



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

Turin, 5 August 2009

PRESS RELEASE “HALF-YEARLY FINANCIAL REPORT” AS AT 30 JUNE 2009

The Board of Directors has approved the “Half-Yearly Financial Report” as at 30 June 2009:

- signs of recovery in 2Q₀₉ with regard to “light vehicles” (+3.61% in 2Q₀₉; -0.8% in 1H₀₉); the traffic volumes for “heavy vehicles” still show a negative trend (-14% in 1H₀₉);
- the “gross operating margin” (EBITDA) is equal to EUR 211 million (-7.0%), due to (i) the decrease in traffic volumes, (ii) the delayed approval of the toll increases required; and (iii) higher levels of maintenance operations;
- the “Group’s share of profit for 1H₀₉”, also taking into account the results of “associated companies”, is equal to EUR 37.8 million, up EUR 3.8 million (+11%);
- investments in motorway infrastructures during the half-year, amounting to EUR 93 million.

Especially in the second quarter of the year, the income statement started to show a reduction in the negative effects related to the current recession situation (in particular with regard to the “light vehicles” traffic performance), together with the partial reduction of the gap between due and approved toll rates, thanks to the toll increase that took effect from 1 May 2009. By making a comparison with the results for the first half of 2008, toll revenues are influenced, on the one hand, by the decrease in traffic volumes (mainly due to the “heavy vehicles” category) equal to approximately EUR 18.7 million and, on the other, by the application of the said toll increases for about EUR 7.7 million (against an amount due for the whole half-year period under review equal to approximately EUR 24 million).⁽¹⁾

TRAFFIC PERFORMANCE

The following table shows the traffic performance for the first half of the year ⁽¹⁾:

	2009			2008			Change		
	Light vehicles	Heavy vehicles	Total	Light vehicles	Heavy vehicles	Total	Light vehicles	Heavy vehicles	Total
Q1: 1/1 – 31/3	1,791,153	567,778	2,358,931	1,901,952	671,359	2,573,311	-5.83%	-15.43%	-8.33%
1/4 – 30/4	715,295	209,879	925,174	680,319	241,493	921,812	5.14%	-13.09%	0.36%
1/5 – 31/5	763,954	216,533	980,487	728,465	245,088	973,553	4.87%	-11.65%	0.71%
1/6 – 30/6	765,765	212,591	978,356	757,993	249,455	1,007,448	1.03%	-14.78%	-2.89%
Q2: 1/4 – 30/6	2,245,014	639,003	2,884,017	2,166,777	736,036	2,902,813	3.61%	-13.18%	-0.65%
1H: 1/1 – 30/6	4,036,167	1,206,781	5,242,948	4,068,729	1,407,395	5,476,124	-0.80%	-14.25%	-4.26%

⁽¹⁾ In order to ensure continuity in the comparison, these values do not take into account the figures for the “Asti-Cuneo” section.



Traffic figures for the “heavy vehicles” category are negatively influenced by the current recession trend, down 14% in the first half of 2009.

The traffic performance for the “light vehicles” category that, in the first quarter of 2009, recorded a 5.8% decrease, showed remarkable signs of recovery in the second quarter (+3.6%), with only a 0.8% decrease in the first half of 2009.

Based on the current trend, we can assume that traffic decrease could be limited to 3%-3.5% on an annual basis.

GROUP ECONOMIC PERFORMANCE

The main **revenue and expenditure items** of the first half of 2009 (with the corresponding figures of the same period of 2008) may be summarised as follows:

<i>(values in thousands of EUR)</i>	1st Half 2009	1st Half 2008	Changes
Motorway sector revenue	343,510	350,567	(7,057)
Construction sector revenue	725	1,003	(278)
Engineering sector revenue	6,674	3,806	2,868
Technology sector revenue	6,763	7,038	(275)
Other revenues	25,711	27,252	(1,541)
Operating costs	(202,392)	(204,991)	2,599
Capitalised costs on fixed assets	29,577	42,178	(12,601)
Gross operating margin	210,568	226,853	(16,285)
Significant “non-recurring” items	-	4,325	(4,325)
Adjusted gross operating margin	210,568	231,178	(20,610)
Net amortisation/depreciation and provisions	(88,120)	(98,848)	10,728
Operating income	122,448	132,330	(9,882)
Financial income	7,622	13,428	(5,806)
Financial charges	(42,254)	(53,442)	11,188
Capitalised financial charges	6,552	17,135	(10,583)
Profit (loss) of companies accounted for by the equity method	9,430	(13,789)	23,219
Net financial income	(18,650)	(36,668)	18,018
Profit before tax	103,798	95,662	8,136
Income taxes (current and deferred)	(34,308)	(35,644)	1,336
Profit (loss) for the period	69,490	60,018	9,472
▪ Minority interests’ share	31,730	26,077	5,653
▪ Group’s share	37,760	33,941	3,819

In the first half of 2009, “*motorway sector revenue*” decreased by approximately EUR 7.1 million. More specifically, “*net toll payments*” for the first half of 2009 totalled EUR 325.3 million (EUR 332.2 million in the first half of 2008). The decrease compared to the same period last year (-EUR 6.9 million) was due: i) to traffic decrease (especially with regard to the “heavy vehicles” category) due to the general economic trend (-EUR 18.7 million); ii) to higher revenues due to toll increases with effect from 1 May 2009 (+EUR 7.7 million), and iii) to the increase in the tolls applied to the Asti-Cuneo motorway section (+EUR 4 million) that, in the first half of 2008, had been applied only for the period 1 April-30 June.

The “*construction sector*” saw a decrease in both the work carried out for third parties and in the activities for Group companies, as highlighted by the decrease in the item “*capitalised costs on fixed assets*”, that was mainly due to the delayed effectiveness of the agreements and to the delay occurred in the implementation of the planned investment programmes.

The “*engineering sector*” saw an increase in production carried out for third parties (mainly due to an increase in work carried out by SINA S.p.A.) and a decrease in the activities carried out for Group Companies.

In the half year under review, the “*technology sector*” showed a turnover – achieved through the activities carried out for



third parties – which was substantially in line with the figures of the first half of 2008, while the activities for Group companies showed a decrease.

The decrease in the activities carried out by the “construction” and “technology” sectors (including the share relating to the “capitalised internal production” and “other revenues”), affected “*operating costs*” just partially since, during the half-year under review, there has been an overall increase in costs for motorway companies (due to early maintenance operations and “winter services”) for an amount of approximately EUR 8 million. This situation, together with the said decrease in “toll revenues” (equal to EUR 7 million) and in “engineering sector” contribution (equal to EUR 1 million) led to a decrease in the “*gross operating margin*” of approximately EUR 16 million.

In the first half of 2008, “*significant non-recurring items*” regarded the extraordinary income linked to the recognition, by the CAV.TO.MI. Consortium, of the reconstruction costs for the Novara Sud service area on the A4 section managed by SATAP S.p.A. (that was relocated in order to eliminate its interference with the stretch of the “High Speed” Turin-Milan railway line).

The item “*net amortisation/depreciation and provisions*” totalled EUR 88.1 million (EUR 98.8 million in the first half of 2008) and reflected – for motorway companies – the contents of the financial plans annexed to the related agreements.

The item “*financial income*” was mainly affected by the decrease in the yields related to the investments of available liquidity.

“*Financial charges*” are substantially in line with the corresponding figures of the first half of 2008, since the decrease in the benchmark interest rates was offset by a similar decrease in “*capitalised financial charges*”, due to the fact that some related works came into operation.

The item “*profit (loss) of companies accounted for by the equity method*” included the share of profits (losses) from associated companies. The increase in the first half of 2009 was due to the improvement in the result recorded by Autostrade Sud America - ASA s.r.l. (a company that, through the subsidiary Autopista do Pacifico S.A., controls the Chilean licensee Costanera Norte S.A.) that, in the first half of 2008, was penalised by both major foreign exchange losses and the recording (for an amount equal to EUR 15.7 million) of the pro-quota share of costs relating to the exercise of the “call option” granted to Impregilo International Infrastructures N.V. on 10% of the share capital of Autopista do Pacifico S.A..

With regard to the above, the Group’s share of “*profit for the period*” amounted to EUR 37.8 million (EUR 33.9 million in the first half of 2008).



GROUP FINANCIAL RESULTS

The main items of the consolidated financial position as at 30 June 2009, compared with the corresponding figures as at 31 December 2008, may be summarised as follows:

<i>(values in thousands of EUR)</i>	30/6/2009	31/12/2008	Changes
Fixed assets	3,207,596	3,230,554	(22,958)
Equity investments	559,695	450,753	108,942
Working capital	99,672	134,496	(34,824)
Invested capital	3,866,963	3,815,803	51,160
Provision for restoration, replacement and maintenance of non-compensated revertible assets	(138,554)	(145,014)	6,460
Employee severance indemnity and other provisions	(49,766)	(46,875)	(2,891)
Invested capital less provisions for medium- and long-term risks and charges	3,678,643	3,623,914	54,729
Shareholders' equity and profit (loss) (including minority interests)	1,696,255	1,633,156	63,099
Net financial indebtedness	1,380,608	1,388,978	(8,370)
Payable to ANAS-Central Insurance Fund	360,319	351,018	9,301
Other medium- and long-term payables (*)	241,461	250,762	(9,301)
Equity and minority interests	3,678,643	3,623,914	54,729

(*) This relates to the accrued liability on the discounting of the payable due to ANAS-Central Insurance Fund.

A breakdown of the item "Net financial indebtedness" has been provided below:

<i>(values in thousands of EUR)</i>	30/6/2009	31/12/2008	Changes
A) Cash and cash equivalents	200,712	208,230	12,482
B) Securities held for trading	-	-	-
C) Liquidity (A) + (B)	200,712	208,230	12,482
D) Financial receivables	30,275	155	30,120
E) Short-term borrowings	(117,563)	(94,417)	(23,146)
F) Current portion of medium/long-term borrowings (*)	(172,313)	(109,040)	(63,273)
G) Other financial liabilities	(3,627)	(6,809)	3,182
H) Short-term borrowings	(293,503)	(210,266)	(83,237)
I) Net short-term (borrowings) available funds (C) + (D) + (H)	(42,516)	(1,881)	(40,635)
J) Long-term borrowings (*)	(1,132,988)	(1,183,449)	50,461
K) Bonds issued (**)	(204,436)	(202,997)	(1,439)
L) Other long-term payables	(668)	(651)	(17)
M) Long-term borrowings (J) + (K) + (L)	(1,338,092)	(1,387,097)	49,005
N) Net borrowing (I) + (M)	(1,380,608)	(1,388,978)	8,370

(*) As regards the loans disbursed by Mediobanca S.p.A. to the subsidiary SATAP S.p.A. (expiring on 14 December 2009 for EUR 400 million and on 15 January 2010 for EUR 135 million), the possibility to extend their duration until December 2021 ("extension option") was taken into account upon their classification.

(**) Net of bonds "SIAS 2.625% 2005-2017" owned by the parent company ASTM S.p.A. (book value – at consolidated level – equal to EUR 91 million).

The "net financial position" as at 30 June 2009 – showing an improvement compared to 31 December 2008 – revealed net borrowings amounting to EUR 1,381 million. This amount, including the discounted value of the "payable due to ANAS-Central Insurance Fund", would be EUR 1,741 million (EUR 1,740 million as at 31 December 2008).

The "liquidity generated from operating activities" (equal to approximately EUR 212 million) was used for both the implementation of investments for a total amount of approximately EUR 95 million (of which **EUR 93 million** due to **enhancement works on the Group's motorway infrastructure**), for the acquisition of equity investments amounting to a total of around EUR 93 million (including the investment for the newly-formed Autostrade per il Cile S.r.l., equal to EUR 69 million) and for the acquisition of treasury stocks for EUR 1 million).



Dividends were paid both by the Parent Company, amounting to EUR 4.3 million, and by its Subsidiaries (to Third-party Shareholders) for a total of EUR 7.9 million.

With regard to the **maturity** of medium- and long-term loans (taking into account the extension option related to some loans), we point out the following:

- 10% to be repaid between 30 June 2009 and 30 June 2010;
- 21% to be repaid between 30 June 2010 and 30 June 2014;
- the remaining 69% to be repaid beyond 30 June 2014.

In order to prevent the **risk** from **interest rate changes**, the ASTM Group motorway companies signed “**hedging**” agreements (based on IRS) with major financial institutions, also taking into account the extremely favourable market conditions. To this date, 80% of the medium-/long-term indebtedness of the Group is at “fixed rate”/“hedged” and is governed on the basis of a **weighted average rate** of **3.8%**.

With regard to the **financial structure**, the Group is currently assessing the most suitable financial instruments in order to cope with the investment plan contained in signed agreements (or being signed). In this context, reference is made to the preliminary inquiries that are being carried out by Mediobanca S.p.A. and the European Investment Bank and the Cassa Depositi e Prestiti (Deposit and Loan Bank), aimed at financing the motorway works of the Group.

The Chairman
Mr Riccardo Formica

The manager in charge of drawing up the corporate accounting documents, Mr 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.

ASTM – Autostrada Turin-Milan S.p.A.
Registered Office: Course Queen Margherita, 165 10144 Turin – Offices: Via Bonzanigo, 22 – 10144 Turin (Italy)
Telephone (011) 43/92/111 (aut. sbd.) – Fax (011) 47/31/691
astm@autostradatomi.it
Web-Site: www.autostradatomi.it
Direction and coordination: Argo Finanziaria S.p.A.