



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

Turin, 12 November 2007

## **PRESS RELEASE**

### **2007 THIRD QUARTER REPORT AND ADVANCE DIVIDEND**

- **Board of Directors approves the 2007 3rd quarter report**
- **The data to 30 September 2007 show growth in both traffic and revenues with respect to the pro-forma data for the same period of the previous year; consequently EBITDA increased by €17.4 million (+ 4.7%).**
- **Investments in motorway infrastructure in the 3rd quarter equal €84 million (274 million euro in the period 1<sup>st</sup> January – 30 September 2007 “pro-forma”);**
- **An advance dividend of EUR 0.20 approved for each of the 88,000,000 ordinary shares representing the share capital, for a total value of €17.6 million.**

The consolidated gross operating margin (EBITDA), compared with the corresponding pro-forma data for 2006 <sup>(1)</sup> and consolidated net financial position are summarized below.

#### **Revenues and the operating result (EBITDA)**

<b>1.1-30.9-2007 pro-forma</b>	<b>1.1-30.9-2006 pro-forma</b>	<b>Changes</b>	<i>(amounts in € millions)</i>	<b>Q3 2007</b>	<b>Q3 2006 pro-forma</b>	<b>Changes</b>
548.2	528.7	19.5	<b>Revenues from motorway operations</b>	202.5	194.7	7.8
8.7	5.4	3.3	<b>Revenues from construction</b>	2.7	3.1	(0.4)
10.8	11.8	(1.0)	<b>Revenues from engineering</b>	5.1	4.7	0.4
20.1	11.1	9.0	<b>Revenues from technology</b>	4.7	2.6	2.1
43.9	41.0	2.9	<b>Other revenues</b>	13.8	13.6	0.2
<b>631.7</b>	<b>598.0</b>	<b>33.7</b>	<b>Total revenues (A)</b>	<b>228.8</b>	<b>218.7</b>	<b>10.1</b>
<b>(321.9)</b>	<b>(311.1)</b>	<b>(10.8)</b>	<b>Operating costs (B)</b>	<b>(107.2)</b>	<b>(99.8)</b>	<b>(7.4)</b>
<b>78.5</b>	<b>84.0</b>	<b>(5.5)</b>	<b>Costs capitalized on fixed assets (C)</b>	<b>24.3</b>	<b>27.3</b>	<b>(3.0)</b>
<b>388.3</b>	<b>370.9</b>	<b>17.4</b>	<b>GROSS OPERATING MARGIN (A+B+C)</b>	<b>145.9</b>	<b>146.2</b>	<b>(0.3)</b>
<b>3.7</b>	<b>-</b>	<b>3.7</b>	<b>Significant nonrecurring items</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>392.0</b>	<b>370.9</b>	<b>21.1</b>	<b>Adjusted gross operating margin</b>	<b>145.9</b>	<b>146.2</b>	<b>(0.3)</b>

For the **third quarter of 2007**, the revenues from *motorway operations* showed an increase of €7.8 million. This increase of 4% was the result of increases in both concession income (+ €0.5 million) from the service

<sup>(1)</sup> As you know, under the corporate reorganization of the ASTM and SIAS groups, completed in July 2007, ASTM S.p.A. acquired control of SIAS S.p.A. and its subsidiaries; effective in the third quarter, the data for that company and the Group it controls to it facente capo. To make the data sufficiently comparable, however, proforma income statements were prepared for the third quarter 2006 and the first nine months of 2006 and 2007, in which the effects of the reorganization were reflected as though it had occurred on 1 January 2006.

areas and toll revenues (+ €7.3 million). This latter change was due to an increase in traffic volume and an adjustment in the toll rates, effective for some section on 15 March 2007.

The amount of *revenues from construction* reflects a reduction in the volume of work performed both for third parties and for Group companies, the latter being reflected in the decrease of *costs capitalized on fixed assets*.

The *engineering sector* showed growth in activity on behalf of both third parties and Group companies.

The *revenues from technology* increased by €2.1 million as a result of growth in the work performed for third parties, partly offset by a reduction in the volume for Group companies.

The change in *operating costs* is attributable primarily to an increase in the concession charges levied on motorway concession operators.

For the foregoing reasons, the *gross operating margin* (EBITDA) was €145.9 million, in line with the same period of the previous year.

Regarding the nine months **ended 30 September 2007**, the revenues from *motorway operations* showed an increase of €19.5 million (+3.69%), attributable, as noted earlier, to an increase in both concession income (+ €1.7 million) from the service areas and toll revenues (+ €17.8 million).

The change in *revenues from construction* reflects the type of production completed during the period: an increase in activity on behalf of third parties versus a reduction in work in favor of Group companies (as reflected in the decrease of costs capitalized on fixed assets).

Regarding the *engineering sector*, a decline in activity for third parties was offset by an increase in output in favor of Group companies.

The *revenues from technology* increased by €9.1 million as a result of greater activity on behalf of third parties and particularly to completion by SSAT S.p.A. of a major contract for the CAV.TO.MI. Consortium (+ €5.5 million). This growth also had an impact on the amount of operating costs for the period.

The increase registered in *operating costs* was essentially the result of increases in concession fees (€7.4 million), costs related to the work on behalf of the aforesaid Consortium, costs sustained by the engineering companies (€3.5 million), and an increase in maintenance expenses related to a change in the timing of work on the motorway infrastructure.

The combined effect of the foregoing was a €17.4 million increase (+4.69%) in *gross operating margin* (EBITDA).

The caption *significant nonrecurring items*, equal to € 3.7 million, refers to the positive effect of *compliance with the amendments made in the legislation on employees leaving entitlements (TFR)* by Law no. 296 of 27 December 2006 and implementing decrees.

As far as the **financial situation** is concerned, the following table provides the principal components:

<i>(values in € millions)</i>	<b>30/9/2007</b>	<b>30/6/2007</b>	<b>Changes</b>
A) Cash and cash equivalents	648.6	59.4	589.2
B) Held-for-trading securities	-	-	-
<b>C) Liquidity (A) + (B)</b>	<b>648.6</b>	<b>59.4</b>	<b>589.2</b>
<b>D) Loans and notes receivable (*)</b>	<b>20.6</b>	<b>47.4</b>	<b>(26.8)</b>
E) Current bank debt	(335.6)	(35.0)	(300.6)
F) Current portion of non-current debt	(107.5)	(229.1)	121.6
G) Other current financial payables (**)	(5.3)	-	5.3
<b>H) Current financial debt (E) + (F) + (G)</b>	<b>(448.4)</b>	<b>(264.1)</b>	<b>(184.3)</b>
<b>I) Current financial (debt)/cash, net (C) + (D) + (H)</b>	<b>220.8</b>	<b>(157.3)</b>	<b>378.1</b>
J) Non-current bank debt	(1,027.7)	(594.4)	(433.3)
K) Bonds outstanding (**)	(199.9)	-	(199.9)
L) Other non-current payables	(0.6)	-	(0.6)
<b>M) Non-current financial debt (J) + (K) + (L)</b>	<b>(1,228.2)</b>	<b>(594.4)</b>	<b>(633.8)</b>
<b>N) Financial (debt)/cash, net (I) + (M)</b>	<b>(1,007.4)</b>	<b>(751.7)</b>	<b>(255.7)</b>

(\*) This item at 30 September 2007 related to guaranteed capital indexed financial instruments and bonds that, though multi-year in nature, can be converted into cash short term, if required.

(\*\*) Reported net of the “SIAS 2.625% 2005-2017” bonds held by parent company ASTM S.p.A.

The net financial position of the Group at 30 September 2007 showed a negative balance of €1,007 million (€752 million at 30 June 2007). This amount, inclusive of the present value of debt toward the Fondo Centrale di Garanzia and ANAS, would be €1,455 million (€881 million at 30 June 2007). Bank payables are guaranteed by the State for an amount of €33.9 million.

Of the increased debt with respect to 30 June 2007, €352.7 million is attributable to consolidation of the net financial position of the SIAS Group at 30 June 2007, following the **corporate reorganization** (€442.4 million), reported net of the “SIAS 2.625% 2005-2017” bonds held by ASTM S.p.A. (equal to €89.7 million).

In addition to the foregoing changes, part of the shares owned in Assicurazioni Generali S.p.A. were sold during the quarter in question (for total proceeds of €56.4 million), while incremental work was completed on the Group motorway infrastructure at a cost of €84 million.

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The following **salient events** have occurred since 30 September:

### **Equity investments**

On 29 October 2007, SIAS S.p.A. acquired 1,800,000 shares in Milano Serravalle - Milano Tangenziali S.p.A. from ABM Network Investments S.A., equal to 1% of the share capital, at a total cost of €13.4 million. As a result of that transaction, the ASTM Group's holding in Milano Serravalle - Milano Tangenziali S.p.A. rose from 12.595% to 13.595% of the share capital.

### **Relations with the Concession Provider**

Regarding work on the lots to complete the Asti-Cuneo motorway, CIPE, in its meeting of 4 October 2007, approved the draft single convention signed on 1 August 2007 between ANAS S.p.A. and **Autostrada Asti-Cuneo S.p.A.**

On 10 October 2007, the draft single conventions were signed for **SATAP S.p.A.** (A4 Turin-Milan section and A21 Turin-Piacenza section).

The projected investments total 1,038 million for the A4 Turin-Milan section and €256 million for the A21 Turin-Piacenza, to be completed over the residual duration of the concessions.

The draft convention will become effective upon completion of the authorization process required by applicable legislation (which includes approval of the convention text by CIPE, a positive opinion of the parliamentary committees, issue of an interministerial decree of approval by the Infrastructure and Economy ministers, and registration of the decree by the Court of Accounts).

On 7 November 2007, a draft single convention was signed for subsidiary **ATIVA S.p.A.**, calling for investments of €130 million to be completed over the duration of the concession.

The authorization process for this convention scheme is similar to that described above for the SATAP S.p.A. convention.

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### **Advance dividend**

The Board of Directors of the Autostrada Torino-Milano S.p.A. today approved the distribution of an **advance on the dividend** for 2007 equal to €0.20 for each of the 88,000,000 ordinary shares representing the share capital, for a total value of **€17.6 million**.

In conformity with the directives of Borsa Italiana S.p.A., this advance will be payable from 29 November 2007 (so the shares will be quoted ex-dividend beginning 26 November 2007), against detachment of coupon no. 27.

The Chairman  
Riccardo Formica



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*The Manager appointed to prepare the company accounting documents, Graziano Settime, hereby declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the documented results, books and accounting records.*

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