



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

Turin, 29 March 2007

### PRESS RELEASE

#### 2006 SEPARATE AND CONSOLIDATED 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 2006.

At the Group level:

- **Increase** in “revenues from motorway operations” (+ **9.75%**)
  - **Growth** in “gross operating margin” (EBITDA) of €17 million (+ **9.2%**)
  - **“Group portion of net profit”** equal to € 115.6 million (+ **€ 10 million**, net of 2005 “nonrecurring items”)
  - **Investments on motorway infrastructures: + €233 million**
- \*\*\*\*\*
- **Dividend** – on balance – of €0,20 per share (**total 2006 dividend €0,40 per share**)
  - **Group reorganization:** updated the time line

The annual general meeting is convened on 30 April 2007 (1st call) and **10 May 2007 (2nd call)**

#### GROUP PROFIT PERFORMANCE

The principal components of the 2006 "pro-forma" income statement<sup>(1)</sup> (compared with the corresponding items of 2005) can be summarized as follows:

<i>(values in € millions)</i>	2006 “pro-forma”	2005 “pro-forma”	Changes
Revenues from motorway operations	314.2	286.3	27.9
Revenues from construction	6.7	3.0	3.7
Revenues from engineering	27.1	28.7	(1.6)
Other revenues	37.2	57.1	(19.9)
Operating costs	(208.9)	(212.6)	3.7
Costs capitalized on fixed assets	28.5	25.1	3.4
<b>Gross operating margin (EBITDA)</b>	<b>204.8</b>	<b>187.6</b>	<b>17.2</b>
Amortization/depreciation and allocations, net	(44.4)	(33.7)	(10.7)
<b>Operating result (EBIT)</b>	<b>160.4</b>	<b>153.9</b>	<b>6.5</b>
Financial income	15.1	131.1	(116.0)
Financial expense	(30.6)	(26.5)	(4.1)
Profit (loss) from companies accounted for by the equity method	33.8	59.9	(26.1)
<b>Net financial income/loss</b>	<b>18.3</b>	<b>164.5</b>	<b>(146.2)</b>
<b>Pretax profit</b>	<b>178.7</b>	<b>318.4</b>	<b>(139.7)</b>
Income taxes (current and deferred)	(59.2)	(60.9)	1.7
<b>Net profit (loss) for the period</b>	<b>119.5</b>	<b>257.5</b>	<b>(138.0)</b>
• Minorities	3.9	3.4	0.5
• <b>Group net profit</b>	<b>115.6</b>	<b>254.1</b>	<b>(138.5)</b>

(1) After Itinera S.p.A. was “deconsolidated”, effective 1 July 2006, and consequently accounted for by the “equity method”, “pro-forma” income statements were prepared for 2006 and 2005 in which the valuation of that investment was included in the item “profit (loss) for companies accounted for by the equity method”, to make the data comparable.

The increase in 2006 of “*revenues from motorway operations*” (+9.75%) was attributable to an increase in both royalties earned on the service areas, due in part to renegotiation during the period (+ €7.7 million), and “*toll revenues*” (+ €20.2 million), the latter benefiting from both an increase in traffic and an increase in tolls collected due to the opening of the Turin-Pinerolo section of the motorway, operated by subsidiary ATIVA S.p.A.

The “*revenues from construction*” rose as a result of increased production outside the Group by subsidiary Strade S.p.A.

The decline in “*revenues from engineering*” related to greater activity within the Group by companies belonging to the sector.

The change in “*other revenues*” is attributable primarily to a decline in the volume of work SATAP S.p.A. performed on behalf of the CAV.TO.MI consortium and is reflected in a reduction of “*operating costs*”.

Against this decrease in “*operating costs*” due to the decline in work for the CAV.TO.MI consortium (equal to €19 million), there was a parallel increase in activity by the “*engineering*” companies (+ € 8 million) and in the additional costs sustained by the related motorway concession operators, due in part to the opening of the new Turin-Pinerolo section and the Winter Olympics (+ €7 million).

The increase in “*costs capitalized on fixed assets*” reflects the growth in activity within the Group by the “*engineering*” companies.

As a result, the “**gross operating margin**” (EBITDA) totaled €204.9 million (+9.2%).

The item “*amortization/depreciation and allocations, net*”, higher by €10.8 million, reflects, for the motorway concession operators, the provisions of the financial plans annexed to their respective concession agreements.

The item “*financial income*” includes gains deriving from the disposal of shares in Assicurazioni Generali S.p.A. and Autoroutes du Sud de la France S.A. for a total of €6.4 million. The 2005 accounts had benefited from significant gains realized on the disposal of shares in Milano Serravalle-Milano Tangenziali S.p.A. and SALT S.p.A. (totaling €122.5 million).

The rise in “*financial expense*” reflects the greater financial exposure due to advances in the massive program of investments in the motorways.

The item “*Profit (loss) from companies accounted for by the equity method*” represents the Group share of the results of affiliates SIAS S.p.A., SITAF S.p.A. and Road Link Ltd. (totaling €33.4 million), as well as the result of ITINERA S.p.A., equal to €0.4 million, reclassified to this item. The reduction reported for the period relates primarily to the lower contribution from controlled company SIAS S.p.A. (the SIAS Group also benefited from significant gains in 2005 deriving from the sale of shares in Milano Serravalle-Milano Tangenziali S.p.A.).

For these reasons, the Group portion of “**net result for the year**” was equal to **€115.6 million** (versus €254.1 million in 2005). This item showed **growth of €10 million** compared to the corresponding result for 2005 (considering the latter net of “*nonrecurring items*” of €148.6 million).

## GROUP NET FINANCIAL POSITION

The following table summarizes the chief components of the net financial position at 31 December 2006 (compared with those at 31 December 2005):

<i>(values in € millions)</i>	31/12/2006	31/12/2005	Changes
A) Cash and cash equivalents	81.7	93.7	(12.0)
B) Securities held-for-trading	1.6	59.9	(58.3)
<b>C) Cash (A) + (B)</b>	<b>83.3</b>	<b>153.6</b>	<b>(70.3)</b>
<b>D) Financial receivables (*)</b>	<b>51.5</b>	<b>5.6</b>	<b>45.9</b>
E) Short-term bank payables	(8.7)	(7.5)	(1.2)
F) Short-term portion of medium to long-term debt	(91.4)	(73.2)	(18.2)
G) Other short-term financial payables	-	(5.6)	5.6
<b>H) Short-term financial debt</b>	<b>(100.1)</b>	<b>(86.3)</b>	<b>(13.8)</b>
<b>I) Short-term financial (debt)/cash, net (C) + (D) + (H)</b>	<b>34.8</b>	<b>72.9</b>	<b>(38.1)</b>
J) Medium to long-term bank payables	(688.7)	(560.2)	(128.5)
K) Bonds outstanding	-	-	-
L) Other medium to long-term payables	-	(1.3)	1.3
<b>M) Medium to long-term financial debt (J) + (K) + (L)</b>	<b>(688.7)</b>	<b>(561.5)</b>	<b>(127.2)</b>
<b>N) Net financial (debt)/cash (I) + (M)</b>	<b>(653.9)</b>	<b>(488.6)</b>	<b>(165.3)</b>

(\*) This item relates to capitalization contracts and bonds that, though of multi-year duration, could be liquidated in the short term if required.

The net financial position of the Group at 31 December 2006 shows a negative balance of €654 million (versus €489 million at 31 December 2005). If the present value of “amount owed to the Fondo Centrale di Garanzia and ANAS” were included, this item would be equal to €779 million (€621 million at 31 December 2005). The “bank debt” is guaranteed by the State for an amount of €31.2 million.

The cash flows generated by operations (€92 million), along with the liquidity from the disposal of investments (€28 million), were used primarily to complete investments on the motorway **infrastructure operated by the Group** (which showed an **increase of € 233 million**). Dividends were also distributed by the parent company (for a total amount of €44 million, equal to the balance for 2005 and an advance on 2006) and by subsidiaries (to minority shareholders) in the amount of €3 million.

**The debt-to-equity ratio at year-end was equal to 0.71x.**

\* \* \* \* \*



Regarding **ASTM S.p.A.**, the financial statements for the year (also prepared in conformity with the IAS/IFRS international financial reporting standards) show a **net profit of €421.9 million** (€ 112.6 million in 2005), deriving essentially from dividends paid by subsidiaries and affiliates.

The **net financial position** at 31 December 2006 showed a debt exposure of € 149.4 million (€ 562.6 million at 31 December 2005).

The liquidity deriving from the collection of dividends from investments (€424.7 million) and from the disposal of investments (€47.1 million) was used to acquire shares in SIAS S.p.A. (€4.1 million) and to repay debt to subsidiary SATAP S.p.A. (€380.9 million) and to Sitech S.p.A. (€4 million), as well as to pay the interest accrued on those and other borrowings.

Dividends were paid on 2005 (€ 26.4 million) and an advance on the 2006 dividend (€ 17.6 million).

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As far as **events subsequent** to the reporting date, please note that, regarding the **expected authorization to update tolls**, ANAS S.p.A. with a directive of 27 December 2006 communicated its refusal to allow toll increases as of 1 January 2007.

On 10 March 2007, ANAS announced the toll adjustments provided by interministerial decree (issued by the Infrastructure and Economy ministries): because of presumed financial "benefits" deriving from the postponement of execution of a few investments contained in the economic-financial plans, SATAP S.p.A. (Section A4) was granted no increase in tolls (against a request for 1.42%), assuming the benefit related to postponement of planned investments to be 8.47%, SATAP S.p.A. (Section A21) was granted a toll increase of 0.36%, against a request for 1.18%, ATIVA S.p.A. was granted 0.74% against a request for 1.74%, and SAV S.p.A. was conceded a toll increase of 10.41%, against a request for 11.78%.

These concession operators immediately contested the method and procedure of the ANAS and interministerial determination, asking ANAS to examine the documentation and computations on which the Decree was based, and reserving the right to present its case to all the competent authorities to protect its rights and interests and to obtain compensation for all the damage incurred, and to be incurred, as a result of the denied toll increase, in conflict with the provisions of the concession contracts in force.

\* \* \* \* \*

The Board of Directors has convened the annual general meeting of shareholders on 30 April 2007 (1st call) and 10 May 2007 (2nd call), at which time it will propose the distribution of a **dividend, on balance, of €0.20 per share** for a total of €17.6 million.

This dividend—in conformity with the directives of Borsa Italiana S.p.A.—can be made payable from 10 May 2007 (in which case the shares will be quoted ex-dividend from 7 May 2007, against detachment of coupon no. 26) if the shareholders approve the financial statements on 30 April 2007 (1st call), or from 24 May 2007 (in which case the shares will be quoted ex-dividend from 21 May 2007, against detachment of that coupon), if the shareholder approve the financial statements on 10 May 2007 (2nd call).



**The total amount** of the **dividend** for **2006**, considering the advance of € 0.20 per share distributed in November 2006, would be **€0.40** per share, for a total of €35.2 million.

\* \* \*

With reference to the **Group reorganization programme** (approved by the BoD of SIAS and ASTM on the 21<sup>st</sup> December 2006), following the additional disclosures requested by ANAS on the corporate control of SATAP S.p.A., the BoD of ASTM has decided both to examine the above matter and to share the related result with ANAS.

The original timeline should change accordingly.

The Chairman  
Riccardo Formica