

To legal effects, the original version of the documents are into Spanish. Translations into English has been made with the aim to facilitate its understanding.

Independent expert report in connection with the proposed merger between Abertis Infraestructuras, S.A. and Autostrade, S.p.A.

22 May, 2006

## INDEPENDENT EXPERT REPORT ON THE MERGER PROPOSAL,

To the Board of Directors of Abertis Infraestructuras, S.A.

### *1. Scope of the report*

The present report is being issued pursuant to our designation as independent expert by the Mercantile Registry of Barcelona on May 5 2006, in compliance with the legal provisions contained in article 236 of the Revised Text of Spanish Corporations Law in connection with the merger between Abertis Infraestructuras, S.A. and Autostrade, S.p.A., witnessed by notary public on 4 May 2006.

### *2. Description of the transaction*

The parties to the proposed merger, subject of this independent expert report (hereinafter, jointly defined as "the Companies"), are:

- Absorbing company

Abertis Infraestructuras, S.A., a company domiciled in Spain with tax ID no. A-08-209769, registered offices at Avenida del Parc Logístic 12-20, Barcelona, and registered in the Mercantile Registry of Barcelona, in volume 11.279, folio 204, sheet no. B16.971.

- Absorbed company

Autostrade, S.p.A., incorporated under Italian law, with tax ID no. 03731380261 and registered offices at Via Bergamini 50, Rome, is registered in the Companies Register of Rome under number 03731380261 and *REA* no. 1023691.

The transaction consists of the merger by absorption of Autostrade, S.p.A. into Abertis Infraestructuras, S.A. and the subsequent legal dissolution of the legal entity of Autostrade, S.p.A. and the transfer en bloc of its assets to Abertis Infraestructuras, S.A., according to the terms of the merger proposal appended to this report, which were approved by the Directors of the Companies in Rome and Barcelona on 2 and 3 May 2006, respectively.

The merger by absorption shall be effected by means of a capital increase by Abertis Infraestructuras, S.A. and the simultaneous allocation of the newly issued Class A shares to the shareholders of Autostrade, S.p.A. in exchange for their ordinary shares. The exchange ratio has been set at 1.05 Abertis Infraestructuras, S.A. Class A shares, at a par value of €3 each, for every 1 Autostrade, S.p.A. share, at a par value of €1 each. There is no cash consideration in addition to the exchange offer.

In relation to the aforementioned exchange ratio, Abertis Infraestructuras, S.A. will increase its capital, with disapplication of preemptive subscription rights, by 1,800,891,405 euros, by means of the issuance of 600,297,135 new Class A shares, with par value of €3 each. Since the shareholders of Autostrade, S.p.A. have been granted a withdrawal right in accordance with Italian legislation, the aforementioned number of Class A shares to be issued and the resulting capital increase, represent maximum amounts. This does not affect the exchange ratio.

### *3. Methods used by the Directors to set the exchange ratio*

The exchange ratio was set based on the current net asset value of the Companies, taking into consideration the following transactions:

- (a) the ratification of a scrip issue by Abertis Infraestructuras, S.A. at its General Shareholders' Meeting on 3 May 2006, entailing a capital increase of 86,858,316 euros, by means of the issuance of 28,952,772 Class A shares, and

- (b) the distribution of an extraordinary dividend of €3.75 per share by Autostrade, S.p.A. to be approved at its General Shareholder's Meeting before the date of effectiveness of the merger.

In addition, the exchange ratio was set based on the fact that the Companies do not have any outstanding convertible financial instruments and on the assumption that no new shares will be issued by either of the Companies prior to the date of effectiveness of the merger.

The exchange ratio was set by the Directors of Abertis Infraestructuras, S.A. after evaluating the various applicable and widely used valuation methods, all of which gave similar results and which give rise to the applicable ratio.

Firstly, in view of the fact that the Companies' shares are traded on organised markets, the Directors of Abertis Infraestructuras, S.A. analysed the market values of the Companies since April 2003. This data was used to analyse the relationship between the stock prices on a quarterly basis as well as comparing the average daily prices between a range of starting points (months) and 21 April 2006, contrasting the results of this analysis with the ratio on the day before the transaction was announced.

This methodology was complemented by analysis of the valuations assigned to the Companies by equity research analysts. Finally, the results of both of these methodologies were compared with the Companies' intrinsic market values, using discounted cash flow analysis.

#### *4. Nature and scope of the procedures carried out by the independent expert*

4.1 The Companies are similar in terms of their core business purpose and basic operating indicators. In addition, both are traded on official secondary markets. As a result of the above, and of the trading volume on organised markets, we have used the Companies' equity market values as the first valuation tool. To this end, we studied the equity performance of the shares for the last three years, with in-depth analysis of the relationship between the respective market values in the last few months up to the date of this report.

4.2 Given the level of general acceptance for discounted cash flow methodology, we then reviewed the DCF valuations provided to us. This analysis entailed the review of financial projections for the Companies from 2006 to 2014, verification of the hypotheses on which they are based and their reasonableness in relation to recent performance, in addition to analysis of the discount rates applied and the criteria used to

calculate the terminal value based on projected cash flow in 2014.

4.3 Next, we reviewed the results of market multiples analysis, based on a universe of comparable companies, which is a useful, static valuation tool, as is acquisition multiple analysis in which we subsequently reviewed comparable, recent M&A deals. In both instances, we were provided detailed financial data and transaction back-up which we used as the basis for our comparables, studying them in detail.

4.4 Complementing the above, and with the aim of verifying the results of the aforementioned valuation methodologies, we reviewed the opinions and recommendations of equity research analysts in relation to the Companies.

4.5 To complete the analysis detailed in the paragraphs above, we held meetings with the management of the Companies in order to flesh out the information received (both public and confidential) and analyse it further. The meetings and conversations held to this end extended to the independent professionals that advised the Companies on valuation as well as their external auditors. We were provided with and reviewed the fairness opinions issued by the various independent advisors at the request of the Companies.

4.6 In addition, we reviewed the Companies' books of minutes as well as the most recent 2006 interim financial results in order to verify that nothing material had happened in recent weeks and that no significant decisions had been taken that could affect the valuation of the shares, and as a result, the exchange ratio set for the merger.

4.7 Finally, we received the corresponding Management Letters from the Companies.

## 5. *Final considerations*

In exercising our professional duty we have relied on the financial information provided by the Companies without undertaking in-depth verification of the same. We have assumed that it is complete and accurate and take no responsibility for the accuracy of the historical accounting information, which has been audited by other independent firms, or for the Companies' ability to achieve the financial projections which were used as a basis for the discounted cash flow valuations.

The analysis and verifications carried out have no other legal or formal purpose, in relation to approval, document presentation, publicity or timeframes, other than those provided for in accordance with the requirements of article 236 of the Revised Text of Spanish Corporations Law.

Italian corporate legislation calls for the opinion of an independent expert, similar to that provided for in Spanish law.

## *6. Conclusions*

Pursuant to our analysis, we believe that the valuation methods used by the Directors of Abertis Infraestructuras, S.A., detailed in section 3 above, are adequate for setting the share exchange ratio in connection with the merger between Abertis Infraestructuras, S.A. and Autostrade, S.p.A.

In addition, and taking into account the considerations described in section 5 of this report, our opinion is that the exchange offer proposed by the Directors of Abertis Infraestructuras, S.A., set forth in section 2 above, is fair in view of the results of the valuation methodologies applied. Furthermore, we conclude that the value of assets to be contributed by the entity to be dissolved as a result of the merger (Autostrade, S.p.A.) is not less than the increase in share capital at the absorbing entity (Abertis Infraestructuras, S.A.).

This independent expert report is being issued solely for use in connection with the merger proposal requirements provided for in article 236 of the Revised Text of Spanish Corporations Law, and accordingly, must not be used for any other purpose.

ERNST & YOUNG, SL

Francisco Aranda Llauradó

22 May 2006

ANNEX: Copy of the merger proposal document