>	<b>202.6</b>	<b>191.4</b>	<b>11.2</b>
Amortization/Depreciation and provisions, net	(37.2)	(38.2)	1.0
<b>Operating result (EBIT)</b>	<b>165.4</b>	<b>153.2</b>	<b>12.2</b>
Financial income <sup>(1)</sup>	131.1	11.3	119.8
Financial expense	(27.4)	(37.1)	9.7
Value adjustments to financial assets	54.4	28.7	25.7
<b>Net financial result</b>	<b>158.1</b>	<b>2.9</b>	<b>155.2</b>
<b>Net profit before taxes</b>	<b>323.5</b>	<b>156.1</b>	<b>167.4</b>
Income taxes (current and deferred)	(65.7)	(51.8)	(13.9)
<b>Net profit (loss) for the period</b>	<b>257.8</b>	<b>104.3</b>	<b>153.5</b>
▪ Minority portion	3.7	3.8	(0.1)
▪ <b>Group net profit</b>	<b>254.1</b>	<b>100.5</b>	<b>153.6</b>

(1) Including, for 2005, € 122 million in gains on investment disposals.



The “*revenues from motorway operations*” totaled € 286 million (€ 277 million in 2004), with an increase versus 2004 of € 9 million (+ 3.2%), attributable to growth in both revenues from service areas and motorway tolls (mainly related to tariff increases and the temporary closure of the Frejus Tunnel in the summer, which benefited subsidiary SAV S.p.A.). Regarding SATAP S.p.A. and ATIVA S.p.A., the toll increase, effective from 1 January 2005, was attributable to the “x” factor related to “expected productivity increases”, only.

The “*revenues from construction & engineering*” declined from the 2004 level as a result of completion, at the end of 2004, of some contracts related to construction of the Turin-Milan “High Capacity” rail line on behalf of the CAV TO-MI Consortium; the construction activity has been focused on Group projects.

“*Operating Costs*” decreased due to completion of the above mentioned contracts but included higher personnel costs, as a consequence of renewal of the national collective labor contract for the motorway sector (expired on 31 December 2003).

For the foregoing reasons, “*gross operating margin*” (**EBITDA**) rose by € 11.2 million (+ **5.85%**).

The item “*amortization/depreciation and provisions, net*”, for the motorway concession operators, reflects the content of the financial plans annexed to their respective concession arrangements.

The change in the “*financial income*” was essentially the result of the **gains (€ 114 million)** realized by the parent company and SATAP S.p.A. on the **sale of shares** in Milano Serravalle–Milano Tangenziali S.p.A. and by SINA S.p.A. on the sale of shares in SALT S.p.A. (equal to € 8 million).

The “*financial expense*” declined primarily as a result of total redemption of the bond loan, completed on 10 February 2005.

The item “*Profit (loss) from companies valued by the equity method*” benefited from the recognition of the Group portion of profit reported by affiliate SIAS S.p.A. (that was inclusive of a significant capital gains realized during the year).

The aforesaid elements resulted in “**Group profit for the period**” of **€ 254 million**. The “nonrecurring items” (net of relative tax effect), attributable to the capital gains realized on the sale of investments (both directly and through companies valued by the “equity method”), contributed € 149 million to that result.

## GROUP NET FINANCIAL POSITION

The principal components of the net financial position at 31 December 2005 (compared with those at 31 December 2004) can be summarized as follows:

<i>(values in € millions)</i>	<b>31/12/2005</b>	<b>31/12/2004</b>	<b>Changes</b>
Cash & cash equivalents	93.7	126.9	(33.2)
Other current financial assets	59.9	86.1	(26.2)
Amounts payable to bondholders - current	-	(123.0)	123.0
Amounts payable to banks and other lenders - current	(86.4)	(61.8)	(24.6)
<b>Current balance</b>	<b>67.2</b>	<b>28.2</b>	<b>39.0</b>
Other non-current financial assets <sup>(*)</sup>	5.6	6.0	(0.4)
Amounts payable to banks and other lenders - non-current	(561.4)	(445.1)	(116.3)
<b>Net financial position</b>	<b>(488.6)</b>	<b>(410.9)</b>	<b>(77.7)</b>

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



The net financial position of the Group at 31 December 2005 showed an indebtedness of € 489 million (€ 411 million at 31 December 2004). Including the present value of the “Fondo Centrale di Garanzia and ANAS debt”, this amount would be € 621 million. “Bank loan” are guaranteed by the State in the amount of € 49 million.

The cash flows generated during the period, as well as the cash arising by sale of the investments in Milano Serravalle-Milano Tangenziali S.p.A., SALT S.p.A. and Ferrovie Nord Milano S.p.A. (equal to € 198 million), were used i) to expand the **motorway infrastructure** (which registered an increase of € **206 million**) and ii) to subscribe the Group portion of the “SIAS S.p.A. 2005-2017” convertible bond loan, issued by affiliate SIAS S.p.A. (€ 103 million) and iii) to buy “investments” for a total value of € 77 million.

During the year, the parent company **paid dividends** totaling € **44 million** (€ 17.6 million as the balance on 2004 and € 26.4 million as the advance on 2005). The € 33 million decrease in net working capital was attributable to an increase in amounts payable to suppliers and subcontractors and related to the significant amount of investment made on the motorway infrastructure.

The parent company also **totally redeemed** the “ASTM Eurobond 2000-2005” **bond loan** (total principal € **120 million**).

**The debt-to-equity ratio** at year-end was **0.57**.

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With reference to the **parent company ASTM S.p.A.**, the **financial statements** (prepared in accordance with national GAAP) show net profit for 2005 of € **450.2 million** (€ 334.6 million in 2004). This increase was attributable primarily to the dividends received from subsidiary SATAP S.p.A. (equal to € 392.3 million), whose result reflected capital gains from the sale of investments.

The **net financial position** at 31 December 2005 shows an exposure of € **562.8 million** (€ 19 million at 31 December 2004). The change was due essentially to the significant increase in the investment portfolio during the year, with **acquisitions of shareholding** equal to a total of € **651.8 million**.

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The **subsequent events** to 31 December 2005 include the following:

- the Board of Directors of ANAS approved the plan financial of ATIVA S.p.A., on 16 March 2006, this plan calls for capital expenditures of € 194 million as well as the recognition of toll increases, effective from 1 January 2007, necessary to finance the proposed investment plan.
- today the Board of Directors of ASTM S.p.A. examined and approved the sale of the entire investment in **SITRASB S.p.A.**, (equal to 36.5% of the share capital) to subsidiary SAV S.p.A.; the selling price, determined based on an appraisal by an independent expert, was € 7,6 million.



This disposal is part of a project to reallocate the equity participations portfolio between the ASTM Group and thus represents transaction within related parties which by object, amount, procedures or timing has no effect on the safeguarding of company assets. The Company will therefore publish no informative document pursuant to Article 71-bis of CONSOB Reg. 11971/99 and subsequent modifications.

Please note, lastly, that none of the Directors of the companies involved in the transaction has any personal interest in the transaction and that no change in the compensation of directors is foreseen on the outcome of this transaction.

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The Board of Directors also convened the annual general meeting of shareholders for 28 April 2006 (1st call) and 5 May 2006 (2nd call), where it will propose the distribution of a **dividend - on balance - of € 0,30 per share** for a total of € 26,4 million.

The dividend—in conformity with the directives of Borsa Italiana S.p.A.—can be paid from 11 May 2006 (in which case the shares will be quoted ex-dividend from 8 May against detachment of coupon no. 24) if the shareholders approve the financial statements on 28 April 2006 (1<sup>st</sup> call), or from 18 May 2006 (in which case the shares will be quoted ex-dividend from 15 May against detachment of the aforesaid coupon) if the shareholders approve the financial statements on 5 May 2006 (2<sup>nd</sup> ca).

The total amount of the **dividend** for 2005, considering the € 0.30 interim dividend distributed in October 2005, will equal € **0,60** per share for a total of € 52.7 million (with an **increase** of **50%** over 2004).

Based on this proposed distribution, the “**dividend yield**”, on current share price, would be equal to **3,5%**.

The Chairman  
Riccardo Formica