



Consolidated interim report for the nine month  
ended 30 September 2008







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ended 30 September 2008

[ATLANTIA SpA](#)

Issued capital: €571,711,557.00, fully paid-up

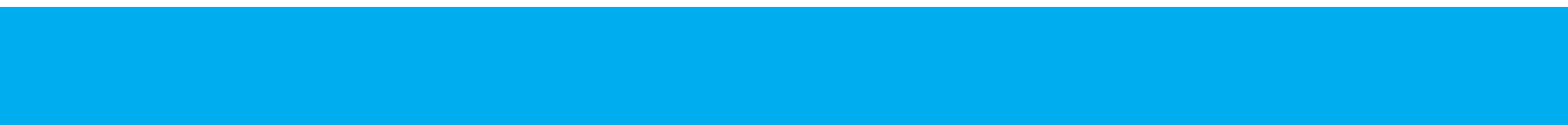
Tax code, VAT number and Rome Companies' Register no. 03731380261

REA no. 1023691

Registered office in Rome, Via Antonio Nibby, 20

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## I. Introduction

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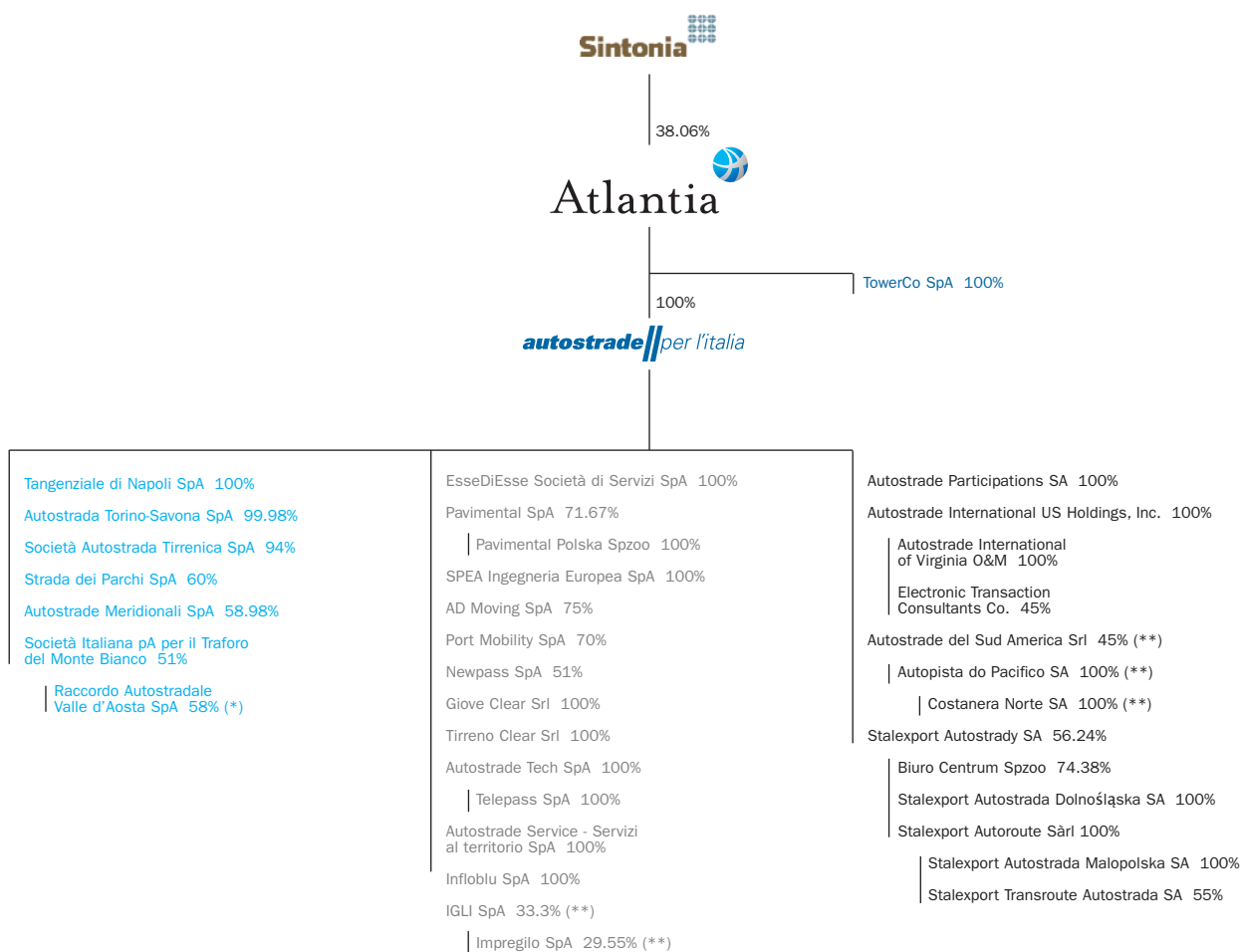


## Corporate bodies

Board of Directors for the three-year period 2006-2008	Chairman CEO Directors	Gian Maria GROS-PIETRO Giovanni CASTELLUCCI Salvador ALEMANY MAS (1) Gilberto BENETTON Alberto BOMBASSEI (independent) Amerigo BORRINI (2) Roberto CERA Alberto CLÒ (independent) Claudio COMINELLI (3) Sergio DE SIMOI (4) Piero DI SALVO (independent) Antonio FASSONE Guido FERRARINI (independent) Francesco Paolo MATTIOLI (3) (independent) Gianni MION Giuseppe PIAGGIO Luisa TORCHIA Andrea GRILLO
Executive Committee	Chairman Directors	Gian Maria GROS-PIETRO Alberto BOMBASSEI (independent) Giovanni CASTELLUCCI Gianni MION Giuseppe PIAGGIO
Internal Control and Corporate Governance Committee	Chairman Members	Giuseppe PIAGGIO Piero DI SALVO (independent) Guido FERRARINI (independent)
Human Resources Committee	Chairman Members	Alberto BOMBASSEI (independent) Amerigo BORRINI (2) Alberto CLÒ (independent) Francesco Paolo MATTIOLI (5) (independent) Gianni MION Giuseppe PIAGGIO
Supervisory Board	Chairman Members	Renato GRANATA Simone BONTEMPO Pietro FRATTA
Board of Statutory Auditors for three-year period 2006-2008	Chairman Auditors	Marco SPADACINI Tommaso DI TANNO Raffaello LUPI Angelo MIGLIETTA Alessandro TROTTER Giuseppe Maria CIPOLLA Giandomenico GENTA
Independent Auditors for the period 2006-2011	Alternate Auditors KPMG SpA	

(1) Resigned with effect 25 June 2008. (2) Resigned with effect 23 April 2008.  
(3) Co-opted on to the Board of Directors at the meeting of 9 May 2008. (4) Resigned with effect 29 April 2008.  
(5) Elected a member of the Human Resources Committee at the Board of Directors' meeting of 12 June 2008.

## Group structure



**Italian motorway activities**

Service companies

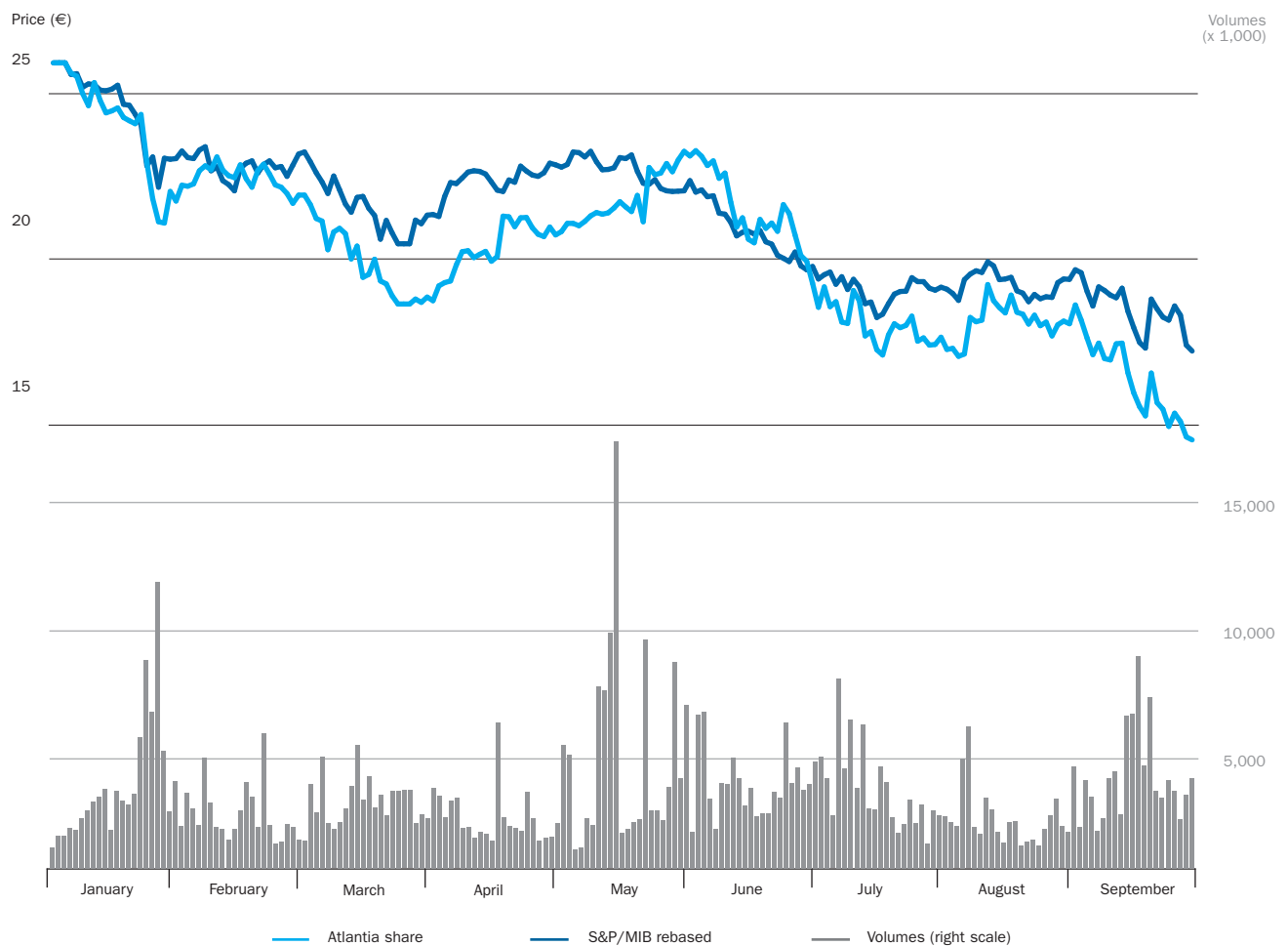
International development

Structure at 30 September 2008

(\*) Percentage of ordinary voting shares.  
(\*\*) Unconsolidated companies.

## Atlantia share price performance

SHARE INFORMATION	
Number of shares	571,711,557
Type of share	Ordinary
Final dividend per share for 2007 (May 2008, €)	0.37
Interim dividend per share for 2008 (November 2008, €)	0.34
Total dividend for 2008 (€)	0.71
Price at 30 September 2008 (€)	14.47
Low (30 September 2008, €)	14.47
High (02 January 2008, €)	25.62
Capitalisation at 30 September 2008 (€b)	8.3
Average daily trading volume (million)	3.1



## Group financial highlights

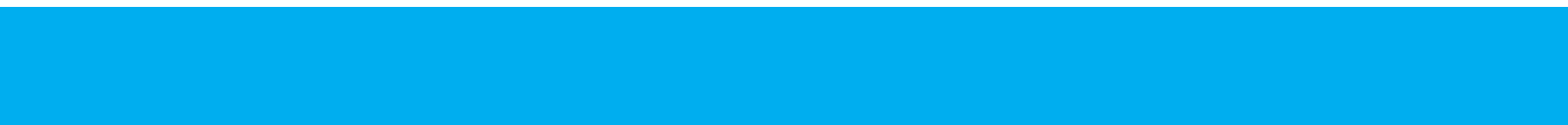
(€m)	9M 2008	9M 2007
Revenue	2,643	2,458
Net toll revenues	2,195	2,106
Other operating income	448	352
Gross operating profit (EBITDA)	1,686	1,611
<i>EBITDA margin</i>	63.8%	65.5%
Operating profit (EBIT)	1,355	1,315
<i>EBIT margin</i>	51.3%	53.5%
Profit/(Loss) from continuing operations	639	561
<i>Profit margin from continuing operations</i>	24.2%	22.8%
Profit for the period (including minority interest)	640	568
Profit for the period attributable to equity holders of the Parent	630	561
Operating cash flow (*)	1,092	962
Capital expenditure	783	871

(€m)	30 SEP 2008	31 DEC 2007
Equity	4,125	4,010
Net debt	9,227	9,241

(\*) Operating cash flow is calculated as Profit + Amortisation/depreciation + Provisions +/- (Loss)/Profit from discontinued operations/assets held for sale +/- Share of (loss)/profit of companies accounted for using the equity method +/- Impairments/Revaluations of financial assets + Share of deferred tax assets on the transfer of assets.

The following table shows Group financial highlights adjusted for the change in the basis of consolidation and non-recurring income of €29.4 million recognised in the first nine month of 2007, relating to the so-called "curtailment" (before €9.7 million in taxes) recognised on the restatement of provisions for post-employment benefits following the pension reform of 2007.

(€m)	9M 2008	9M 2007
Revenue	2,597	2,458
Net toll revenues	2,175	2,106
Other operating income	422	352
Gross operating profit (EBITDA)	1,671	1,581
<i>EBITDA margin</i>	64.3%	64.3%
Operating profit (EBIT)	1,351	1,285
<i>EBIT margin</i>	52.0%	52.3%
Profit/(Loss) from continuing operations	635	541
<i>Profit margin from continuing operations</i>	24.5%	22.0%
Profit for the period (including minority interest)	636	548
Profit for the period attributable to equity holders of the Parent	628	542



## 2. Report on operations

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## 2. Report on operations

## Consolidated financial review

### Introduction

The Atlantia Group's quarterly report for the nine month ended 30 September 2008 has been prepared on the basis of the provisions of art. 154-ter, "Financial reporting", of the Consolidated Finance Act introduced by Legislative Decree 195/2007, in implementation of EU Directive 2004/109/EC (the so-called Transparency Directive) regarding periodic reporting, and in compliance with the international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission.

This interim report for the nine month ended 30 September 2008 is unaudited.

The accounting standards and policies on which this document is based are consistent with those applied in the consolidated financial statements for the year ended 31 December 2007 and there has been no change in the basis of consolidation subsequent to that date.

However, it should be noted that, compared with the first nine month of 2007, the basis of consolidation has undergone the following changes:

- the line-by-line consolidation of the Polish group, Stalexport Autostrady (the "Stalexport group"), following the acquisition of the related controlling interest from 30 June 2007. The Stalexport group has thus led to a change in the basis of consolidation solely with reference to the consolidated income and cash flow statements for the first half of 2008;
- the line-by-line consolidation of the Texas-based US company Electronic Transaction Consultants ("ETC"), which the Atlantia Group acquired in late 2007.

As a result, the reclassified consolidated income and cash flow statements for the two comparative periods reflect the different contributions of these new companies, without, however, materially affecting the comparability of amounts for the two periods.

In order to facilitate analysis of the consolidated income and cash flow statements for the comparative nine-month periods, however, the contributions deriving from the above changes in the basis of consolidation (the Stalexport group and ETC) to each material item in the schedules presented, and to the income statement items described, have been indicated.

The following financial review provides detailed analysis of the reclassified consolidated income statement, changes in equity, income and expense for the period, changes in consolidated net debt and the consolidated cash flow statement for the period. All amounts are compared to the corresponding amounts for the same period of the previous year. The consolidated balance sheet and the analyses of consolidated net debt and working capital are compared with the corresponding amounts at 31 December 2007.

The reclassified consolidated income statement, changes in consolidated net debt and the consolidated cash flow statement also show amounts for the third quarter of 2008, compared with those for the third quarter of 2007.

### Consolidated results of operations

Total revenue for the first nine month of 2008 amounts to €2,642.8 million, marking an increase of €185.1 million (7.5%) on the same period of 2007 (€2,457.7 million). The contribution deriving from the changes in the basis of consolidation (the Stalexport group and ETC) to consolidated total revenue for the first nine month of 2008 amount to €46.1 million. On a like-for-like basis of consolidation, total revenue is thus up €139.0 million (5.7%).

Net toll revenues of €2,195.2 million are up €88.8 million (4.2%) on the same period of 2007 (€2,106.4 million). On a like-for-like basis of consolidation, net toll revenues are up €69.0 million (3.3%), essentially as a result of the rises applied to toll charges. The increase for Autostrade per l'Italia, the Group's most important concessionaire, was 3.61% from 1 January 2008.

Traffic using the Group's network was, on the other hand, down 0.5% on the first nine month of 2007, reflecting the current economic downturn.

The above toll charge increase applied by Autostrade per l'Italia includes a portion recognised with regard to works envisaged in the IV Addendum of 2002 (so-called X investments). The related income does not contribute to annual revenue until the works under construction have entered service; until that date, this revenue component is deferred and treated as long-term deferred income, in that it relates to future financial years and will be recognised subsequent to the commissioning of works that are still under con-

struction. For the first nine month of 2008, the overall value recognised for X investments, less the amount recognised in the income statement for works that have already entered service, totals €15.8 million (€12.2 million for the first nine month of 2007).

Contract revenue of €52.8 million is up €42.8 million on the first nine month of 2007 (€10.0 million). ETC's contribution to contract revenue for the first nine month of 2008 amounts to €12.1 million. On a like-for-like basis of consolidation, contract revenue has thus increased €30.7 million, almost entirely reflecting the increased volume of work carried out by Pavimental for external customers, primarily regarding the upgrading and restructuring of a number of runways at Fiumicino and Cagliari airports.

Other operating income of €394.8 million is up €53.4 million (15.6%) on the first nine month of 2007 (€341.4 million). On a like-for-like basis of consolidation, other operating income is up €39.2 million (11.5%), primarily due to one-off payments received during the period, following completion of tender processes organised to renew expiring concession agreements for service areas. This item regards:

- a) income from service areas of €169.4 million, which has risen €27.5 million (19.4%) compared with the same period of 2007. As noted above, this increase essentially reflects the one-off payments (€22.8 million) received from the concessionaires awarded contracts on renewal of expiring concession agreements for service areas on the Group's network. Current royalties are up 4.3%, principally following the introduction of new services, the opening of new service areas on the Group's network and increases in royalties designed to keep pace with inflation;
- b) Telepass (€54.6 million) and Viacard (€17.1 million) fees, which are up €4.7 million (7.0%) on the first nine month of 2007, reflecting increases in the average numbers of Telepass Family devices (up 392,000) and Telepass Business devices (up 151,000) in use and income deriving from the "Telepass Premium" service;
- c) other sales and service revenues of €153.7 million, which are up €21.2 million (16.0%) compared with the first nine month of 2007, essentially reflecting consolidation of the Stalexport group and ETC (in total €13.9 million). This item also includes concession fees, especially from the rental of multi-operator towers to mobile operators, revenues from global service provision and advertising, and reimbursements and damages received.

Net operating costs of €957.2 million have increased €110.0 million (13.0%) compared with the first

nine month of 2007 (€847.2 million). On a like-for-like basis of consolidation, changes in which contribute €31.2 million to net operating costs, and after adjusting for non-recurring income (the "curtailment") recognised in 2007 (€29.4 million), net operating costs have increased €49.4 million (5.6%).

This reflects the following:

- a) a rise in the cost of materials and external services, after deducting capitalised expenses, of €47.0 million (10.3%), including €13.2 million attributable to the above changes in the basis of consolidation. The rise in these costs, which amount to €502.8 million, essentially reflects the increased volume of work carried out by Pavimental for external customers. Both charges for professional services and consultants and the fees payable to ANAS from income earned on sub-concessions at service areas rose, in each case as a result of the above renewals of expiring concessions. Finally, the increase in the cost of materials and external services also reflects the lower amount of capitalised expenditure as a result of the completion of Autostrade per l'Italia's planned resurfacing of motorways with draining pavement;
- b) an increase of €2.1 million (8.6%) in "Other operating costs and gains/(losses)", amounting to €26.5 million for the first nine month of 2008. This item includes charges for grants and donations, indirect taxes and other taxation, the payment of damages and fines, the balance of gains and losses on the sale of operating assets;
- c) an increase in staff costs, after deducting capitalised expenses, of €60.9 million (16.6%). As noted above, the increase primarily reflects non-recurring income (the "curtailment") recognised in 2007 (€29.4 million), following the recalculation of post-employment benefits as a result of the pension reform of 2007, and the increase in the average workforce resulting from the changes in the basis of consolidation, which account for €17.6 million of staff costs. On a like-for-like basis of consolidation and after adjusting for the above "curtailment", staff costs are thus up €7.5 million (1.8%). This is essentially due to the increase in the average unit cost following renewal of the labour contract for motorway companies that expired at the end of 2007, and the cost of providing medical insurance for employees. The average workforce, on the other hand, remained substantially unchanged. Finally, capitalised staff costs are down €6.4 million due to the commissioning of works for which staff costs had been previously capitalised.

"Gross operating profit" (EBITDA) of €1,685.6 million is up €75.1 million (4.7%) on the first nine

month of 2007 (€1,610.5 million). On a like-for-like basis of consolidation and after adjusting for the above "curtailment", the increase in gross operating profit is €89.6 million (5.7%), resulting in a margin of 64.3% for the first nine month of 2008. This is in line with the figure for the same period of 2007.

"Operating profit" (EBIT) of €1,354.6 million has improved €40.1 million (3.1%) on the first nine month of 2007 (€1,314.5 million). After adjusting for the above changes in the basis of consolidation and the "curtailment", the increase is €65.6 million (5.1%), representing a margin of 52.0% (52.3% for the first nine month of 2007).

In addition to the above factors, the operating result reflects the impact of:

- a) a €26.8 million (10.0%) increase in depreciation, of which €6.6 million attributable to the changes in the basis of consolidation, primarily due to the entry into service of new motorway assets during the last twelve month;
- b) growth in provisions, which, after taking account of uses, are up €8.1 million, with €4.4 million attributable to the changes in the basis of consolidation.

"Profit from continuing operations" amounts to €638.6 million, marking an increase of €77.7 million (13.8%) on the first nine month of 2007 (€560.9 million). After adjusting for the above changes in the basis of consolidation and the "curtailment", profit from continuing operations is up €94.0 million (17.4%).

Net financial expenses of €369.5 million are up €15.2 million (4.3%) on the figure for the same period of 2007, essentially due to an increase in average debt during the first nine month of 2008, whilst increases in the related floating rates of interest had only a marginal impact.

Capitalised financial expenses, amounting to €28.2 million, are up €6.9 million (32.1%) on the first nine month of 2007, reflecting the state of progress of works on the Group's network.

The use of the equity method to measure the Group's share of the profit/(loss) of associates and joint ventures has resulted in a net loss of €24.7 million, compared with a loss of €6.4 million for the first nine month of 2007. The net loss for the first nine month of 2008, as measured using the equity method, is primarily due to estimated non-recurring expenses incurred by Autostrade del Sud America, in connection with its purchase of a call option on 10% of the share capital of Autopista do Pacifico held by Impregilo.

Income tax expense for the period amounts to €350.1 million, representing a decrease of €64.2 million (15.5%) compared with the first nine month of 2007. On a like-for-like basis of consolidation and after adjusting for the tax effect of above "curtailment", income tax expense for the period is down €55.0 million (13.6%). The reduction in the tax rate for the period reflects both reduced nominal rates for IRES and IRAP (down a nominal 5.85% overall from 37.25% to 31.40%), as provided for in the 2008 Finance Act, and the net tax benefit of the deduction of certain off balance-sheet items by certain Group companies in previous years.

Finally, the profit from discontinued operations amounts to €1.2 million, marking a reduction of €5.8 million compared with the first nine month of 2007 (€7.0 million), when the figure essentially included gains on the sale of investments in Autostrade Lombarde and Società di Progetto Brebemi.

Profit for the period is thus €639.8 million, marking an improvement of €71.8 million (12.6%) on the first nine month of 2007 (€568.0 million). This consists of profit attributable to equity holders of the Parent of €630.0 million (up 12.3% on the figure for the first nine month of 2007, totalling €561.0 million) and profit attributable to minority interest of €9.8 million (a profit of €7.0 million recorded in the same period of 2007). After adjusting for the above changes in the basis of consolidation and the "curtailment", profit attributable to equity holders of the Parent amounts to €628.3 million, representing an increase of 15.9% on the first nine month of 2007, when the figure was €542.2 million.

In order to more clearly explain the operating results for the first nine month of 2008 in comparison with the same period of the previous year, in addition to the reclassified consolidated income statement, an income statement for the two comparative periods has also been included that has been adjusted for the above changes in the basis of consolidation (the Stalexport group and ETC) and for non-recurring items ("curtailment"), thus assuring like-for-like comparisons.

Given that there are no material non-recurring items in the following reclassified consolidated income statements for the third quarters of 2008 and 2007, the change in the basis of consolidation (exclusively referring to ETC) has had a modest impact on the margins shown and has not affected comparability.

CONSOLIDATED INCOME STATEMENT (€000)						
	01 JAN 2008 30 SEP 2008	01 JAN 2007 30 SEP 2007	CHANGE ABSOLUTE	%	% ON REVENUES 01 JAN 2008 30 SEP 2008    01 JAN 2007 30 SEP 2007	
Net toll revenues	2,195,181	2,106,355	88,826	4.2	83.1	85.7
Contract revenues	52,816	9,963	42,853	-	2.0	0.4
Other operating income	394,843	341,441	53,402	15.6	14.9	13.9
<b>Total revenues</b>	<b>2,642,840</b>	<b>2,457,759</b>	<b>185,081</b>	<b>7.5</b>	<b>100.0</b>	<b>100.0</b>
Net cost of materials and external services	-502,764	-455,730	-47,034	10.3	-19.0	-18.5
Other operating costs and gains/(losses)	-26,505	-24,401	-2,104	8.6	-1.0	-1.0
Staff costs	-452,676	-398,181	-54,495	13.7	-17.1	-16.2
Capitalised staff costs	24,738	31,119	-6,381	-20.5	0.9	1.3
<b>Total operating expenses, net</b>	<b>-957,207</b>	<b>-847,193</b>	<b>-110,014</b>	<b>13.0</b>	<b>-36.2</b>	<b>-34.5</b>
<b>Gross operating profit (EBITDA)</b>	<b>1,685,633</b>	<b>1,610,566</b>	<b>75,067</b>	<b>4.7</b>	<b>63.8</b>	<b>65.5</b>
Amortization, depreciation, impairment losses and reversals of impairment losses	-294,619	-267,805	-26,814	10.0	-11.1	-10.9
Provisions and other adjustments	-36,347	-28,214	-8,133	28.8	-1.4	-1.1
<b>Operating profit (EBIT)</b>	<b>1,354,667</b>	<b>1,314,547</b>	<b>40,120</b>	<b>3.1</b>	<b>51.3</b>	<b>53.5</b>
Financial income/(expenses)	-369,474	-354,265	-15,209	4.3	-14.0	-14.4
Capitalised financial expenses	28,223	21,358	6,865	32.1	1.1	0.9
Share of profit/(loss) of company accounted for using the equity method	-24,662	-6,353	-18,309	-	-0.9	-0.3
<b>Profit before tax from continuing operations</b>	<b>988,754</b>	<b>975,287</b>	<b>13,467</b>	<b>1.4</b>	<b>37.4</b>	<b>39.7</b>
Income tax expenses	-350,106	-414,322	64,216	-15.5	-13.2	-16.9
<b>Profit from continuing operations</b>	<b>638,648</b>	<b>560,965</b>	<b>77,683</b>	<b>13.8</b>	<b>24.2</b>	<b>22.8</b>
Profit/(loss) from discontinued operations/assets held for sale	1,154	7,006	-5,852	-83.5	1.4	0.3
<b>Profit for the period</b>	<b>639,802</b>	<b>567,971</b>	<b>71,831</b>	<b>12.6</b>	<b>24.2</b>	<b>23.1</b>
Profit/(Loss) attributable to minority interest	-9,801	-7,022	-2,779	39.6	-0.4	0.3
<b>Net profit attributable to equity holders of the Parent</b>	<b>630,001</b>	<b>560,949</b>	<b>69,052</b>	<b>12.3</b>	<b>23.8</b>	<b>22.8</b>

(€)	01 JAN 2008 30 SEP 2008	01 JAN 2007 30 SEP 2007	CHANGE
<b>Basic earnings per share</b>	<b>1.10</b>	<b>0.98</b>	<b>0.12</b>
of which:			
continuing operations	1.10	0.97	0.13
discontinued operations/assets held for sale	0.00	0.01	-0.01
<b>Diluted earnings per share</b>	<b>1.10</b>	<b>0.98</b>	<b>0.12</b>
of which:			
continuing operations	1.10	0.97	0.13
discontinued operations/assets held for sale	0.00	0.01	-0.01

## 2. Report on operations

LIKE-FOR-LIKE CONSOLIDATED INCOME STATEMENT										
(€000)										
	01 JAN 2008	CHANGE IN THE	01 JAN 2008	01 JAN 2007	NON	01 JAN 2007	CHANGE		% ON REVENUES	
	30 SEP 2008	BASIS OF	30 SEP 2008	30 SEP 2007	RECURRING	30 SEP 2007	ABSOLUTE	%	01 JAN 2008	01 JAN 2007
		CONSOLIDATION	ADJUSTED		ITEM (1)	ADJUSTED			30 SEP 2008	30 SEP 2007
Net toll revenues	2,195,181	19,823	2,175,358	2,106,355		2,106,355	69,003	3.3	83.8	85.7
Contract revenues	52,816	12,115	40,701	9,963		9,963	30,738	308.5	1.6	0.4
Other operating income	394,843	14,159	380,684	341,441		341,441	39,243	11.5	14.7	13.9
<b>Total revenues</b>	<b>2,642,840</b>	<b>46,097</b>	<b>2,596,743</b>	<b>2,457,759</b>	-	<b>2,457,759</b>	<b>138,984</b>	<b>5.7</b>	<b>100.0</b>	<b>100.0</b>
Net cost of materials and external services	-502,764	-13,219	-489,545	-455,730		-455,730	-33,815	7.4	-18.9	-18.5
Other operating costs and gains/(losses)	-26,505	-388	-26,117	-24,401		-24,401	-1,716	7.0	-1.0	-1.0
Staff costs	-452,676	-17,554	-435,122	-398,181	29,439	-427,620	-7,502	1.8	-16.8	-17.4
Capitalised staff costs	24,738	-	24,738	31,119		31,119	-6,381	-20.5	1.0	1.3
<b>Total operating expenses, net</b>	<b>-957,207</b>	<b>-31,161</b>	<b>-926,046</b>	<b>-847,193</b>	<b>29,439</b>	<b>-876,632</b>	<b>-49,414</b>	<b>5.6</b>	<b>-35.7</b>	<b>-35.7</b>
<b>Gross operating profit (EBITDA)</b>	<b>1,685,633</b>	<b>14,936</b>	<b>1,670,697</b>	<b>1,610,566</b>	<b>29,439</b>	<b>1,581,127</b>	<b>89,570</b>	<b>5.7</b>	<b>64.3</b>	<b>64.3</b>
Amortization, depreciation, impairment losses and reversals of impairment losses	-294,619	-6,571	-288,048	-267,805		-267,805	-20,243	7.6	-11.1	-10.9
Provisions and other adjustments	-36,347	-4,419	-31,928	-28,214		-28,214	-3,714	13.2	-1.2	-1.1
<b>Operating profit (EBIT)</b>	<b>1,354,667</b>	<b>3,946</b>	<b>1,350,721</b>	<b>1,314,547</b>	<b>29,439</b>	<b>1,285,108</b>	<b>65,613</b>	<b>5.1</b>	<b>52.0</b>	<b>52.3</b>
Financial income/(expenses)	-369,474	-3	-369,471	-354,265		-354,265	-15,206	4.3	-14.2	-14.4
Capitalised financial expenses	28,223	-	28,223	21,358		21,358	6,865	32.1	1.1	0.9
Share of profit/(loss) of company accounted for using the equity method	-24,662	3	-24,665	-6,353		-6,353	-18,312	288.2	-0.9	-0.3
<b>Profit before tax from continuing operations</b>	<b>988,754</b>	<b>3,946</b>	<b>984,808</b>	<b>975,287</b>	<b>29,439</b>	<b>945,848</b>	<b>38,960</b>	<b>4.1</b>	<b>37.9</b>	<b>38.5</b>
Income tax expenses	-350,106	-504	-349,602	-414,322	-9,715	-404,607	55,005	-13.6	-13.5	-16.5
<b>Profit from continuing operations</b>	<b>638,648</b>	<b>3,442</b>	<b>635,206</b>	<b>560,965</b>	<b>19,724</b>	<b>541,241</b>	<b>93,965</b>	<b>17.4</b>	<b>24.5</b>	<b>22.0</b>
Profit/(Loss) from discontinued operations/assets held for sale	1,154	-116	1,270	7,006		7,006	-5,736	-81.9	-	-
<b>Profit for the period</b>	<b>639,802</b>	<b>3,325</b>	<b>636,477</b>	<b>567,971</b>	<b>19,724</b>	<b>548,247</b>	<b>88,230</b>	<b>16.1</b>	<b>24.5</b>	<b>22.3</b>
Profit/(Loss) attributable to minority interest	-9,801	-1,670	-8,131	-7,022	-1,004	-6,018	-2,113	35.1	-0.3	-0.2
<b>Net profit attributable to equity holders of the Parent</b>	<b>630,001</b>	<b>1,656</b>	<b>628,345</b>	<b>560,949</b>	<b>18,720</b>	<b>542,229</b>	<b>86,116</b>	<b>15.9</b>	<b>24.2</b>	<b>22.1</b>

(1) Non-recurring income of €29.4 million (the so-called "curtailment") recognised during 2007 following the restatement of the provision for staff termination benefits.

CONSOLIDATED INCOME STATEMENT						
(€000)						
	9M 2008	9M 2007	CHANGE ABSOLUTE	%	% ON REVENUES	
					9M 2008	9M 2007
Net toll revenues	805,316	785,812	19,504	2.5	83.0	86.7
Contract revenues	12,431	2,602	9,829	377.7	1.3	0.3
Other operating income	152,109	117,771	34,338	29.2	15.7	13.0
<b>Total revenues</b>	<b>969,856</b>	<b>906,185</b>	<b>63,671</b>	<b>7.0</b>	<b>100.0</b>	<b>100.0</b>
Net cost of materials and external services	-176,028	-159,234	-16,794	10.5	-18.1	-17.6
Other operating costs and gains (losses)	-9,988	-3,835	-6,153	160.4	-1.0	-0.4
Staff costs	-149,255	-146,172	-3,083	2.1	-15.4	-16.1
Capitalised staff costs	7,582	7,536	46	0.6	0.8	0.8
<b>Total operating expenses, net</b>	<b>-327,689</b>	<b>-301,705</b>	<b>-25,984</b>	<b>8.6</b>	<b>-33.8</b>	<b>-33.3</b>
<b>Gross operating profit (EBITDA)</b>	<b>642,167</b>	<b>604,480</b>	<b>37,687</b>	<b>6.2</b>	<b>66.2</b>	<b>66.7</b>
Amortization, depreciation, impairment losses and reversals of impairment losses	-98,107	-95,395	-2,712	2.8	-10.1	-10.5
Provisions and other adjustments	-11,012	-3,901	-7,111	182.3	-1.1	-0.4
<b>Operating profit (EBIT)</b>	<b>533,048</b>	<b>505,184</b>	<b>27,864</b>	<b>5.5</b>	<b>55.0</b>	<b>55.7</b>
Financial income/(expenses)	-125,199	-121,348	-3,851	3.2	-12.9	-13.4
Capitalised financial expenses	10,018	4,768	5,250	110.1	1.0	0.5
Share of profit/(loss) of company accounted for using the equity method	-6,110	-7,527	1,417	-	-0.6	-0.8
<b>Profit before tax from continuing operations</b>	<b>411,757</b>	<b>381,077</b>	<b>30,680</b>	<b>8.1</b>	<b>42.5</b>	<b>42.1</b>
Income tax expense	-145,900	-163,877	17,977	-11.0	-15.0	-18.1
<b>Profit from continuing operations</b>	<b>265,857</b>	<b>217,200</b>	<b>48,657</b>	<b>22.4</b>	<b>27.4</b>	<b>24.0</b>
Profit/(Loss) from discontinued operations/assets held for sale	1,268	7,006	-5,738	-	0.1	0.8
<b>Profit for the period</b>	<b>267,125</b>	<b>224,206</b>	<b>42,919</b>	<b>19.1</b>	<b>27.5</b>	<b>24.7</b>
Profit/(Loss) attributable to minority interest	-3,696	-4,641	945	-20.4	0.4	0.5
<b>Net profit attributable to equity holders of the Parent</b>	<b>263,429</b>	<b>219,565</b>	<b>43,864</b>	<b>20.0</b>	<b>27.2</b>	<b>24.2</b>

(€)	9M 2008	9M 2007	CHANGE
<b>Basic earnings per share</b>	<b>0.46</b>	<b>0.38</b>	<b>0.08</b>
of which:			
continuing operations	0.46	0.37	0.09
discontinued operations/assets held for sale	0.00	0.01	-0.01
<b>Diluted earnings per share</b>	<b>0.46</b>	<b>0.38</b>	<b>0.08</b>
of which:			
continuing operations	0.46	0.37	0.09
discontinued operations/assets held for sale	0.00	0.01	-0.01

## Consolidated balance sheet

At 30 September 2008 "Non-current assets" of €15,994.0 million are up €156.3 million on the figure for 31 December 2007 (€15,837.7 million).

Property, plant and equipment, amounting to €8,972.6 million (€8,556.4 million at the end of 2007), primarily includes assets to be relinquished of €8,802.0 million. The increase of €416.2 million is essentially due to the combination of investments in upgrading and expansion of the motorway network, totalling €783.0 million, depreciation of €273.1 million and grants related to assets of €94.4 million. Intangible assets, amounting to €4,600.2 million, are in line with the figure for 31 December 2007. This item primarily consists of goodwill (€4,382.9 million) recognised at 31 December 2003, following acquisition of the majority shareholding in the former Autostrade - Concessioni e Costruzioni Autostrade SpA. This goodwill is tested annually for impairment.

At 30 September 2008 "Investments", totalling €120.2 million (€189.9 million at 31 December 2007), essentially regard investments in associates and joint ventures and other minor interests, primarily in IGLI (€91.5 million) and Autostrade del Sud America (€13.8 million). The decrease during the period of €69.8 million is essentially due to reclassification to current assets of the carrying amount of investments in Autostrada del Brennero and Autovie Venete (amounting to €61.7 million), reflecting the Group's intention to sell these interests. Investments have also decreased as a result of the combined effect of the following: use of the equity method to measure the Group's share of the results of associates and joint ventures (a net loss of €24.7 million), and other changes in these investments recognised directly in equity (a net reduction of €4.3 million); and the payment of €18.0 million as a contribution for future capital increases by IGLI SpA. As noted in the section on the results of operation, the net loss deriving from measurement using the equity method is primarily due to estimated non-recurring expenses incurred by Autostrade del Sud America, in connection with its purchase of a call option from the Impregilo group.

Other non-current financial assets of €601.7 million (€748.1 million at 31 December 2007) primarily include term bank deposits in connection with government grants (Laws 662/1996 and 345/1997), totalling €518.8 million, the increase in the fair value of the Group's derivative financial instruments, totalling €46.6 million, and other medium/long-term financial assets of €36.3 million, primarily consisting of medium/long-term receivables due from ANAS as well as from staff. The reduction of €146.4 million

compared with the end of 2007 is due to a decrease in the non-current portion of term bank deposits (down €157.4 million), following reclassification to current assets of the portion expected to be released in the next 12 month, partially offset by an increase in other non-current financial assets of €11.3 million. Deferred tax assets, after deducting offsettable deferred tax liabilities, amount to €1,694.3 million (€1,737.0 million at 31 December 2007) and primarily include:

- a) €1,327.8 million of the residual balance of deferred tax assets that had been recognised on an intercompany gain arising in 2003 as a result of the transfer of motorway assets to Autostrade per l'Italia;
- b) €228.8 million of deferred tax assets relating to provisions that will be deductible in future years.

Other non-current assets of €5.1 million (€6.1 million at 31 December 2007) include the tax asset deriving from the advance payment of taxes on post-employment benefits.

At 30 September 2008 "Current assets" of €1,601.3 million are up €301.8 million on the figure for 31 December 2007 (€1,299.6 million).

Trading assets (€852.8 million) consist of trade receivables, inventories and contract work in progress and are €42.8 million up on 31 December 2007. This essentially reflects an increase in receivables due from road users in the form of deferred toll payments, only partly offset by a reduction in amounts due from service area concessionaires, which reflects trends in invoicing royalties.

Cash and cash equivalents, totalling €134.0 million, is up €43.1 million on 31 December 2007.

Other current financial assets (€281.9 million) have increased €114.1 million compared with the end of 2007, primarily due to reclassification to current assets of a portion of the term deposits relating to government grants, less amounts released during the period.

Current tax assets of €169.8 million are up €104.4 million on 31 December 2007 (€65.3 million) mainly as a result of prepayments of income tax for 2008 made during the period.

Other current assets, amounting to €101.2 million (€165.7 million at 31 December 2007) primarily consist of amounts due from insurance companies for reimbursement of damages caused to the network by road users, amounts due from motorway companies that operate interconnecting networks and tax credits unrelated to income taxes. The reduction of €64.4 million essentially reflects the Stalexport group's collection of €38.6 million, deriving from the sale of its steel trading division at the end of 2007, and Società per il Traforo del Monte Bianco's collection of €24.7 million in reimbursements and damages

recognised at the end of 2007, as a result of the settlement of litigation relating to the tunnel fire of 1999.

As noted above, assets held for sale regard the carrying amount of investments in Autostrada del Brennero and Autovie Venete, totalling €61.7 million, which are in the process of being sold.

“Equity” attributable to equity holders of the Parent and minority interest totals €4,215.0 million (€4,010.3 million at 31 December 2007).

“Equity attributable to equity holders of the Parent” amounts to €3,825.2 million, marking an increase of €193.4 million on the figure for 31 December 2007 (€3,631.8 million). This reflects the following principal factors:

- a) profit for the period of €630.0 million;
- b) payment of the final dividend for 2007, amounting to €211.5 million;
- c) Atlantia’s purchase of 11,476,616 treasury shares, equal to 2.0% of the issued capital, at an average price of €18.79 per share, resulting in total expenditure of €215.6 million, of which €204.1 million represented a premium over par value.

“Equity attributable to minority interest” amounts to €389.8 million, having increased by €11.3 million compared with 31 December 2007 (€378.5 million). This essentially reflects the profit for the period in addition to the increase in equity reserves as a result of the direct recognition of gains and losses in equity.

“Non-current liabilities”, totalling €10,520.2 million are up €13.5 million on the €10,506.7 million at 31 December 2007.

Non-current provisions of €1,096.0 million (€1,082.6 million at 31 December 2007) consist of:

- a) “provisions for repair and replacement of assets to be relinquished” of €915.7 million, which are up €21.8 million on the end of 2007;
- b) “provisions for employee benefits” of €154.9 million (€160.5 million at 31 December 2007), consisting essentially of post-employment benefits;
- c) the non-current portion of other provisions, amounting to €25.4 million, which are in line with the figure for 31 December 2007.

Non-current financial liabilities of €9,314.8 million are in line with the figure for 31 December 2007 (€9,329.8 million). The reclassification to current financial liabilities of loan repayments falling due in

the first nine months of 2009 were fully offset by the increase in financial liabilities, consisting of the fair value of derivatives qualifying as hedges, caused by interest rate movements and the amortisation of borrowing costs reported as a reduction in the loans. The composition of non-current financial liabilities is described below in the section on consolidated net debt.

Deferred tax liabilities not eligible for offset, amounting to €9.1 million, are down €7.2 million on 31 December 2007 (€16.4 million).

Other non-current liabilities of €100.2 million are up €22.3 million on 31 December 2007. They refer to the toll increases collected by Autostrade per l'Italia and Autostrade Meridionali accounted for as long-term deferred income that will be recognised in future years and to grants related to assets.

“Current liabilities” of €2,860.1 million are up €239.8 million compared with 31 December 2007 (€2,620.3 million).

Current provisions, amounting to €205.0 million (€205.5 million at 31 December 2007), consist of the current portions of “provisions for repair and replacement of assets to be relinquished” (€110.3 million), “provisions for employee benefits” (€17.3 million) and other provisions of €77.4 million (essentially relating to provisions for litigation and disputes).

Trading liabilities, predominantly consisting of trade payables in connection with capital expenditure and maintenance, amount to €553.8 million and have decreased €130.0 million compared with 31 December 2007 (€683.3 million). This is due to payments made during the period for capital expenditure in previous years and a lower volume of expenditure during the nine months.

Current financial liabilities of €929.6 million (€918.4 million at 31 December 2007) essentially reflect the use of short-term lines of credit, totalling €453.0 million, and the portion of medium/long-term borrowings falling due within 12 months, amounting to €470.1 million (including €35.1 million to be repaid directly by ANAS using the funds allocated by Law 662/1996 and Law 345/1997, the current portion of amounts payable by Autostrade per l'Italia to ANAS, totalling €166.0 million, for loan repayments already made in relation to works envisaged in the agreement and yet to be completed, and accrued expenses on borrowings of €160.8 million). The composition of current financial liabilities, and the related changes with respect to the end of the previous year, are described below in the section on consolidated net debt.

Current tax liabilities amount to €325.1 million, marking an increase of €285.7 million on 31 December

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2007 (€39.4 million). This essentially reflects provisions for income taxes for the period.

Other current liabilities of €846.7 million have risen €73.5 million compared with 31 December 2007 (€773.2 million). This is essentially due to amounts payable to companies that operate interconnecting networks and tolls in the process of settlement (totalling €549.0 million at 30 September 2008) and non-income tax liabilities. The item also includes amounts due to staff and social security contributions payable, amounts due for the expropriation of land connected to investment activities, and guarantee deposits from users who pay by direct debit.

CONSOLIDATED BALANCE SHEET (€000)			
ASSETS	30 SEP 2008	30 DEC 2007	CHANGE
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8,972,600	8,556,412	416,188
Intangible assets	4,600,166	4,600,208	-42
Investments	120,169	189,958	-69,789
Other financial assets	601,708	748,090	-146,382
Deferred tax assets	1,694,309	1,736,983	-42,674
Other assets	5,074	6,107	-1,033
<b>Total non-current assets</b>	<b>15,994,026</b>	<b>15,837,758</b>	<b>156,268</b>
<b>CURRENT ASSETS</b>			
Trading assets	852,758	809,910	42,848
Cash and cash equivalents	134,029	90,900	43,129
Other financial assets	281,908	167,780	114,128
Current tax assets	169,751	65,335	104,416
Other assets	101,236	165,656	-64,420
Assets and disposal group held for sale	61,652	-	61,652
<b>Total current assets</b>	<b>1,601,334</b>	<b>1,299,581</b>	<b>301,753</b>
<b>TOTAL ASSETS</b>	<b>17,595,360</b>	<b>17,137,339</b>	<b>458,021</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity attributable to equity holders of the Parent	3,825,212	3,631,803	193,409
Equity attributable to minority interest	389,794	378,494	11,300
<b>TOTAL EQUITY</b>	<b>4,215,006</b>	<b>4,010,297</b>	<b>204,709</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	1,096,047	1,082,599	13,448
Financial liabilities	9,314,814	9,329,823	-15,009
Deferred tax liabilities	9,129	16,372	-7,243
Other liabilities	100,240	77,942	22,298
<b>Total non-current liabilities</b>	<b>10,520,230</b>	<b>10,506,736</b>	<b>13,494</b>
<b>CURRENT LIABILITIES</b>			
Provisions	204,993	205,495	-502
Trading liabilities	553,758	683,799	-130,041
Financial liabilities	929,599	918,438	11,161
Current tax liabilities	325,102	39,381	285,721
Other liabilities	846,672	773,193	73,479
<b>Total current liabilities</b>	<b>2,860,124</b>	<b>2,620,306</b>	<b>239,818</b>
<b>TOTAL LIABILITIES</b>	<b>13,380,354</b>	<b>13,127,042</b>	<b>253,312</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>17,595,360</b>	<b>17,137,339</b>	<b>458,021</b>

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STATEMENT OF CHANGES IN CONSOLIDATED EQUITY (€000)										
	EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT								MINORITY INTEREST	TOTAL EQUITY
	ISSUED CAPITAL	FINANCIAL INSTRUMENTS FAIR VALUE RESERVE	CURRENCY TRANSLATION RESERVE	RESERVE FOR INVESTMENTS VALUED AT THE EQUITY METHOD	OTHER RESERVES AND RETAINED EARNINGS	PROFIT FOR THE PERIOD	TREASURY SHARES	TOTAL		
<b>Balance at 31 Dec 2006</b>	<b>571,712</b>	<b>97,325</b>	<b>-58</b>	<b>-2,650</b>	<b>2,392,826</b>	<b>515,274</b>	<b>-</b>	<b>3,574,429</b>	<b>288,112</b>	<b>3,862,541</b>
Profits/(Losses) recognised directly in equity	-	45,672	-271	270	3,603	-	-	49,274	-19	49,255
Profit for the period	-	-	-	-	-	560,949	-	560,949	7,022	567,971
<b>Total consolidated recognised income and expense for the period</b>	<b>-</b>	<b>45,672</b>	<b>-271</b>	<b>270</b>	<b>3,603</b>	<b>560,949</b>	<b>-</b>	<b>610,223</b>	<b>7,003</b>	<b>617,226</b>
<b>Shareholder transactions and other movements</b>										
Final dividends approved	-	-	-	-	-	-204,387	-	-204,387	-1,843	-206,230
Retained earnings for previous year	-	-	-	-	310,887	-310,887	-	-	-	-
Changes in the basis of consolidation, capital contributions and other movements	-	-	-	-	-14,952	-	-	-14,952	71,123	56,171
<b>Balance at 30 Sep 2007</b>	<b>571,712</b>	<b>142,997</b>	<b>-329</b>	<b>-2,380</b>	<b>2,692,364</b>	<b>560,949</b>	<b>-</b>	<b>3,965,313</b>	<b>364,395</b>	<b>4,329,708</b>
<b>Balance at 31 Dec 2007</b>	<b>571,712</b>	<b>163,953</b>	<b>5,319</b>	<b>-3,533</b>	<b>2,690,892</b>	<b>203,460</b>	<b>-</b>	<b>3,631,803</b>	<b>378,494</b>	<b>4,010,297</b>
Profits/(Losses) recognised directly in equity	-	-11,078	6,216	-4,278	-	-	-	-9,140	3,867	-5,273
Profit for the period	-	-	-	-	-	630,001	-	630,001	9,801	639,802
<b>Total consolidated recognised income and expense for the period</b>	<b>-</b>	<b>-11,078</b>	<b>6,216</b>	<b>-4,278</b>	<b>-</b>	<b>630,001</b>	<b>-</b>	<b>620,861</b>	<b>13,668</b>	<b>634,529</b>
<b>Shareholder transactions and other movements</b>										
Final dividends approved	-	-	-	-	-	-211,533	-	-211,533	-2,818	-214,351
Retained earnings for previous year	-	-	-	-	-8,073	8,073	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-215,644	-215,644	-	-215,644
Changes in the basis of consolidation, capital contributions and other movements	-	-	271	-	-545	-	-	-275	450	175
<b>Balance at 30 Sep 2008</b>	<b>571,712</b>	<b>152,875</b>	<b>11,806</b>	<b>-7,811</b>	<b>2,682,274</b>	<b>630,001</b>	<b>-215,644</b>	<b>3,825,212</b>	<b>389,794</b>	<b>4,215,006</b>

<b>CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE PERIOD</b>		
<b>(€000)</b>	<b>01 JAN 2008 30 SEP 2008</b>	<b>01 JAN 2007 30 SEP 2007</b>
Fair value gains/(losses) on cash flow hedges recognised directly in the fair value reserve (IAS 39)	-11,762	45,672
Gains/(Losses) recognised directly in the reserve for actuarial gains and losses (IAS 19)	-	3,690
Gains/(Losses) recognised directly in currency translation reserve due to financial statements in a functional currency other than euro	10,767	-377
Gains/(Losses) recognised directly in currency translation reserve due to the measurement using the equity method of associates with a functional currency other than euro	-4,278	270
<b>Gains/(Losses) recognised directly in equity</b>	<b>-5,273</b>	<b>49,255</b>
<b>Profit for the period</b>	<b>639,802</b>	<b>567,971</b>
<b>Total consolidated recognised income and expense for the period</b>	<b>634,529</b>	<b>617,226</b>
Of which attributable to equity holders of the Parent	620,861	610,223
Of which attributable to minority interest	13,668	7,003

The Group's net debt at 30 September 2008 amounts to €9,226.8 million, marking a reduction of €14.7 million compared with 31 December 2007 (€9,241.5 million), despite the negative impact of marking to market derivatives held by the Parent Company, which increased financial liabilities by €14.0 million. "Non-current net debt", amounting to €8,713.1 million (€8,581.7 million at 31 December 2007), excluding transaction costs, consists of:

- a) non-current financial liabilities of €9,314.8 million (€9,329.8 million at 31 December 2007), which include:
  - 1. four bond issues by the Parent Company, totalling €6,247.3 million;
  - 2. medium/long-term borrowings of €2,821.3 million. This item, which is down €38.3 million on 31 December 2007, consists of:
    - a. Term Loan Facility of €781.9 million obtained by the Parent Company;
    - b. European Investment Bank (EIB) loans to Group companies, totalling €539.9 million;
    - c. a loan to Strada dei Parchi from ANAS, amounting to €672.6 million;
    - d. a loan made by Dexia Crediop during the period to Strada dei Parchi amounting to €149.8 million;
    - e. bank loans to be directly repaid by ANAS (Laws 662/1996 and 345/1997) and the financial liability payable to ANAS for mortgage loan repayments made in connection with works envisaged in the Agreement and not yet completed, totalling €456.7 million;
    - f. loans granted by the Central Guarantee Fund, totalling €56.9 million;
    - g. other medium/long-term borrowings of €163.5 million;
  - 3. the non-current financial liability of €136.9 million consisting of the fair value of two derivatives qualifying as an interest rate and foreign exchange hedges;
  - 4. other financial liabilities totalling 109.3 million, including accrued financial expenses (€50.5 million), consisting of grants for interest maturing in future years, recognised following adoption of IAS 39 in relation to the above non-interest bearing loans from the Central Guarantee Fund, and the Stalexport group's other debt of €57.2 million;
- b) non-current financial assets totalling €601.7 million, including long-term bank deposits of €518.8 million consisting of government grants (Laws 662/1996 and 345/1997) to be drawn pro rata to the stage of completion of the relevant works, the fair value of certain derivative financial instruments qualifying as interest rate hedges, totalling €46.6 million, and other financial assets

amounting to €36.3 million.

At 30 September 2008 "Current net debt" amounts to €513.7 million (€659.8 million at 31 December 2007) and consists of:

1. current financial liabilities of €929.6 million, which include the current portion of medium/long-term borrowings falling due within 12 month of €470.1 million (including accrued financial expenses of €160.8 million), drawdowns on short-term lines of credit (€453.0 million), current account payables predominantly due to the subsidiary, Sitech (in liquidation), amounting to €5.6 million, and other current financial liabilities (€0.8 million). Current financial liabilities have increased by €11.2 million, essentially due to the increased use of short-term lines of credit (€42.3 million), including drawdowns of €100.0 million under the Revolving Credit Facility granted to Atlantia by Mediobanca, acting as agent bank, that was partly offset by the €31.8 million decrease in the current portion of medium/long-term borrowings;
2. current financial assets of €415.9 million (€258.6 million at 31 December 2007), which include cash and cash equivalents of €134.0 million and other current financial assets, totalling €281.9 million. The latter regard:
  1. term bank deposits that will be released within 12 month, amounting to €220.8 million, of which €167.0 million relating to Autostrade per l'Italia;
  2. loans and receivables of €44.4 million;
  3. the current portion of medium/long-term financial assets (including the related interest income accrued at the end of the period and not yet collected), totalling €16.7 million.

The residual weighted average term to maturity of the Group's debt is approximately 7 years. The average term to maturity of debt subject to interest rate and foreign exchange hedges is around 5 years.

93% of the Group's interest bearing debt, taking account of interest rate and foreign exchange hedges, is fixed rate.

In the first nine month of 2008 the Group's average cost of borrowing was approximately 5.2%.

The Group's net debt, as defined according to the CESR Recommendation of 10 February 2005 (which does not require the deduction of non-current financial assets from debt), amounts to €9,828.5 million at 30 September 2008, compared with €9,989.6 million at 31 December 2007.

## 2. Report on operations

ANALYSIS OF CONSOLIDATED NET DEBT			
(€000)	30 SEP 2008	30 DEC 2007	INCREASE/(DECREASE)
<b>NON-CURRENT NET DEBT</b>			
<b>Non-current financial liabilities</b>	<b>9,314,814</b>	<b>9,329,823</b>	<b>-15,009</b>
Bond issues	6,247,263	6,282,453	-35,190
Medium/long-term borrowings	2,821,324	2,859,659	-38,335
Derivative financial instruments liability	136,893	72,588	64,305
Other financial liabilities	109,334	115,123	-5,789
<b>Other non-current financial assets</b>	<b>-601,708</b>	<b>-748,090</b>	<b>146,382</b>
Long-term bank deposits	-518,788	-676,174	157,386
Derivative financial instruments asset	-46,582	-46,870	288
Other financial assets	-36,338	-25,046	-11,292
<b>NON-CURRENT NET DEBT</b>	<b>8,713,106</b>	<b>8,581,733</b>	<b>131,373</b>
<b>CURRENT NET DEBT</b>			
<b>Current financial liabilities</b>	<b>929,599</b>	<b>918,438</b>	<b>11,161</b>
Bank overdrafts	261,321	310,744	-49,423
Short-term borrowings	191,748	100,000	91,748
Current portion of medium/long-term borrowings	470,098	501,929	-31,831
Current payables to unconsolidated Group companies	5,660	5,393	267
Other financial liabilities	772	372	400
<b>Cash and cash equivalents</b>	<b>-134,029</b>	<b>-90,900</b>	<b>-43,129</b>
Cash	-91,795	-71,975	-19,820
Cash equivalents	-42,234	-18,925	-23,309
<b>Other current financial assets</b>	<b>-281,908</b>	<b>-167,780</b>	<b>-114,128</b>
Current portion of medium/long-term financial assets	-16,674	-25,522	8,848
Short-term bank deposits	-220,815	-124,069	-96,746
Other financial assets	-44,419	-18,189	-26,230
<b>CURRENT NET DEBT</b>	<b>513,662</b>	<b>659,758</b>	<b>-146,096</b>
<b>NET DEBT</b>	<b>9,226,768</b>	<b>9,241,491</b>	<b>-14,723</b>

Consolidated working capital at 30 September 2008 is a negative €745.1 million (a negative €661.0 million at 31 December 2007), and is the net balance of current assets of €1,185.4 million (€1,040.9 million at 31 December 2007) less current liabilities totalling €1,930.5 million (€1,701.9 million at 31 December 2007).

The deterioration in working capital compared to 31 December 2007, amounting to €84.2 million, essentially reflects the combined effect of:

- a) a €181.3 million increase in net current tax liabilities, primarily deriving from provisions for income tax expense for the period, less prepayments;
- b) a €73.5 million increase in other current liabilities, primarily as a result of the increase in amounts payable to other companies operating interconnecting networks, tolls in the process of settlement and non-income tax liabilities;
- c) a reduction of €64.4 million in other current assets, essentially reflecting the Stalexport group's collection of €38.6 million, deriving from the sale of its steel trading division at the end of 2007, and Società per il Traforo del Monte Bianco's collection of €24.7 million in reimbursements and damages recognised at the end of 2007, as a result of the settlement of litigation relating to the tunnel fire of 1999;
- d) a reduction of €130.0 million in trading liabilities, principally due to payments made during the period for capital expenditure in previous years and a lower volume of expenditure during the nine month;
- e) the reclassification to current assets of the carrying amount of investments in Autostrada del Brennero and Autovie Venete (amounting to €61.7 million), which are in the process of being sold;
- f) a €31.7 million increase in trade receivables, due primarily to the combined effect of a rise in deferred toll payments, growth in work carried out at airports (runway upgrading) by Pavimental and a reduction in amounts due from service area concessionaires, which reflects trends in invoicing royalties.

## 2. Report on operations

ANALYSIS OF CONSOLIDATED WORKING CAPITAL			
(€000)	30 SEP 2008	30 DEC 2007	INCREASE/(DECREASE)
<b>Trading assets</b>	<b>852,758</b>	<b>809,910</b>	<b>42,848</b>
Inventories	56,869	54,152	2,717
Contract work in progress	18,030	9,609	8,421
Trade receivables	777,859	746,149	31,710
<b>Current tax assets</b>	<b>169,751</b>	<b>65,335</b>	<b>140,416</b>
<b>Other current assets</b>	<b>101,236</b>	<b>165,656</b>	<b>-64,420</b>
<b>Other non-financial assets and disposal groups held for sale</b>	<b>61,652</b>	-	<b>61,652</b>
<b>Total assets in working capital</b>	<b>1,185,397</b>	<b>1,040,901</b>	<b>144,496</b>
<b>Current provisions</b>	<b>-204,993</b>	<b>-205,495</b>	<b>502</b>
<b>Trading liabilities</b>	<b>-553,758</b>	<b>-683,799</b>	<b>130,041</b>
Contract work in progress	-478	-430	-48
Trade payables	-553,280	-683,369	130,089
<b>Current tax liabilities</b>	<b>-325,102</b>	<b>-39,381</b>	<b>-285,721</b>
<b>Other current liabilities</b>	<b>-846,672</b>	<b>-773,193</b>	<b>-73,479</b>
<b>Total liabilities in working capital</b>	<b>-1,930,525</b>	<b>-1,701,868</b>	<b>-228,657</b>
<b>WORKING CAPITAL</b>	<b>-745,128</b>	<b>-660,967</b>	<b>-84,161</b>

## Consolidated cash flow

The statement of changes in consolidated net debt shown below contains an analysis of the effect of cash flows generated and/or used during the period on consolidated net debt.

Net debt decreased by €14.7 million during the first nine month of 2008, compared with a reduction of €23.9 million during the corresponding period of 2007.

Cash generated from operating activities amounted to €1,167.5 million (€1,081.8 million in the first nine month of 2007). The improvement in operating cash flow compared with the same period of 2007 is due to both the improved profit from continuing operations and the increased contribution from non-financial assets and liabilities, not included in working capital, in part reflecting both the Stalexport group's collection of the price received from the sale of its steel trading division at the end of 2007, and Società per il Traforo del Monte Bianco's collection of reimbursements and damages accounted for at the end of 2007, as a result of the settlement of litigation relating to the tunnel fire of 1999.

The movement in working capital, on the other hand, has a negative impact on cash flow for the period, unlike in the previous period. This was essentially due to a decline in trading liabilities as a result of reduced capital expenditure during the period, and to an increase in trade receivables represented by deferred toll receipts, reflecting growing penetration of Telepass.

Cash used for investments in non-financial assets amounted to €717.8 million (€917.2 million in the first nine month of 2007). The outflow primarily relates to purchases of property, plant and equipment of €783.0 million (€871.4 million in the same period of 2007), partially offset by grants relating to assets of €94.4 million (€96.6 million in the first nine month of 2007). Investments in newly consolidated companies during the period, net of the net debt contributed by those companies, amounted to €21.1 million, compared with a total of €173.1 million in the same period of 2007, which included the investments in IGLI and Stalexport.

Cash used in financing activities amounts to €418.9 million (€208.8 million in the first nine month of 2007). This reflects payment of the final dividend for 2007, totalling €214.3 million, and the payment of €215.6 million for treasury shares by Atlantia, which caused the increased outflow compared with the same period of 2007.

## 2. Report on operations

The overall impact of the above cash flows was to reduce net debt by €30.7 million, compared with an increase of €44.2 million registered in the first nine month of 2007.

In addition, net debt was affected by the change in the fair value of hedging derivatives, which in the first nine month of 2008 resulted in an increase in debt net of €16.0 million. This contrasts with a reduction in debt of €68.2 million in the first nine month of 2007.

STATEMENT OF CHANGES IN CONSOLIDATED NET DEBT				
(€000)	01 JAN 2008 30 SEP 2008	01 JAN 2007 30 SEP 2007	9M 2008	9M 2007
<b>Profit for the period</b>	<b>639,802</b>	<b>567,971</b>	<b>267,125</b>	<b>224,206</b>
Depreciation and amortisation	294,619	267,805	98,107	95,395
Impairment losses/(Reversal of impairment losses) of non-current financial assets including investments accounted for at cost or fair value	-909	-	-17	-
Share of (profit)/loss of associates and joint ventures accounted for using the equity method	24,662	6,353	6,110	7,527
(Gain)/Loss on sale of and adjustments to non-current assets (*)	-12,998	-7,578	2,240	-7,681
Net change in deferred tax (assets)/liabilities	39,666	90,353	15,497	26,787
Net movement in non-current provisions	13,194	-29,050	7,216	-24,535
Movement in working capital	-130,024	28,396	4,831	-82,727
Net movement in other non-financial assets and liabilities	299,465	157,574	173,895	144,690
<b>Net cash generated from/(used in) operating activities (A)</b>	<b>1,167,477</b>	<b>1,081,824</b>	<b>575,004</b>	<b>383,662</b>
Purchases of property, plant and equipment	-783,040	-871,361	-280,436	-329,690
Purchases of intangible assets	-14,922	-14,973	-4,277	-5,089
Acquisition of investments, net of unpaid called-up issued capital	-21,143	-51,794	-724	-41
Investments in newly consolidated companies including net debt acquired	-	-121,356	-	-24,013
Government grants related to assets	94,441	96,624	34,832	1,132
Proceeds from sales of property, plant and equipment, intangible assets and unconsolidated investments and movements in other non-current assets	6,825	45,640	1,970	49,225
<b>Net cash generated from/(used in) investing activities (B)</b>	<b>-717,839</b>	<b>-917,220</b>	<b>-248,635</b>	<b>-308,476</b>
Dividends paid	-214,327	-206,315	-475	-176
Purchase of treasury shares	-215,644	-	-128,229	-
Net change in currency translation reserve and other reserves and debt-related translation differences	11,052	-2,509	52	-1,427
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>-418,919</b>	<b>-208,824</b>	<b>-128,652</b>	<b>-1,603</b>
<b>Net cash inflow/(outflow) during the period (A+B+C)</b>	<b>30,719</b>	<b>-44,220</b>	<b>197,717</b>	<b>73,583</b>
Change in the fair value of hedging derivatives (D)	-15,996	68,167	-49,518	-6,111
<b>Decrease (Increase) in net debt for the period (A+B+C+D)</b>	<b>14,723</b>	<b>23,947</b>	<b>148,199</b>	<b>67,472</b>
Net debt at the beginning of period	-9,241,491	-8,945,505	-9,374,967	-8,989,030
<b>Net debt at the end of period</b>	<b>-9,226,768</b>	<b>-8,921,558</b>	<b>-9,226,768</b>	<b>-8,921,558</b>

(\*) Including investments measured at cost or fair value.

## 2. Report on operations

<b>CONSOLIDATED CASH FLOW STATEMENT</b>				
<b>(€000)</b>	<b>01 JAN 2008</b>	<b>01 JAN 2007</b>	<b>9M 2008</b>	<b>9M 2007</b>
	<b>30 SEP 2008</b>	<b>30 SEP 2007</b>		
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>				
<b>Profit for the period</b>	<b>639,802</b>	<b>567,971</b>	<b>267,125</b>	<b>224,206</b>
<b>Adjusted by</b>				
Amortization and depreciation	294,619	267,805	98,107	95,395
Impairment losses (Reversal of impairment losses) of non-current financial assets including investments accounted for at cost or fair value	-909	-	-17	-
Share of (profit)/loss of associates and joint ventures accounted for using the equity method	24,662	6,353	6,110	7,527
(Gains)/Losses on sale of and adjustments to non-current assets (*)	-12,998	-7,578	2,240	-7,681
Net change in deferred tax (assets)/liabilities	39,666	90,353	15,497	26,787
Net movement in non-current provisions	13,194	-29,050	7,216	-24,535
Movement in working capital, net of reclassifications from non-current assets/liabilities	145,798	173,271	166,249	53,692
Net movement in other non-current and non-financial liabilities and other movements	23,643	12,699	12,477	8,271
<b>Net cash generated from/(used in) operating activities (A)</b>	<b>1,167,477</b>	<b>1,081,824</b>	<b>575,004</b>	<b>383,662</b>
<b>CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES</b>				
Purchases of property, plant and equipment	-783,040	-871,361	-280,436	-329,690
Purchases of intangible assets	-14,922	-14,973	-4,277	-5,089
Purchases of investments, net of unpaid called-up issued capital	-21,143	-51,794	-724	-41
Purchase of new consolidated investments, including acquired net cash	-	-8,030	-	-24,011
Proceeds from sale of property, plant and equipment, intangible assets and unconsolidated investments	5,792	44,692	1,597	43,542
Movement in other non-current assets	1,033	948	373	5,683
Movement in current and non-current financial assets not held for trading purposes	31,410	19,233	-3,765	-38,923
Grants related to assets	94,441	96,624	34,832	1,132
<b>Net cash generated from/(used in) investing activities (B)</b>	<b>-686,429</b>	<b>-784,661</b>	<b>-252,400</b>	<b>-347,397</b>
<b>CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES</b>				
Purchase of treasury shares	-215,644	-	-128,229	-
Dividends paid	-214,327	-206,315	-475	-176
Net change in currency translation reserve and other reserves	5,018	169	1,164	214
Net change in issued capital and reserves attributable to minority interest	4,877	122	-419	122
Increase in medium/long-term borrowings (excluding finance lease liabilities)	149,795	468	-798	468
Increase in finance lease liabilities	265	-	262	-
Repayments of medium-long term borrowings (excluding financial lease liabilities)	-123,223	-109,083	-37,574	-50,256
Financial lease repayments	-370	-89	-239	-89
Net change in other current and non-current financial liabilities	3,664	-3,299	71,310	182,136
<b>Net cash generated from/(used in) financing activities (C)</b>	<b>-389,945</b>	<b>-318,027</b>	<b>-94,998</b>	<b>132,419</b>
Net effect of foreign exchange rate movements on net cash and cash equivalents [d]	1,181	-383	-894	-351
<b>Increase/(Decrease) in net cash and cash equivalents (A+B+C)</b>	<b>92,284</b>	<b>-21,247</b>	<b>226,712</b>	<b>168,333</b>
Net cash and cash equivalents at beginning of the period	-225,236	-185,694	-359,664	-375,274
<b>Net cash and cash equivalents at end of the period</b>	<b>-132,952</b>	<b>-206,941</b>	<b>-132,952</b>	<b>-206,941</b>

(\*) Including equity investments accounted for at cost or fair value.

ADDITIONAL INFORMATION ON THE CASH FLOW STATEMENT (€000)				
	01 JAN 2008 30 SEP 2008	01 JAN 2007 30 SEP 2007	9M 2008	9M 2007
Income tax paid	125,102	174,883	32,884	7,038
Interest income and other financial income collected	65,888	71,077	7,686	14,774
Interest expense and other financial expenses paid	479,449	423,619	55,729	10,082
Dividends received	1,383	1,174	-	7
Foreign exchange gains collected	231	1,188	132	34
Foreign exchange losses incurred	153	53	72	46

RECONCILIATION OF NET CASH AND CASH EQUIVALENTS (€000)				
	01 JAN 2008 30 SEP 2008	01 JAN 2007 30 SEP 2007	9M 2008	9M 2007
<b>Net cash and cash equivalents at beginning of the period</b>	<b>-225,236</b>	<b>-185,694</b>	<b>-359,664</b>	<b>-375,274</b>
Net cash and cash equivalents	90,900	76,672	111,908	145,615
Bank overdrafts repayable on demand	-310,744	-256,967	-465,946	-517,664
Payable to unconsolidated Group companies	-5,392	-5,399	-5,626	-5,361
Cash and cash equivalents attributable to assets held for sale and disposal groups	-	-	-	2,136
<b>Net cash and cash equivalents at end of the period</b>	<b>-132,952</b>	<b>-206,941</b>	<b>-132,952</b>	<b>-206,941</b>
Net cash and cash equivalents	134,029	94,264	134,029	94,264
Bank overdrafts repayable on demand	-261,321	-298,019	-261,321	-298,019
Payable to unconsolidated Group companies	-5,660	-5,398	-5,660	-5,398
Cash and cash equivalents attributable to assets held for sale and disposal groups	-	2,212	-	2,212

## Operating review for Italian motorway subsidiaries

### Traffic

The total number of kilometres travelled on the networks managed by the Group's Italian motorway concessionaires during the first nine months of 2008 amounted to 42,338 million: 32,839 million by light vehicles (78% of the total) and 9,499 million by heavy vehicles (22% of the total).

Traffic is down 0.46% on the same period of 2007. Although both components have fallen, the reduction is smaller for light vehicles (down 0.27%), whilst heavy vehicles are down 1.1% compared with the previous year.

It should be noted that, compared with 2007, February was one day longer in 2008. Average Theoretical Vehicles per Day (ATVD), which is an indicator of traffic trends adjusted for variations in the number of days and the length of the network, decreased by 0.86%.

Traffic volumes were down for both Autostrade per l'Italia and the majority of its subsidiaries (Autostrada Torino-Savona, Società Autostrada Tirrenica, Autostrade Meridionali and Tangenziale di Napoli).

Traffic volumes on the network operated by Strada dei Parchi were, however, in line with the previous year, partly as a result of the entry into service of the new Ponte di Nona toll station, which recorded additional traffic flows to and from Rome.

Motorway traffic in the Valle d'Aosta was up, with RAV recording an increase of 4.2% following completion of the orbital motorway (in March 2007) and the resulting extension of the network. Traforo del Monte Bianco recorded growth of 2.8%, partly due to the fact that there was no access to the tunnel on the French side between 3 and 10 March 2007.

TRAFFIC ON THE NETWORK UNDER CONCESSION IN ITALY DURING THE FIRST 9 MONTH OF 2008						
MOTORWAY CONCESSIONAIRE	VEHICLES x KM (MILLIONS) <sup>(a)</sup>				INC./DEC. ON 9M 2007	ATVD 2008 <sup>(b)</sup>
	LIGHT VEHICLES	HEAVY VEHICLES	TOTAL VEHICLES			
<b>AUTOSTRADE PER L'ITALIA</b>	<b>28,750</b>	<b>8,880</b>	<b>37,630</b>		<b>-0.43</b>	<b>48,111</b>
Raccordo Autostradale Valle d'Aosta	62	22	84		4.20	9,445
Autostrada Torino-Savona	626	131	757		-1.42	21,100
Società Autostrada Tirrenica	168	37	205		-0.86	20,470
Strada dei Parchi	1,454	241	1,695		0.00	22,486
Tangenziale di Napoli	712	64	776		-2.12	140,204
Autostrade Meridionali	1,061	121	1,182		-0.76	83,594
Società per il Traforo del Monte Bianco	6	3	9		2.83	5,363
<b>TOTAL SUBSIDIARIES</b>	<b>4,089</b>	<b>619</b>	<b>4,708</b>		<b>-0.74</b>	<b>31,161</b>
<b>TOTAL</b>	<b>32,839</b>	<b>9,499</b>	<b>42,338</b>		<b>-0.46</b>	<b>45,350</b>

(a) Provisional data.

(b) ATVD = average theoretical vehicles per day equal to no. of km travelled/journey length/no. of days in year.

## Toll charges

On 29 December 2007, ANAS forwarded to motorway concessionaires the Decrees of the Minister of Infrastructure acting in concert with the Minister of Economy and Finance of 28 December 2007, having regard to annual tariff adjustments to be applied on the roads managed by Autostrade per l'Italia and the other subsidiaries.

TARIFF INCREASES EFFECTIVE 01 JAN 2008 (IN %)	
MOTORWAY CONCESSIONAIRE	TARIFF INCREASE
Autostrade per l'Italia	3.61%
Raccordo Autostradale Valle d'Aosta	0.58%
Autostrada Torino-Savona	2.46%
Società Autostrada Tirrenica	0.00%
Strada dei Parchi	0.00%
Tangenziale di Napoli	0.00%
Autostrade Meridionali	0.00%

Autostrade per l'Italia was granted the tariff increase requested (3.61% as calculated by the tariff adjustment formula contained in the 1997 Agreement and the IV Addendum).

As in 2007, the Raccordo Autostradale Valle d'Aosta was granted the full increase it had requested.

The increase for 2008 approved for Autostrada Torino-Savona included a make-up for the tariff increase that was not authorised for 2007.

Interministerial decrees suspended the toll increases requested by Autostrade Meridionali, Tangenziale di Napoli, Società Autostrada Tirrenica and Strada dei Parchi “due to continuing breach” of the terms of all four companies’ concessions, after ANAS contested their failure to carry out the volume of maintenance envisaged in the related financial plans. In the case of Strada dei Parchi and Autostrade Meridionali alone, toll increases were also suspended due to a lack of provisions in the 2006 financial statements to take account of the financial benefits deriving from the companies’ failure to carry out planned investments.

Following agreements between the Italian and French governments, Società per il Traforo del Monte Bianco raised toll charges by 2.84% from 1 July 2008 in order to keep pace with the rate of inflation, based on the average rate of inflation for both countries.

## Network expansion and modernisation

Investment by the Group’s Italian motorway concessionaires during the first nine month of 2008 amounts to €750 million, marking a reduction of €97.7 million (11.5%) compared with the first nine month of 2007.

This reflects the fact that the fourth lane between Milan and Bergamo (a project provided for in Autostrade per l’Italia’s IV Addendum of 2002) and the “third dynamic lane” of the Bologna Ring Road (a project included in Autostrade per l’Italia’s Agreement of 1997) were completed during 2007, resulting in reductions of €85.2 million and €34.9 million, respectively. In addition, Strada dei Parchi almost completed work on doubling the Villa Vomano-Teramo section of motorway (a reduction of €28.9 million).

Compared with the same period of 2007, investment relating to Autostrade per l’Italia’s 1997 Agreement increased by €60.4 million (19.2%), primarily as a result of work on the *Variante di Valico*.

Within the context of investment provided for in Autostrade per l’Italia’s IV Addendum of 2002, work began on lot 6A of the Ancona Sud-Porto Sant’Elpidio section (first phase, marking an increase of €21 million).

### **Investments in major works by Autostrade per l'Italia - 1997 Agreement**

Of the works included in Autostrade per l'Italia SpA's Agreement of 1997, at 30 September 2008 over 80% of the works have been authorised and are being carried out or the related contracts being awarded, whilst more than 44% of the works have been completed.

#### **Bologna Ring Road**

The dynamic third lane for 13.7 km of the Bologna Ring Road entered service on 12 January 2008, after work was completed at the end of 2007.

#### **Variante di Valico and Florence North-Florence South section**

Work is continuing on both sections.

#### **Barberino-Florence North**

The Environmental Impact Assessment (EIA), begun in 2004, was only completed on 19 November 2007, following issue of the relevant decree by the Ministry of the Environment and the Ministry of Culture in response to Autostrade per l'Italia's decision to take legal action before the Lazio Regional Administrative Court for breach of contract.

The first session of the Services Conference was held on 3 April 2008 and the observations and opinions of all the interested authorities were gathered. Certain of the requirements contained in the EIA Decree entailed detailed instructions to be given by Tuscany Regional Authority. To this end, Autostrade per l'Italia requested a response from the Regional Authority and several meetings were held to clearly define the additional requirements set out in the EIA Decree.

On 27 June 2008, Autostrade per l'Italia submitted the Final Design and the additions required by the EIA Decree to ANAS for approval.

Subsequently, however, Tuscany Regional Authority raised further points, which, after initial examination, mostly appear not to be consistent or compliant with the provisions of the relevant EIA Decree. In order to decide how to respond to this latest development before the Services Conference, which has already been scheduled for 18 December 2008, Autostrade per l'Italia has requested the Ministry of Infrastructure to arrange a preliminary meeting on 13 November 2008.

### **Florence South-Incisa**

The related EIA, embarked on in 2005, has yet to be completed. The Ministry of the Environment has sent Autostrade per l'Italia a request for further clarification and additions, including extension of the design to include the Incisa toll station, representing an additional 2 km compared with the design submitted for approval. Autostrade per l'Italia has therefore notified the Ministry of the Environment and the Ministry of Culture of its intention to appeal the above requests before the Lazio Regional Administrative Court.

Autostrade per l'Italia has responded to the remaining requests by submitting the additions to the Ministry of the Environment. In January 2008 the Lazio Regional Administrative Court suspended application of the contested measure, ordering the Ministry of the Environment to re-examine its decision in the light of the evidence presented on appeal. On 28 March 2008 the Ministry of the Environment announced that the request for additional material had already been met in part by the documentation previously produced by Autostrade per l'Italia, whilst the remaining additions were to be considered no longer required.

The Regional Administrative Court hearing to examine the merits of the appeal was held on 3 April 2008. However, given that the Ministry of the Environment had indicated that its EIA opinion was close to being issued, the hearing was adjourned to a later date whilst awaiting issue of the opinion.

The hearing was held on 18 June 2008 and given the fact that the problem had been substantially resolved, the case was removed from the court docket and will only be reinstated at the request of one of the parties.

On 14 July 2008 Tuscany Regional Authority issued the required opinion, which was then sent to the Ministry of the Environment to allow for the issue of the EIA Decree. However, the opinion establishes certain requirements, which, if confirmed in the EIA Decree, could be the subject of a further appeal to the Regional Administrative Court.

### **Investments in major works by Autostrade per l'Italia - IV Addendum 2002**

With regard to the state of completion of the works envisaged under Autostrade per l'Italia's IV Addendum, at 30 September 2008 approximately 55% of the works have been authorised, around 16% have been contracted out and about 13% have been completed.

### **Rho-Pero Exhibition Centre**

On 18 February 2008 work on the second stage of construction of the access roads serving the Exhibition Centre was completed. The Exhibition Centre Viaduct was opened on 20 March 2008 (whilst one of the

two carriageways had already been opened on 30 October 2007).

#### **Lainate-Como**

The final session of the Services Conference was held on 20 April 2007, with no agreement reached between central government and the regional authority.

The relevant documents were then submitted to government ministers, who made a final decision on 3 October 2008.

The resulting Presidential Decree is now awaited, to be followed by the final ruling from the Ministry of Infrastructure.

#### **Rimini North-Porto Sant'Elpidio**

With regard to the widening to three lanes of this section of the A14, work on the first phase of lot 6A between Ancona South and Porto Sant'Elpidio (37.0 km) is proceeding, the final design for lot 3 Fano-Senigallia (21.0 km) has been approved, whilst the executive designs for lot 2 Cattolica-Fano (28.3 km) and lot 4 Senigallia-Ancona North (18.9 km) are in the process of being approved by ANAS. Procedures with respect to the award of the contracts for lot 5 Ancona North-Ancona South (17.2 km) and lot 6B Ancona South-Porto Sant'Elpidio (second phase of 3.3 km) are underway (an integrated contract is to be awarded for lot 5). The Services Conference is underway for works not pertaining to the motorway for lot 1 Rimini North-Cattolica (29.0 km).

#### **Fiano-Settebagni di Roma**

Autostrade per l'Italia has prepared and sent the executive design, which includes the Castelnuovo di Porto interchange, to ANAS.

#### **Genoa bypass**

On 15 February 2008 Autostrade per l'Italia submitted a new Preliminary Design (without the Environmental Impact Study) for the Gronda di Ponente section, the upgrading of the A7/A12 road system and the San Benigno interchange to ANAS. The new design is based on the configurations agreed with the relevant local authorities. However, no solution to the issue of how to dispose of the over 10 million cubic metres of materials resulting from excavation of the tunnels has been drawn up.

Possible solutions were examined between April and September 2008 by a committee of experts set up by the Ministry of Infrastructure. In the committee's opinion the Calma Canal is the best site for final disposal of the materials resulting from excavation of the tunnels for the Gronda di Ponente section. The committee's work was thus brought to an end by the meeting of 10 September 2008.

However, on 4 August 2008 the Mayor of Genoa asked Autostrade per l'Italia to engage in a new round of talks aimed at re-examining the Preliminary Design already submitted and three further alternative routes, thereby forcing Autostrade per l'Italia to halt preparation of the Environmental Impact Study relating to the Preliminary Design submitted to ANAS on 15 February 2008.

### **Tunnel Safety Plan**

Autostrade per l'Italia is continuing with the works required by the Tunnel Safety Plan. During 2008 ANAS has completed its approval process for all the projects involving upgrades of lighting, ventilation and safety systems for the 407 tunnels along the network. Based on the approved designs, the upgrading of 197 tunnels has been completed, whilst work on a further 75 is underway.

### **Planned investments in major works by other motorway subsidiaries**

With regard to investment in new works by Autostrade per l'Italia's subsidiaries (Raccordo Autostradale Valle d'Aosta, Strada dei Parchi and Autostrade Meridionali), at 30 September 2008 approximately 100% of the works have been authorised, around 78% of the works are being carried out or the related contracts are being awarded, and over 65% have been completed.

## **Network operations**

### **Safety, maintenance and traffic management**

The first nine months of 2008 witnessed a further improvement in safety levels on the network operated by the Group's Italian concessionaires, with the global accident rate (based on the number of accidents per 100 million km travelled) down from the 35.02 of the first nine months of 2007 to 30.65<sup>(1)</sup> for the same period of 2008.

(1) Provisional data.

The death rate (based on the number of deaths per 100 million km travelled) is down to 0.41<sup>(2)</sup> compared with 0.52 for the first nine month of 2007.

The rollout of the new system for measuring the average speeds of vehicles using certain sections of motorway (“Tutor”) continues. One year on from its installation on a number of motorway sections, accidents are down 17.6%, with the number of deaths falling 50%. At 30 September 2008 Tutor has been installed along 1,714 km of motorway. By the end of 2008 the system will cover around a further 404 km.

Routine maintenance carried out during the first nine month of 2008 was in line with the same period of 2007, though again resulting in a further improvement in the quality of service perceived by customers.

The planned laying of draining pavement on Autostrade per l’Italia’s motorway network has been completed in 2008. Indicators of the state of fixed infrastructure (bridges, viaducts and tunnels) and road surfaces continue to show excellent levels of conservation.

Traffic flow on Autostrade per l’Italia’s network improved over the first nine month of 2008.

The related indicators record the following percentage changes compared with the same period of 2007:

- tailbacks in terms of hours caused by accidents down 19.7%;
- Total Delay down 29.9%<sup>(3)</sup>.

1,178 hours of snow were recorded during the first nine month of 2008, marking an increase of 212% on the hours of snow during the corresponding period of 2007, even though all motorways remained open to traffic.

### Toll collection and payment systems

On the network operated by the Group’s Italian concessionaires (excluding Traforo Monte Bianco), automated toll payments have increased with respect to the same period of last year from 70.5% to 72.4%.

Payments using Telepass accounted for 53.3% of total transactions, compared with 51.5% in the first nine month of 2007.

At 30 September 2008, there were more than 6.3 million Telepass devices in use on the Italian motorway network.

Use of the Telepass Premium service, which combines Telepass functions with a package of services and benefits, continued to expand. At 30 September 2008 the service has already signed up more than 915,000 subscribers.

<sup>(2)</sup> Provisional data.

<sup>(3)</sup> The sum of the differences between the average transit time recorded on each section of the entire network over the period under review and the equivalent time at an ordinary average speed for the section multiplied by the number of transits.

### Service areas and advertising

In the first nine month of 2008, the Group received royalties of €169.0 million on revenues generated by the retail activities of sub-concessionaires operating on the network managed by Autostrade per l'Italia and the other Italian subsidiaries. This includes approximately €22.8 million in one-off payments primarily linked to concession renewals on Autostrade per l'Italia's network. Current royalties are up around 4% on the same period of 2007.

On Autostrade per l'Italia's network, at 30 September 2008 approximately 74.9% of the works envisaged in the €800 million upgrading programme, agreed by Autostrade per l'Italia and sub-concessionaires and covering the entire service area network, are either in progress or have been completed. Work being carried out by Autostrade per l'Italia and sub-concessionaires has been completed at 107 service areas, whilst expansion and renovation work is in progress at a further 88 service areas.

The process of awarding 175 service concessions expiring between December 2008 and December 2009 and for four newly built service areas is in progress. Compliance with the requirements established under the various procedures is underway and agreements with the bidders who have been awarded a concession are being signed.

Of the 175 concessions, 85 are food service concessions (78 to be awarded by Autostrade per l'Italia, 4 by Tangenziale di Napoli and 3 by Strada dei Parchi) and 90 for fuel services (81 Autostrade per l'Italia, 4 Tangenziale di Napoli, 3 Strada dei Parchi and 2 Società Autostrada Tirrenica).

In the first nine month of 2008, the subsidiary, AD Moving SpA, earned revenues of approximately €13.7 million (up €0.3 million on the same period of 2007) from the management and marketing of advertising space along the motorway network and at other locations. EBITDA was €1.7 million (€1.3 million for the first nine month of 2007).

## Advanced traffic and communication services

### Infoblu

After the initial success of the Tmc.it service, launched during 2007 under a technology partnership with the car manufacturer, Bmw, and thanks to commercial agreements with TomTom and MioTech, in early 2008 the company concluded an agreement with Garmin. This means that it now has agreements in place with all the main producers of portable navigators.

Following on from the company's entry into the portable navigator market, other car manufacturers have expressed interest in the Tmc service. This has led an agreement with Volvo, which plans to include Infoblu's service in all its navigators from spring 2009.

With a view to expanding its information content, in addition to concluding a number of commercial agreements with Autostrada del Brennero, Milano Serravalle, S.U.S. Servizi Utenza Stradale (the information centre operated by Autovie Venete, Padova-Venezia, Brescia-Padova and Centro Padane), Infoblu is also in the process of finalising an agreement with OCTO Telematics that will enable it to make use of so-called floating car data.

The company earned revenues of €2.1 million during the first nine month of 2008 (up 87% on the same period of 2007), with EBITDA of €0.3 million (€0.1 million for the same period of 2007).

### TowerCo

TowerCo, which has been operating since 2003, was set up to add value to the Group's motorway infrastructure and roadside property. This involves the construction, management and marketing of fully equipped sites designed to host antennae and equipment for use by telecommunications companies (mobile operators and TV and radio broadcasters) and public services (police, Isoradio and traffic monitoring systems), also providing a range of operating and maintenance services. TowerCo has subsequently extended its activities to include third-party sites belonging to ANAS, municipal authorities and other road management companies.

At the end of September 2008 a total of 246 sites have been built (with 59 providing GSM/UMTS coverage in motorway tunnels), 14 sites are under construction or are nearing the start of construction, and 80

## 2. Report on operations

further sites are being designed or are at the authorisation stage. The average number of operators per site is 1.7.

The company earned revenues of €11.5 million during the first nine month of 2008 (up 15.0% on the same period of 2007), with EBITDA of €7.7 million (up 18.4%).

## International activities

### Stalexport Autostrady

Stalexport Autostrady, a Polish-registered company quoted on the Warsaw Stock Exchange and a subsidiary of Autostrade per l'Italia via its 56.24% interest, holds the motorway concession for the 61-kilometre long A4 Krakow-Katowice motorway via its wholly owned subsidiary, Stalexport Autostrada Malopolska.

During the first nine month of 2008, the section of motorway managed by the concessionaire, Stalexport Autostrada Malopolska, registered an average daily traffic volume of 29,401 vehicles (including both light and heavy components), representing a total of approximately 484 million kilometres travelled. This is up 1.98% on the same period of 2007.

During the first nine month of 2008 the Stalexport group recorded revenues of €37.3 million and EBITDA of €25.6 million. The figures for the first nine month of 2007 are not comparable as consolidation of the subsidiary's income statement was effective from 1 July 2007.

### Costanera Norte

During the first nine month of 2008 traffic using the 43 km of motorway operated under concession by Costanera Norte in the city of Santiago (Chile) grew 3.18%. In January 2008 the company applied the toll charge increase of 11.20% provided for under the concession agreement (the increase is equal to the factorial product of 100% of consumer price inflation of 7.44% plus 3.5%).

During the first nine month of 2008, Costanera Norte recorded revenues of €45 million, marking an increase of 10.1% (14.5% adjusted for exchange rate movements) on the same period of 2007 (€40.7 million after non-recurring income of €13.7 million). "Gross operating profit" (EBITDA) was €33.1 million, representing an increase of 6.8% (up 7.8% after adjusting for exchange rate movements) compared with the first nine month of 2007 (€31 million).

Measurement of the investment in Autostrade del Sud America (which, via its Chilean sub-holding, Autopista do Pacifico, has full ownership of Costanera Norte SA) using the equity method has resulted in recognition in the consolidated income statement for the nine month ended 30 September 2008 of a charge of €25.7 million. This is primarily the result of the estimated non-recurring cost of the purchase

of a call option held by Impregilo International Infrastructures NV, on 10% of the share capital of Autopista do Pacifico, as provided for by the terms of the binding offer of 21 July 2008. The charge also reflects the rate of local inflation, to which the concessionaire's financial liabilities are indexed. Measurement using the equity method has also resulted in a loss of €2.4 million (due to exchange rate movements during the period) recognised directly in equity. These two factors have led to a net decrease of €28.1 million in the carrying amount of the investment.

### **Electronic Transaction Consultants (ETC)**

Electronic Transaction Consultants (ETC), a US-registered company, is the leading US provider of systems integration, hardware and software maintenance, customer services and consultancy in the field of free flow electronic toll collection systems.

Via its subsidiary, Autostrade International US Holdings, the Atlantia Group holds a 45% stake in the company, which, as a result of a call option on a further 16% of the company's shares, is thus consolidated in the Group's accounts.

During the first nine months of 2008 Electronic Transaction Consultants recorded revenues of €21.8 million, contributing €0.8 million to EBITDA. The figures for the first nine months of 2007 are not comparable as consolidation of the subsidiary's income statement was effective from 1 January 2008.

## Staff

At 30 September 2008 the Group employs 9,636 staff on permanent contracts and 561 temporary staff, resulting in a total workforce of 10,197.

Compared with the figure at 30 September 2007, amounting to 9,673 (9,280 on permanent contracts and 393 temporary staff), the Group's figures reflect the inclusion of Electronic Transaction Consultants Co. (which at 30 September 2008 contributes a workforce of 337) and the start-up from 1 July 2008 of the Polish company, Pavimental Polska, which carries out maintenance work on the motorway network managed by Stalexport Autostrady (an additional 62 staff).

On a like-for-like basis, compared with 30 September 2007 the workforce has increased by 125 (up 1.29%). This primarily reflects the addition of new maintenance, traffic management and plant operations staff at Autostrade per l'Italia, following the union agreement of September 2007, and the numbers of staff joining and leaving Group companies.

The Group's average workforce has risen from 9,260 in the first nine month of 2007 to 9,840 in the same period of 2008, marking an increase of 580 (up 6.3%). The largest increases derive from consolidation of the Stalexport group (consolidated from 30 June 2007), which contributes an average increase of 193, and Electronic Transaction Consultants Co. (consolidated from 31 December 2007), with 353 staff on average. The increase in the workforce also reflects the start-up of Pavimental Polska (an average of 19 staff).

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GROUP PERMANENT STAFF (UNIT)				
POSITION	30 SEP 2008	30 SEP 2007	INCREASE/(DECREASE) ABSOLUTE	%
Senior managers	178	172	6	3.5
Middle managers	703	690	13	1.9
Administrative staff	3,580	3,219	361	11.2
Manual workers	1,753	1,650	103	6.2
Toll collectors	3,422	3,549	-127	-3.6
<b>Total</b>	<b>9,636</b>	<b>9,280</b>	<b>356</b>	<b>3.8</b>

GROUP TEMPORARY STAFF (UNIT)				
POSITION	30 SEP 2008	30 SEP 2007	INCREASE/(DECREASE) ABSOLUTE	%
Senior managers	1	1	0	0.0
Middle managers	3	0	3	n.a.
Administrative staff	223	220	3	1.4
Manual workers	96	31	65	209.7
Toll collectors	238	141	97	68.8
<b>Total</b>	<b>561</b>	<b>393</b>	<b>168</b>	<b>42.7</b>

GROUP AVERAGE WORKFORCE (UNIT)				
POSITION	9M 2008	9M 2007	INCREASE/(DECREASE) ABSOLUTE	%
Senior managers	177	165	12	7.3
Middle managers	691	665	26	3.9
Administrative staff	3,701	3,288	413	12.6
Manual workers	1,767	1,637	130	7.9
Toll collectors	3,504	3,505	-1	0.0
<b>Total</b>	<b>9,840</b>	<b>9,260</b>	<b>580</b>	<b>6.3</b>

## Significant events and risk factors

### Autostrade per l'Italia's Single Concession Agreement

In early 2008, the European Commission – Internal Market Directorate, had initiated infringement proceedings against Italy in connection with Law Decree 262/2006, as subsequently amended, that contained new regulations having regard to motorway concessions. The Commission has asserted that Italy is in violation of Treaty provisions regarding the free movement of capital and right of establishment and has requested the Italian Government on several occasions to amend art. 2, paragraph 82 of Law Decree 262/2006 (removing the clause permitting unilateral modifications to single concession agreements on the revision of financial plans) and to promptly approve all single concession agreements that have been signed. The Commission explained that these steps are necessary in order to close the infringement proceedings.

In response to these requests, the Italian Parliament passed Law 101 of 6 June 2008 *“Conversion into law, with amendments, of Law Decree 59 of 8 April 2008 having regard to urgent measures relating to performance of EU obligations and compliance with the order by the Court of Justice of the European Communities”* amending the provisions of art. 2 of Law Decree 262/2006, which included:

- the voiding of the clause contained in paragraph 82 of art. 2 of Law Decree 262/2006 permitting the unilateral amendment of the single concession when updating the financial plan;
- the approval of single concessions that have already been signed.

The single concession agreement signed by ANAS and Autostrade per l'Italia on 12 October 2007, consequently, became effective on 8 June 2008, the day following the publication of Law 101 in the Official Gazette.

In execution of the provisions of the single agreement regarding the withdrawal of litigation regarding the concession that was pending at the date of signing the new agreement, ANAS and Autostrade per l'Italia are currently formalising the related documentation.

Following enactment of Law 101/2008, the European Commission's Internal Market and Services Directorate General made an announcement on 16 October 2008, stating that it had closed the infringement procedure. This acknowledges that the new agreements entered into have been negotiated by the parties in compliance with the principle that establishes that changes to existing terms and conditions may not be unilaterally applied. In the same announcement, the Commission stated that it would monitor transition to the single agreement from the remaining existing agreements.

### Criteria for the authorisation of changes to motorway concessionaires

Following publication in the Official Gazette of the text of the Directive issued by the Minister of Infrastructure on 30 July 2007, in agreement with the Minister of Economy and Finance, setting out the "Criteria for the authorisation of changes to motorway concessionaires as a result of mergers within the EU", the Official Gazette of 3 March 2008 published the text of a Directive issued by the Minister of Infrastructure on 29 February 2007 in agreement with the Minister of Economy and Finance. The Directive sets out the "Measures taken with consequent to the Interministerial Directive of 30 July 2007 regarding the criteria for the authorisation of changes to motorway concessionaires as a result of mergers within the EU". Atlantia and Autostrade per l'Italia have appealed to the Lazio Regional Administrative Court for an injunction annulling the legislation as illegal. The appeal is still pending.

### Tariff increases for 2008

In its letter of 28 December 2007, ANAS forwarded a copy of a decree of the same date by the Minister of Infrastructure, in agreement with the Minister of Economy and Finance, approving a tariff adjustment for 2008 of 3.61%, as requested by Autostrade per l'Italia.

On the same date, 28 December 2007, ANAS informed Autostrade per l'Italia's subsidiaries (with the exclusion of Società per il Traforo del Monte Bianco, which operates under a different concession regime) the adjustments approved and those suspended.

TARIFF INCREASES EFFECTIVE 01 JAN 2008 (IN %)	
MOTORWAY CONCESSIONAIRE	TARIFF INCREASE
Raccordo Autostradale Valle d'Aosta	0.58%
Autostrada Torino-Savona	2.46%
Società Autostrada Tirrenica	0.00%
Strada dei Parchi	0.00%
Tangenziale di Napoli	0.00%
Autostrade Meridionali	0.00%

RAV SpA and Autostrada Torino-Savona SpA have been granted the rises requested for 2008.

The latter has also been given the go-ahead to apply the increase for 2007, which had previously been suspended.

The other companies, namely Società Autostrada Tirrenica SpA, Strada dei Parchi SpA, Tangenziale di Napoli SpA and Autostrade Meridionali SpA, which did not receive permission to apply the contractual tariff increases requested due to claims of breach of contract by ANAS in June 2007, filed appeal before the Lazio Regional Administrative Court on 26 February 2008, requesting annulment of the decrees regarding tariffs.

The above appeals are still pending.

## Disputes with ANAS

ANAS has claimed that Autostrade per l'Italia and all other Group companies, except for Società per il Traforo del Monte Bianco, have not included summaries of works accounted for in 2007 in the financial statements for that year, as requested by ANAS.

The companies have appealed to the Lazio Regional Administrative Court to dismiss the action brought by ANAS that represented the lack of the schedules in the financial statements was a material breach of concession obligations.

Following enactment of Law 101/2008, approving the single concession agreement between ANAS and Autostrade per l'Italia, the latter notified ANAS that it would voluntarily insert the schedules as attachments to the financial statements for the year ended 31 December 2008 and withdraw its appeal, in accordance with the general provisions to halt all litigation as provided the single agreement. ANAS has expressed its agreement with these arrangements, and on 23 September 2008 announced that the dispute regarding a material breach of contract has been settled.

Similar communications regarding settlement of the related disputes have been sent by ANAS to all the Group's other concessionaires, which, in accordance with the approach adopted by Autostrade per l'Italia, have also declared that they will voluntarily insert the required schedules in their financial statements for the year ended 31 December 2008.

At the end of June 2008 four of Autostrade per l'Italia's subsidiaries received one or more claims of breaches from ANAS.

ANAS claims that Autostrade Meridionali and Autostrada Torino-Savona have failed to make provisions for the financial benefits deriving from delays in carrying out planned investments; that Società Autostrada Tirrenica is behind schedule with routine maintenance; and that Strada dei Parchi and Tangenziale di Napoli are in breach of both obligations.

The companies have responded to ANAS, indicating the reasons for which they consider the above claims to be without grounds, and, at the same time, expressing their willingness to independently and voluntarily adopt alternative solutions in order to resolve the issues raised.

As a precaution, the companies filed appeals before Lazio Regional Administrative Court, requesting annulment of the above orders, on 10 October 2008.

### **Appeals before Lazio Regional Administrative Court against the Ministry of the Environment and the Ministry of Culture**

Autostrade per l'Italia has been forced to make a new appeal to the Lazio Regional Administrative Court with respect to the Florence South-Incisa section of the motorway for the suspension of an order of 26 September 2007 by the Ministry of the Environment that, in connection with EIA procedures, among other things requested the extension of designs to the Incisa toll station for two kilometres more than planned.

On 20 December 2007, there was a hearing at the Lazio Regional Administrative Court regarding suspension of the measure appealed by Autostrade per l'Italia. The hearing on the suspension was adjourned to 24 January 2008 on the motion of the Advocate General, and the subsequent hearing to examine the merits of the appeal was also scheduled for 3 April 2008.

On 24 January 2008 the Lazio Regional Administrative Court - with Order 614/2008 - upheld the appeal and suspended application of the measure contested by Autostrade per l'Italia. Whilst awaiting the hearing to examine the merits of the appeal, which is to be held on 3 April 2008, the Court has ordered the Ministry of the Environment to re-examine its decision in the light of the evidence presented on appeal.

On 28 March 2008 the Ministry of the Environment - in note DSA-2008-0008644 - announced that the request for additional material (forming the subject of the above appeal) had already been met in part by the documentation previously produced by Autostrade per l'Italia, whilst the remaining additions were to be considered no longer required. Moreover, in the meantime the Ministry of the Environment called a meeting for 31 March 2008, which was attended by Autostrade per l'Italia and at which the Ministry stated that it would shortly issue its EIA opinion, though this would be subject to certain requirements. The Regional Administrative Court hearing to examine the merits of the appeal was held on 3 April 2008. However, given the above situation, the hearing was adjourned to a later date whilst awaiting issue of the above EIA opinion. At the following hearing on 19 June 2008, the Court ordered the case be removed from the court docket due to the fact that the EIA order was soon to be issued. In the event that this does not occur, it will be possible for a petition to be filed for the case to be reinstated.

At the present time, the issue of the relevant EIA Decree is still awaited given that, following the issue of the EIA Committee's opinion, Tuscany Regional Authority also expressed its opinion (which is obligatory but not binding), which contains a number of unacceptable instructions and requirements. As a result, meetings and discussions are being held with the Ministry of the Environment with the aim of avoiding the inclusion of these instructions and requirements in the Ministry's decree, which Autostrade per l'Italia will otherwise be forced to appeal. In view of the above, the company is also assessing what actions to take in response to the opinion expressed by Tuscany Regional Authority.

### Other ongoing litigation

Autostrade per l'Italia is the defendant in two actions, which are still pending, brought before Lazio Regional Administrative Court regarding toll charges. The actions, which have been brought by Codacons and other consumers' associations, aim to challenge the toll increases introduced in 1999 and 2003. On 20 February 2008, there was a hearing of the appeal filed with the Lazio Regional Administrative Court by WWF Italia in 1999. This action, which has been brought against the Cabinet Office, the Ministry of Public Works, the Treasury Ministry, ANAS and Autostrade per l'Italia, aims to obtain an injunction blocking implementation of the agreement between ANAS and Autostrade, dated 4 August 1997. The WWF is primarily challenging the method by which Autostrade's concession was renewed from

2018 to 2038 without a public tender. Lazio Regional Administrative Court sentence 2519 of 31 March 2008 quashed the appeal, declaring it inadmissible as the WWF had no right of appeal. In substance, the Court found that, in this particular case, "there is no indication that the agreement under appeal has damaged environmental interests".

In December 2007 the Italian Antitrust Authority notified Autostrade per l'Italia of an increase in the scope of its investigation into the provision of emergency breakdown services, which had been instituted the preceding September with respect to Strada dei Parchi, Società Autostrada Tirrenica, ANAS and AISCAT for alleged abuse of their dominant position, and into ACI Global and Europ Assistance for restrictive practices. Autostrade per l'Italia and other Group concessionaires have given undertakings to the Antitrust Authority that they will remedy the alleged infractions.

These undertakings are currently being examined by the Antitrust Authority through market tests that have recently been concluded. The definitive order by the Antitrust Authority that will authorise the companies to reorganise breakdown service in accordance with the undertakings given is still awaited. One of the parties involved in the investigation (ACI Global) has requested an extension of the initial deadline (30 September 2008) for completion of the process.

Finally, Autostrade per l'Italia is the defendant in a number of legal actions regarding expropriations, tenders and claims for damages deriving from motorway activities.

At the present time, the outcomes of the above litigation proceedings are not expected to result in significant charges to be incurred by Autostrade per l'Italia in addition to the amounts already provided at 30 September 2008.

## Other information

### IGLI

On 15 January 2008, IGLI entered into a total return equity swap contract with ABN AMRO relating to Impregilo SpA ordinary shares. As a result of the contract, ABN AMRO acquired 12,000,000 Impregilo shares or 2.989% of the company's share capital at an average price of €4.1588 per share or a total of €49.9 million. The term of the swap is eleven month and on expiry, or at anytime prior to expiry, at IGLI's first request and at IGLI's option, the swap will be unwound through the sale of shares on the open market and the cash settlement of the proceeds or the physical delivery to IGLI of the shares. The value of IGLI at 30 September 2008, measured using the equity method, takes account of the cost of settling the above swap agreement, estimated on the basis of the current market price of Impregilo's shares.

### Transfer of investments to Autostrade per l'Italia

In application of the resolution approved by the boards of directors of the Atlantia and Autostrade per l'Italia in May 2007, regarding the restructuring of the two companies' roles within the Group, which will result in a strengthening of Autostrade per l'Italia's role as an operating Parent company involved in the management of infrastructure under concession, the Extraordinary General Meeting of Autostrade per l'Italia's shareholders, held on 18 January 2008, approved the transfer of the following investments from Atlantia to Autostrade per l'Italia:

- Stalexport Autostrady SA (a 56.24% controlling interest), a Polish-registered company that holds the concession for the 61-km long Krakow-Katowice motorway;
- Infoblu SpA (a wholly owned subsidiary), which provides traffic information services;
- Autostrade Participations SA (a 99.9% controlling interest), a Luxembourg-registered company that holds 25% of Autostrade International US Holdings Inc., the remaining 75% of which is owned by Autostrade per l'Italia;
- Autostrade del Sud America Srl (a 45% interest), which is the indirect parent of Costanera Norte, the holder of the concession for the 43-km long motorway of the same name in Santiago (Chile).

These transfers were carried out on the basis of the carrying amounts recognised in Atlantia SpA's financial statements.

### Treasury shares

At 30 September 2008 Atlantia SpA holds 11,476,616 treasury shares, representing approximately 2.0% of its issued capital. The shares were purchased during the first nine months of 2008 at an average price of €18.79 per share (including transaction costs), with the resulting total amounting to €215.6 million.

### Information pursuant to art. 37 of the Regulations for Markets organised and managed by Borsa Italiana SpA introduced by CONSOB Resolution 16530

Sintonia SA, via Schemaventotto SpA, directly and indirectly holds a relative majority of the issued capital of Atlantia SpA. Sintonia does not exercise management and coordination of Atlantia SpA.

Schemaventotto SpA transferred control of Atlantia SpA to the current majority shareholder during 2008. It is not, therefore, possible to confirm that Sintonia SA, including via its interest in Schemaventotto SpA, holds sufficient voting rights to exercise dominant influence at ordinary general meetings of Atlantia SpA's shareholders, pursuant to art. 2359 of the Italian Civil Code, as cited by art. 2497-sexies of the Code.

The reasons for which Atlantia is deemed not to be subject to management and coordination by the Parent, Sintonia SA, relate to the absence, in fact, of the conditions for the exercise of such powers. The related legal presumption is not applicable to Sintonia SA for two reasons: firstly, because, since it acquired a majority holding in Atlantia, Sintonia has at no time assumed the right to exercise sole management, in its essential aspects, of the subsidiary or of the Group of which it is the Parent Company; and, secondly, because Sintonia SA's organisation is not adapted to providing for the ongoing and continuous control of the operations of other companies, as required for the exercise of management and coordination.

Moreover, the relationship between Sintonia SA and Atlantia does not, based on current practice and prevailing standards, provide evidence of management and coordination of a subsidiary by a parent. In this sense, there are no organisational and functional links between the two companies, and there is no

centralised cash management system in place. In addition, the fact that Atlantia SpA's Board of Directors has sole responsibility for examining and approving strategic, business and financial plans and the adequacy of the organisational structure and administrative and accounting systems is further confirmation that the relationship in question does not exist.

## Events after 30 September 2008

### Interim dividend for 2008

On 9 October 2008 a meeting of the Board of Directors of Atlantia SpA approved payment of an interim dividend for 2008 of €0.34 per share outstanding at the record date, thus excluding any treasury shares held at that date. The dividend is equal to half the dividend paid for the previous year. Based on the number of shares currently outstanding, the interim dividend for 2008 amounts to a total of approximately €191 million.

The interim dividend is 10% higher than the interim dividend for 2007, confirming the long-term objectives of the Company's dividend policy.

The interim dividend will be paid, gross of any withholding taxes required by law, from 27 November 2008, whilst the ex dividend date for coupon no. 10 is 24 November 2008.

### Update of the Medium Term Note Program

On 23 October 2008 Atlantia signed the contract documents relating to its existing "Medium Term Note Program" of up to €10 billion, of which €6.5 billion has already been issued. The program enables Atlantia to issue non-convertible bonds in a series of transactions, in various tranches and in a range of currencies.

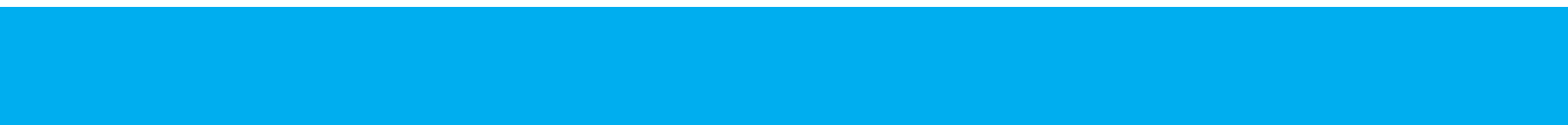
### Investment in Compagnia Aerea Italiana

On 5 August 2008 Atlantia declared an interest in taking part, in the role of investor, in the turnaround, development and re-launch of Alitalia - Linee Aeree Italiane SpA. Following Alitalia's entry into extraordinary administration, Atlantia, together with other investors participating in the transaction, took part in the establishment of Compagnia Aerea Italiana - CAI Srl, a company that is bidding to acquire the businesses of Alitalia and Airone. On 28 October 2008 a general meeting of CAI Srl's shareholders approved an increase in the company's capital (and its conversion into a joint-stock company) of up to €1.1 billion, with Atlantia undertaking to subscribe €100 million. This commitment is subject to EU clearance of the transfer of Alitalia's assets and the related economic conditions, and to the procedure regarding the bridge loan to Alitalia resulting in an outcome that does not have a negative impact on the new initiative.

## Outlook

2008 has so far been generally characterised by the slowdown and the limited ability to project traffic growth on the Italian motorway subsidiaries' networks, given the adverse economic environment. Due to changes in toll rates and development of the related businesses, despite a reduction in traffic volumes the Group expects the results for full year 2008 to be an improvement on those of the previous year, taking account of the fact that the result for 2007 benefited from non-recurring income. 2008 will also benefit from the line-by-line consolidation for the full year of the Stalexport Autostrady group and ETC, which were acquired in 2007. The two companies will have different impacts on the Group's margins, reflecting the specific nature of ETC's business.





### 3. Attestations

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**Attestation pursuant to art. 2.6.2. of the Regulations for the Markets organised and managed by Borsa Italiana SpA**

Having taken account of the provisions of paragraph VI, section II of the Regulations for Issuers adopted by the CONSOB in Resolution 11971 of 1999 and subsequent amendments, with regard to subsidiaries established and regulated under the laws of non-EU states, the Board of Directors of Atlantia SpA attests to the fact that the conditions defined in art. 36 of CONSOB Regulation 16191/2007, letters a), b) and c) do not apply.

**Declaration by the manager responsible for financial reporting pursuant to section 2 of art. 154 bis of Legislative Decree 58/1998**

The manager responsible for financial reporting, Giancarlo Guenzi, declares, pursuant to section 2 of article 154 bis of the Consolidated Finance Act, that the accounting information contained in this consolidated interim report for the nine month ended 30 September 2008 is consistent with the underlying accounting documents, books and records.

## Corporate information and contacts

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### Corporate information

Issued capital: €571,711,557.00, fully paid-up

Tax code, VAT number and Rome Companies' Register no. 03731380261

REA no. 1023691

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