



Annual Report on the Corporate Governance System

as required by articles 124 bis of the Consolidated Law on Financial Intermediation, 89 bis of the CONSOB Regulations for Issuers and of section IA.2.6 of the Instructions Accompanying the Rules of the Markets (2007)

Section I

Atlantia's Corporate Governance System

Atlantia SpA adopted a new **Corporate Governance Code** in December 2007 that effectively incorporated the principles and criteria of the Borsa Italiana's Corporate Governance Code of March 2006 except for certain specific items and modifications as described below.

As explained in the Reports on Corporate Governance of recent years, the company had already fully incorporated the recommendations contained in Borsa Italiana's Corporate Governance Code of 1999 for listed companies, as adjourned in July 2002.

These recommendations were implemented by the Company in 2007 as detailed in Section III of this report that has been prepared as required by Assonime and Emittenti Titoli to the extent compatible with the model report on corporate governance recently published by Borsa Italiana.

The full text of Atlantia SpA's Corporate Governance Code, in the latest version dated December 2007, is available on the Company's web site: www.atlantia.it/en/corporate-governance/autodisciplina.

Corporate governance regulations are supplemented by the provisions contained in the Articles of Association and the General Meeting Regulations.

The **Articles of Association**, that were revised in April 2004 to reflect the new Reform of Company Law, were recently amended first by resolution of the Extraordinary Shareholders' Meeting of 4 May 2007 in which the proposed change of name of Autostrade SpA to Atlantia SpA was approved and subsequently, on 15 June 2007, by resolution of the Board of Directors approving the revision of the Articles of Association in accordance with Law 262/2005 (the Savings Law) as supplemented by Legislative Decree 303/2006 (the Coordination Decree).

The Articles of Association define the objects of the Company as: a) the acquisition of investments and equity interests in companies and other entities; b) the financing, also through the issuance of sureties, endorsements and guarantees, including the provision of collateral, as well as the technical, industrial and financial coordination of the companies and entities in which it has interests; c) any securities, property, financial or industrial investment in Italy and abroad.

The Company may, albeit not on a prevalent basis, purchase, hold, manage, exploit, update and develop, directly or indirectly, trademarks, patents, and expertise related to electronic toll collection and related or similar systems.

Atlantia's Articles of Association and the **General Meeting Regulations** govern the conduct of Ordinary and Extraordinary General Meetings. The full texts of the Articles of Association and General Meeting Regulations are available on the Company's web site: www.atlantia.it/en/corporate-governance/statuto.

Atlantia's **share capital** consists of 571,711,557 ordinary voting shares, with a par value of €1.00 each. At 31 December 2007, Schemaventotto SpA held 50.1% of all the shares outstanding, and Sintonia S.A., which controls Schemaventotto SpA, directly held 3.17% of Atlantia SpA's share capital with the remaining 46.7% being widely held and traded on the stock market.

On the basis of disclosures to the Company and CONSOB pursuant to article 120 of Legislative Decree no. 58/98, in addition to Schemaventotto SpA, at 25 January 2008, direct or indirect holders of voting shares in excess of 2% of the total outstanding, therefore, included: Banca Popolare di Milano SCRL (6.676%); JP Morgan Chase & Co. Corporation (2.302%); Lehman Brothers Holdings Inc. (2.339%); Sintonia S.A. (subsequently increased to 6%).

On 28 January 2005, a Shareholders' Agreement was signed relating to Schemaventotto SpA and Atlantia SpA in the form required by art. 122 of the Consolidated Law on Financial Intermediation and the relevant provisions of the Regulations for Issuers. The Shareholders' Agreement was subsequently modified through the First Amendment to the Shareholders' Agreement of 8 June 2007.

On 28 June 2007, an agreement entitled the "Renewal Agreement" was concluded pursuant to which the Shareholders' Agreement of 28 January 2005 was renewed with certain amendments.

As a result of a call under the escape clause of the Shareholders' Agreement, on 15 February 2008 the shareholders Schemaventotto SpA, Sintonia S.A., Acesa Italia S.r.l., Assicurazioni Generali SpA and Unicredit Banca d'Impresa SpA, announced a non-proportional partial demerger. Shareholder Fondazione Cassa di Risparmio di Torino, on the other hand, announced its intention to make a call under its escape clause (sale of the shares to the company with a simultaneous purchase of shares in Atlantia from the company). The escape is expected to be completed during the first six months of 2008.

Finally, on 25 January 2008, Sintonia SpA, acting also on behalf of the other signatories, provided a copy of the extract of the Shareholders' Agreement of 15 January 2008 between and among Sintonia S.A., Sintonia SpA, Mediobanca – Banca di Credito Finanziario SpA and Sinatra Sarl (owned by GS Infrastructure Partners) that relates to Sintonia S.A. and, for certain clauses, to Atlantia SpA. The extract of the Shareholders' Agreement was subsequently published in the newspapers "il Sole 24 Ore", "Milano Finanza" and "Finanza & Mercati".

Management and coordination

The majority shareholder, Schemaventotto SpA, does not exercise management and coordination of Atlantia SpA.

The reasons for which Atlantia is deemed not be subject to management and coordination by Schemaventotto have previously been explained by Schemaventotto's Board of Directors. Following an investigation made as a result of the existence of conditions that would otherwise permit Schemaventotto to exercise such management and coordination, its Board of Directors confirmed that the *de jure* presumption was without grounds due to the fact that Schemaventotto had never implemented measures to assure the unified management of the two companies, which is necessary condition to deem the existence of management and coordination, and to the fact that the structure of Schemaventotto was 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.

On the other hand, in its role as a holding and parent company of a Group of companies that operate mainly as motorway concessionaires, Atlantia SpA (as did Autostrade SpA) did, in 2007, exercise management and coordination for the intents and purposes of articles 2497 *et seq.* of the Italian Civil Code.

Subsequently, following the reorganisation of the Group in 2007 confirming Atlantia SpA's role as an investment holding company engaging in portfolio strategy and Autostrade per l'Italia's role as an autonomous operational sub-holding company in the motorway sector, the Board of Directors, on 14 December 2007, partially in consequence of the company's new Code of Conduct, delegated powers to Autostrade per l'Italia to engage in the management and coordination of concession and industrial companies under its control.

Companies controlled by Autostrade per l'Italia were consequently requested to comply with the requirements of art. 2497 bis of the Italian Civil Code.

Section II

Implementation of the Code of Conduct published by Borsa Italiana in March 2006

As explained in last year's Report, Autostrade SpA, now Atlantia SpA, decided to put off any decisions regarding the new Code of Conduct for companies listed on the Italian Stock Exchange, published in March 2006, until 2007, once the Group's complex reorganisation had been completed.

In this regard, until December 2006, plans were underway for a merger between Autostrade SpA and Abertis Infraestructuras SA. Had the merger taken place, the above code would not have been applied to the new company, as this company would have been subject to Spanish regulations.

Given that the above merger did not go ahead, during 2007 the Group was restructured in order to strengthen, on the one hand, Atlantia's role as a holding company responsible for investments and portfolio strategies and, on the other, the role of Autostrade per l'Italia SpA (a wholly owned subsidiary) as an operating parent company involved in the management of infrastructure under concession and the related businesses.

Moreover, adoption of certain principles in the new Code of Conduct required amendments to the articles of association, which were implemented following the Board of Directors' approval of changes to the articles to bring them into line with the provisions of Law 262/2005 (the Savings Law), as added to by Legislative Decree 303/2006 (the Coordination Decree).

Therefore, on 14 December 2007 Atlantia's Board of Directors approved the Company's new Corporate Governance Code, which is based both on the recommendations contained in the March 2006 edition of Borsa Italiana's Code of Conduct, and on the new organisation of the Group implemented during 2007.

Section III

Information on implementation of the provisions of the Code of Conduct for Listed Companies

In addition to information regarding the role, composition and functioning of governance bodies in accordance with Atlantia's new Corporate Governance Code, as approved by the Board of Directors on 14 December 2007, this section also contains information regarding the activities of those bodies in 2007.

Whilst the Company's new Corporate Governance Code incorporates the principles and criteria of Borsa Italiana's March 2006 version of its Corporate Governance Code except for certain specific items and modifications described below, it should be explained that Atlantia's system of corporate governance for almost the entire year was based on the Company's December 2004 version of the Corporate Governance Code that had incorporated the recommendations of Borsa Italiana's July 2002 revision of its Corporate Governance Code.

1. Board of Directors

Role

The Board of Directors is the corporate body responsible for the management of the Company and is, therefore, the only body with the **authority** and **full powers** to conduct the affairs of the company in pursuit of the priority objective of increasing value for shareholders.

In performing its duties, the Board complies with the principles of proper management of the company and its affairs by observing all relevant laws and regulations and requirements of the Code of Ethics.

It oversees the proper execution and performance of powers that it has delegated and has the power to direct the performance of powers so delegated and to assume responsibility for related transactions.

It receives accurate and prompt reports by holders of delegated powers within the Company regarding the performance of those powers and with respect to company's business undertakings and their outlook as well as transactions entered into by the Company and the Group that are considered important due their size or nature.

Duties and responsibilities

The Board of Directors is exclusively responsible, among other things, for:

- drawing up and adopting of the Company's corporate governance rules, setting out the guidelines for the Group's corporate governance;
- appointments to the Supervisory Board established by the Board of Directors in accordance with Legislative Decree 231 of 8 June 2001 and approval of the Management and Control Organisational Model adopted by Atlantia SpA;

- approving short and long-term strategic, operating and financial plans for the Company, its subsidiaries and the Group in addition to modifications that become necessary to undertake strategic transactions that were originally not included in the plans;
- assuring that transactions with related parties are at all times subject to its exclusive control, are in compliance with laws and regulations and with the Corporate Governance Code;
- approving annual budgets for the Company and consolidated budgets for the Group;
- approving transactions entered into by the Company which are of strategic, commercial significance or have a material effect on the Company's cash flows and financial position;
- determination, conferral and revocation of powers to the Chairman, Chief Executive Officer and any other directors with special authorities; appointment of members of the Human Resources, Internal Control and Corporate Governance Committees establishing any limits thereto, manner in which such powers are exercised and the frequency at which the officers (at least quarterly) and committees (at least half yearly) holding such powers are required to report on the activities undertaken in the performance of those delegated powers and duties;
- determining, subsequent to having reviewed proposals by the Human Resources Committee and consulted with the Board of Auditors in accordance with law, the remuneration of the Chairman, the Chief Executive Officer and, if appointed, directors with special responsibilities and, unless the preserve of the Shareholders Meeting, the allocation of the total funds so earmarked to individual members of the Board and Committees consisting of Company Directors, as required by this Code;
- determination of the adequacy of the organisational, administrative and accounting structure of the Company and the Group; review and assessment of the general performance of the Company and the Group with periodic comparison of actual with forecast results; review and assessment of the existence of any conflicts of interest; performance of such reviews with reference to information received from delegated bodies, Company and Group management and the internal audit function and particularly any information received from the Chairman, Chief Executive Officer and the Internal Control Committee;
- subject to any powers of the Shareholders' Meeting, and in consultation with the Human Resources Committee to the extent so responsible, the approval and implementation of any monetary or stock incentive plans for the Company's employees as well as determining the contents and criteria of such plans for employees of subsidiaries belonging to the Group;
- the appointment of one or more individuals to take charge of the Company's internal controls.

The new Corporate Governance Code requires the Board of Directors to review, at least once a year, the composition and performance of the Board and its Committees.

It may, at its discretion, express an opinion on the maximum number positions as directors or auditors of listed in Italy or abroad that directors of the Company can hold in finance, banking and insurance or any

other large companies that is compatible with the effective performance of the duties of a director of the Company.

In this respect, the Board of Directors has, at the end of 2007, noted the structure, role, composition and functioning of the Board and its Committees as shown in the opinions and recommendations of a Board Review conducted by a leading international firm of specialist consultants.

Election and Composition

The Articles of Association and the new Corporate Governance Code requires that nominations for directorships together with documentation containing all relevant information be submitted to the Company's head office at least 15 days prior to the date of the Shareholders' Meeting. Only shareholders, or groups of shareholders, holding at least 1% of the Company's share capital (or any lower amount as determined by relevant legislation and regulations) may submit lists.

As explained in last year's Report, the Board of Directors is composed of fifteen members. The General Meeting of 7 April 2006 elected the fifteen directors for 2006, 2007 and 2008 from lists published in the national press that were submitted by shareholders in compliance with deadlines and in the manner required by art. 20 of the Articles of Association.

At that General Meeting, 12 directors were elected from the majority list submitted by Schemaventotto SpA, pursuant to article 20, paragraph a) of the Articles of Association: Gian Maria Gros-Pietro, Chairman; Vito Gamberale, CEO; Gilberto Benetton; Amerigo Borrini; Roberto Cera; Sergio De Simoi; Piero Di Salvo; Antonio Fassone; Giuseppe Guarino; Gianni Mion; and Giuseppe Piaggio and Salvador Alemany Mas.

The Director Giuseppe Guarino submitted a letter of resignation on 2 May 2006 and was replaced on 12 May 2006 through the co-option of the General Manager, Giovanni Castellucci, who was to remain in office, pursuant to the provisions of art. 2386, section 1 of the Italian Civil Code, until the following General Meeting. At the same meeting, the Board elected Giovanni Castellucci as CEO, having, at a previous meeting on 2 May 2006, voted to revoke, for cause, the powers conferred on Vito Gamberale by the Board on 7 April 2006.

The Director, Vito Gamberale, thus resigned his position by letter dated 21 May 2006.

The subsequent Ordinary General Meeting of 30 June 2006 thus elected Giovanni Castellucci and Luisa Torchia as directors to replace Vito Gamberale and Giuseppe Guarino.

The Board of Directors' meeting held immediately following the General Meeting of 30 June 2006 then elected Giovanni Castellucci as Chief Executive Officer, a position he holds in addition to the position of General Manager.

The General Meeting of 7 April 2006 also elected 3 directors from the minority list, pursuant to art. 20, section IIb) of the Articles of Association: Alberto Bombassei, Alberto Clò and Guido Ferrarini.

The General Meeting of 7 April 2006 then also authorised the general and precautionary waiver of the **prohibition contained in the non-competition clause of art. 2390 of the Italian Civil Code**, for the Company's directors, subject to the proviso that each Director inform the Board of any activity carried out in competition with the Company. In that regard, at meetings held by the Board of Directors in 2007, the directors informing the Board of the existence of such circumstances in connection with certain transactions abstained from voting on the relevant resolutions and, in most cases, absented themselves from the meetings during deliberations.

No change to the composition of the Board of Directors was made in 2007.

The Board of Directors currently comprises 15 members, including 13 non-executive directors and 2 executive directors (the CEO and the Chairman).

The number and powers of **non-executive directors** are such as to ensure that their opinions have a significant effect on board resolutions and that their specific skills and expertise are brought to bear on deliberations thus contributing to decision-making in keeping with the Company's best interests.

Currently, non-executive directors include Messrs Alemany Mas, Benetton, Bombassei, Borrini, Cera, Clò, De Simoi, Di Salvo, Fassone, Ferrarini, Mion, Piaggio and Torchia.

It should be noted that directors accept their appointment when they believe that they can devote enough time to carry out their duties diligently, also in view of the number of positions as a director or statutory auditor held in other Italian and foreign companies listed on regulated markets, and in financial, banking, insurance or other large companies. Table I summarises the number of positions held by each director in such companies in addition to Atlantia SpA, and Annex A provides details of those positions.

An adequate number of non-executive directors fulfil the requirements to be act as **independent directors**.

Pursuant to company's Corporate Governance Code a director would normally, but not necessarily, be disqualified from being an independent director if the director:

- a) controls, directly or indirectly, the issuer, including control exercised through subsidiaries, trustees or through a third party, or is able to exercise over the issuer dominant influence, or participates in a shareholders' agreement through which one or more persons may exercise a control or considerable influence over the issuer;
- b) has, or had in the preceding year, a direct or indirect commercial, financial or professional relationship of significance with (i) the issuer, a subsidiary of the issuer or any prominent representative of such parties, (ii) with a party, who, either alone or together with others through a shareholders' agreement, controls an issuer or (for companies or entities) or with any prominent representative;
- c) is or was, at any time during the previous three years, an employee of the issuer, one of its subsidiaries or any party controlling the issuer through a shareholders' agreement or is a prominent representative of the issuer;

d) is or was, at any time during the previous three years, a prominent representative of the issuer or any of the issuer's strategically important subsidiaries; or of a company jointly controlled with the issuer; or, a company or other entity, whether acting alone or in concert with others through a shareholders' agreement controls the issuer or is able to exercise significant influence. 'Prominent representative' means the Chairman, legal representative, executive directors or managers with strategic responsibilities;

e) receives, or has received in the preceding three years, from the issuer or a subsidiary or holding company of the issuer, significant additional remuneration compared to the "fixed" remuneration of non-executive director of the issuer, including the participation in incentive plans linked to the company's performance, including stock option plans;

f) is the executive director in another company in which an executive director of the issuer is a director;

g) is shareholder or director of a company or entity belonging to the group of companies appointed to audit the issuer's accounts;

h) is a close relative of an individual who holds any one of the above positions or engages in any one of the above activities.

For the avoidance of doubt, the reasons that could, but not necessarily, prohibit an individual from being an independent director as listed in the Company's Code, approved in December 2007, does not include the prohibition of art. 3.C.I, letter e) of Borsa Italiana's Code (the disqualification of persons, who served as a director of the issuer for more than nine of the past twelve years, to act as an independent director). Due to the fact that the substance, rather than the form, of this prohibition should result in the disqualification of an individual to act as an independent director, a review of the substance of powers and information acquired, rather than the title of positions held, by directors for their past three mandates as directors was believed to be in the best interests of the Company. Such reviews, however, remain subject power of the Board of Directors to vary the results of such reviews at any time.

Moreover, none of the independent members of the Board of Directors has held that position for more than nine of the last twelve years.

The independence of directors is periodically reviewed by the Atlantia SpA Board of Directors by considering information provided to the individual parties concerned. The results of the Board's reviews are disclosed to the market.

The independent members of Atlantia SpA's Board of Directors are Messrs Bombassei, Clò, Di Salvo and Ferrarini. In 2007, the above information remained unvaried.

Atlantia's new Code requires independent directors to separately meet in a closed session at least once a year.

Activities in 2007

Atlantia SpA's Board of Directors held twelve meetings in 2007. The average attendance was around 92% (the percentage of attendance for each director currently in office is shown in Table I).

During the meetings, appropriate documents were made available to ensure informed participation and decision-making.

All meetings of the Board of Directors were attended by the Company's Chief Financial Officer who is responsible for the preparation of accounting and company documents.

In December 2007, the Company published its financial calendar for the 2008 financial year, which envisages 11 meetings of Atlantia's Board of Directors, based on which 11 meetings of Atlantia's Board of Directors are planned, six of which are facultative.

2. Executive Committee

As reported last year, in 2005, during the call for tenders for the privatisation of motorways in France, the Board – in order to keep sensitive information confidential and prevent potential conflicts of interest – deemed it opportune to confer special powers to some directors for the joint evaluation of the strategy to be implemented in the call for tenders. On 7 April 2006, in implementation of art. 28 of the Articles of Association, the Board decided to make this solution permanent by setting up the Executive Committee and conferring to it a series of powers solely regarding transactions to be carried out overseas. These powers include:

- drawing up plans for implementing the Board's international strategy;
- examining and approving participation in international tenders and initiatives, either on behalf of the Company or any Group companies, and the related structure of transactions;
- examining and approving the establishment of companies, temporary and other forms of consortia or similar entity in order take part in international projects;
- examining and approving financial transactions in connection with participation in international tenders and projects.

The Executive Committee consists of five directors: the Chairman, and CEO are members by right. The other three directors that have been appointed are Alberto Bombassei, Gianni Mion and Giuseppe Piaggio.

The Executive Committee met twice in 2007.

3. Chairman

Pursuant to art. 30 of the Articles of Association, the Chairman represents the Company in dealings with third parties and the courts.

The Chairman performs an executive role as, in addition to powers conferred by legislation and the Articles of Association, he is entrusted with the following duties:

- assurance that Board Members are provided, sufficiently in advance as required, with documentation relating to matters on the agenda for their meetings that is the most suitable for effective participation by the Company's directors in the Board's deliberations;
- assurance of adequate information flows between the Company's Board of Directors and other administrative and governance bodies;
- monitoring, in line with programmes approved by governance bodies, of general initiatives for promoting the corporate image;
- representation, in implementation of resolutions approved by the relevant governance bodies, of the Company at ordinary and extraordinary Shareholders' Meetings or entities, in which the Company holds shares, with discretionary powers to confer specific powers on the Company's employees or other parties with respect to participation in such meetings;
- oversee relationships between the Company and Italian, non-Italian Authorities, entities and organisations including those of a multilateral nature.

4. Chief Executive Officer

The Chief Executive Officer is responsible for implementing resolutions approved by the Board of Directors.

The Chief Executive Officer is responsible for submitting proposals to the Board of Directors regarding (i) strategic, operating and financial plans, including long-term plans, for the Company, its subsidiaries and the Group in addition to modifications that may be required from time to time to undertake strategic transactions that were originally not planned; (ii) the Company's budget and the Group's consolidated budget.

In addition, the CEO:

- a) assures that organisational, administrative and accounting systems are adequate, given the nature and volume of the Company's and Group's operations, to provide the relevant reports to the Board of Directors while assuring that all information contained therein is kept confidential;
- b) assures the ongoing and continuous monitoring of the performance of the Company and the Group;

- c) oversees relations between the Company and institutional investors;
- d) informs and proposes matters to the Board for which the Chief Executive Officer is responsible;

Pursuant to *ad hoc* resolutions, the CEO is vested with such powers to carry out day-to-day operations as are not the reserve of the Board of Directors and the Chairman, pursuant to law, the Articles of Association and the Corporate Governance Code.

The main financial limits set for the CEO are as follows: €3,500,000 for individual contracts with any third party related to the Company's business purpose; €3,500,000 per transaction, even if executed in instalments, relating to the purchase and sale of equity interests and, in general, to any stock market transaction; €2,000,000 to settle disputes; €2,000,000 per transaction relating to loans to Group companies and guarantees given to, or on behalf of, third parties.

The CEO reports to the Board of Directors and the Board of Statutory Auditors promptly, and in any event at least quarterly, on the activities conducted in accordance with the powers delegated, ensuring specifically that the Board of Directors is given adequate information, so that the Board may in turn provide a formal account to the Board of Statutory Auditors on any significant, atypical, unusual or related party transactions, or on transactions in which the CEO has a declared interest or an interest on behalf of third parties.

Board Members in possession of powers to engage in transactions during the year are under similar obligations.

5. Committees

As explained in the beginning of this Section, in 2007, the Company, among other things, introduced systems of corporate governance based on the Company's December 2004 version of the Corporate Governance Code that had incorporated the recommendations of Borsa Italiana's July 2002 revision of its Corporate Governance Code. In implementation of that system, the Company had established all the committees recommended by the Corporate Governance Code for Listed Companies, published by Borsa Italiana in 1999 and amended in July 2002, except the Nominations Committee for the reasons indicated below.

Atlantia's new Corporate Governance Code, approved in December 2007, maintains the Committees required by the March 2006 version of Borsa Italiana's Corporate Governance Code except that the Remuneration Committee has been renamed the Human Resources Committee, the powers of which have been increased as explained below. The Company's new Code does not require a Nominations Committee for the reasons explained below.

Finally, the Company's new Corporate Governance Code discards the Consultative Committee for Public Service Functions, which, as reported last year, was transferred in 2006 to Autostrade per l'Italia.

The Human Resources Committee previously the Remuneration Committee

Role and composition

As explained above, the Company's new Corporate Governance Code, approved in December 2007, increases the powers of the Remuneration Committee which has been renamed the Human Resources Committee. The Committee (i) formulates proposals to the Board of Directors, in absence of parties directly concerned, regarding the combined remuneration of the Chairman, Chief Executive Officer and the Company's directors holding certain positions and, on the proposal of the Chief Executive Officer, for the determination of criteria for the remuneration of the Company's and Group's senior management. In addition, based on information provided by the Chief Executive Officer, it (ii) examines any stock or cash incentive schemes for Company and Group employees, (iii) the composition of strategically important administrative bodies of subsidiaries, and (iv) the strategic development policies with respect to human resources.

The main differences with respect to the Remuneration Committee required by the previous Corporate Governance Code relate to the increased powers under points (iii) and (iv).

Moreover, due to the increase in the powers of the Committee, the attendance at meetings by the Chairman and the Chief Executive Officer is now required except in those instances where proposals having regard to their remuneration are formulated.

Atlantia's new Corporate Governance Code requires the Human Resources Committee to be composed of five directors, most of whom are to be non-executive and two of which are to be independent directors.

The Company's Code varies, therefore, from Borsa Italiana's that requires a majority of independent directors for the Remuneration Committee. The reason for this is that as a result of the increase in its powers and consequent increase in its members to five, the Company preferred the composition of the Committee to reflect that of the Board of Directors, which has a minority of independent directors each of whom is already a member of at least one of the Board of Directors' committees.

Pursuant to the Company's Corporate Governance Code, the Human Resources Committee meets as and when required or on request by one of its members.

In order to bring the number of members of the Human Resources Committee to that required by the new Corporate Governance Code, at its meeting of 14 February 2008, the Company's Board of Directors appointed the following individuals to the Committee in addition to those directors who were members of the previous Remuneration Committee: Gianni Mion, Amerigo Borrini and Alberto Clò (independent) as well as directors Giuseppe Piaggio and Alberto Bombassei (independent). The independent director, Alberto Bombassei, was subsequently appointed as Chairman by the Committee.

Activities

In 2007, three meetings were held of the Remuneration Committee consisting of the non-executive director Gianni Mion, Chairman, non-executive director Amerigo Borrini and independent director Alberto Clò, elected from the minority list (the percentage of members attending the meetings is shown in Table 1). In accordance with the powers delegated to the Committee by the previous Corporate Governance Code, the following decisions and proposals were made:

- guidelines and the related amounts for the remuneration of senior and middle managers in the Autostrade Group for 2007;
- determination of the criteria for the MBO plan for 2007 for the Group's senior management;
- determination of the final amounts to be paid to the Autostrade Group's senior management and executives under the MBO plan for 2006;
- determination of the 2004/2006 Three Year Incentive Plan;
- determination of the compensation of the Chief Executive Officer/General Manager of Atlantia – Chief Executive Officer of Autostrade per l'Italia SpA

One meeting of the Committee was also dedicated to the analysis the roles of Senior Management with the assistance of professional consultancy firms. That meeting was also attended by the Chief Executive Officer. The Chairman did not attend certain of the Committee's meetings due to the fact that his attendance was not mandatory under the previous Corporate Governance Code.

Internal Control and Corporate Governance Committee

Role and composition

This Committee advises, makes recommendations and generally assists in evaluating the adequacy of the Group's internal control and corporate governance systems.

The Company's new Corporate Governance Code requires the majority of the Committee's members to be non-executive directors the majority of whom are independent directors including at least one minority director and one of the Committee's members with ample experience in accounting and finance. The members of the Internal Control and Corporate Governance Committee in 2007 remained unchanged with respect to the members previously in office. The members are thus the non-executive director, Giuseppe Piaggio (Chairman), the non-executive, independent director, Piero Di Salvo and the non-executive, independent director, Guido Ferrarini, who was elected by minority shareholders.

The Chairman of the Board of Auditors (or another serving auditor, at his request) also attends Committee meetings. Depending on the issues to be dealt with, the Chairman of the Board of Directors,

the CEO, all serving auditors and the heads of Internal Auditing and Risk Management may be invited to take part.

The duties and responsibilities of the Committee are specifically indicated in Atlantia SpA's Corporate Governance Code, which is available on the Company's web site www.atlantia.it/en/corporate-governance/autodisciplina.

Moreover, the Committee's work is completely independent of that of Supervisory Board with which information is required to be exchanged.

Activities

During 2007 the Internal Control and Corporate Governance Committee met on 12 occasions to deliberate the following matters (the percentage of attendance at Committee meetings is shown for each individual member in Table 1).

- Procedures for the preparation of financial statements.
- Procedures for the relationships between the Independent Auditors and the Board of Auditors.
- The status of the internal auditing function.
- 2007 Risk Plan.
- 2006 report on the Corporate Governance system.
- periodic meetings with the independent auditors, KPMG, with regard to the latter's audit activities during the year, with particular reference to the 31 December 2006 financial statements and the interim financial statements for the six months ended 30 June 2007.
- Revision of the Company's Corporate Governance Code.
- the CIPE Directive of 23 January 2007 on the economic regulation of the motorway sector.
- Amendment to the Articles of Association in accordance with the Savings Law
- Reappointment of retiring independent auditors at certain subsidiaries.
- Reorganisation of the Company and review of Corporate Governance.
- Opinion of the 2007 finance act regarding the provisions concerning the compensation of directors of non-listed companies with public and private shareholders.
- Risk Due Diligence with respect to Privacy.
- The Management and Control Organisational Model contained in Legislative Decree 231/2001.
- Regulations of the Consultative Committee for Public Service Functions
- Project for the compliance with the requirements of art. 154-bis of the Consolidated Law on Financial Intermediation.
- Periodic reports on the activities of the Committee during 2007.
- Meeting with the representatives of Egon Zehnder on the analysis of Atlantia's Board of Directors and its effectiveness.
- Conclusions of the Enterprise Risk Management project of 2007.

Nominations Committee

As reported last year, a nominations committee was not established to recommend candidates to the Board of Directors, as new directors are appointed by list vote, in accordance with the procedure provided for by art. 20 of the Articles of Association. Such procedure is transparent and compliant with the requirements of the Corporate Governance Code for Listed Companies.

Atlantia's Board of Directors did not, therefore, deem it necessary to appoint such a committee, considering that:

- such committee is appointed – though not as an obligation but merely as an option granted to the Board of Directors – to ensure, pursuant to article 6 of the March 2006 version of the Corporate Governance Code prepared by the Corporate Governance Committee for Listed Companies, the transparency of the selection procedure, a need that is fulfilled in Autostrade's case by the above article of the Articles of Association; and that
- based on past experience, Atlantia SpA's shareholders have never had a need to submit nomination proposals.

6. Board of Auditors

The Articles of Association and the new Corporate Governance Code require that nominations of Auditors and relevant information documentation be filed at the Company's head office at least 15 days prior to the date of Shareholders' Meetings. Only shareholders, or groups of shareholders, holding at least 1% of the Company's share capital (or any lower amount as determined by relevant legislation and regulations) may submit lists.

The General Meeting of 7 April 2006 elected the Board of Auditors by list vote (which provides for the election of two serving auditors and one alternate auditor by minority shareholders) for the financial years 2006-2008. The following auditors were elected by majority shareholders: Alessandro Trotter, Tommaso Di Tanno and Angelo Maglietta, serving auditors, and Giandomenico Genta, alternate auditor. The Chairman, Marco Spadacini, the serving auditor, Raffaello Lupi, and the alternate auditor, Giuseppe Maria Cipolla, were elected by minority shareholders (pursuant to art. 148 of Legislative Decree, 58/1998, as subsequently amended by Law 262/2005).

All the auditors in office meet the integrity and experience requirements provided for by the applicable laws. The Articles of Association also disqualify persons, holding a number of positions of management and control equal to or greater than the maximum number established by relevant legislation, from being appointed as Auditor. The Board of Auditors has assessed the independence of its members following their appointment.

Table 2 summarises the positions held as director or auditor of each member of the Boards of Directors and Auditors in other companies listed on Italian regulated markets, in addition to their position in Atlantia SpA. Annex B lists such positions.

During 2007 the Board of Auditors of Atlantia SpA met 11 times (Table 2 shows the attendance rates for the Board of Auditors' meetings).

7. Independent auditors

KPMG SpA is the auditing firm responsible for auditing the annual and consolidated financial statements, periodic checks on accounting procedures, and reviewing the consolidated interim financial statements of Atlantia SpA for the financial years 2006-2011.

The Board of Auditors and the auditing firm exchange information and data deriving from their respective audit activities.

On 23 April 2007, the Company issued the procedure on Relations with Independent Auditors in order to define operational responsibilities and procedures for managing relationships of Companies belonging with the Group with Independent Auditors.

The procedure relates to Company senior management and staff of Group Companies who, in the performance of their duties, have direct or indirect contact with independent auditors during the audit.

8. Procedure for Market Announcements

The management of confidential information is the responsibility of the Chairman, in agreement with the CEO. The Company's Board of Directors, which had already approved the **Procedure for Market Announcements** in July 2004, responded to the reforms introduced by Law 262/2005 (so-called "Savings Law") and Law 62/2005 (so-called "European Union Law 2004") by approving a new procedure in March 2006, which was revised on 5 October 2007 in accordance with the most recent pronouncements of CONSOB in that regard and the most recent modifications to internal organisation.

This procedure governs communication of confidential information to the market on the part of Atlantia SpA and subsidiaries (meaning subsidiaries either directly or indirectly controlled by Atlantia), as required by related legislation and art. 8 of the Company's Corporate Governance Code (art. 9 of the previous Corporate Governance Code) and section 7 of the Group's Code of Ethics.

The full text of the Procedure for Market Announcements can be viewed on the Company's web site at www.atlantia.it/en/corporate-governance/procedura-informazione-societaria-mercato.

The procedure for market announcements is complemented and integrated by the provisions of the **Code of Conduct for Internal Dealing**, the most recent version of which was also approved in March 2006 in implementation of the provisions pursuant to art. 114 comma 7 of Legislative Decree 58/1998 and articles 152 sexies, 152 septies and 152 octies of CONSOB Regulation 11971. The Code governs the disclosure requirements in respect of Atlantia SpA and the Market, relating to the purchase, sale, subscription or exchange of shares issued by Atlantia or financial instruments underlying the shares, where such transactions amount to a total of €5,000 per year.

The Company's Code identifies Relevant Persons, each of whom may indicate additional Relevant Persons, in relation to the activities performed by or tasks assigned to them, including for limited periods of time.

The Code provides for periods during which the above transactions are prohibited

The full text of the Code of Conduct for Internal Dealing can be viewed on the Company's website at www.atlantia.it/en/corporate-governance/codice-internal-dealing.

9. Procedure for related party transactions

Transactions in which a director, auditor, the General Manager or an executive to whom special powers have been conferred by the Board of Directors has an interest, whether acting on his own behalf or on behalf of a third party, and transactions with related parties are to be approved and executed in accordance with the principles of transparency and substantive and procedural correctness as well as any principles adopted by the Board of Directors, on the recommendation of the Internal Control and Corporate Governance Committee, and set out in the related regulations.

The new Corporate Governance Code also requires all directors and auditors to promptly report, at least quarterly, to the Board of Directors and the Board of Auditors all transactions in which such persons have an interest, either acting on their own behalf or on behalf of third parties, with respect to the origination, terms and nature of such interest.

The Board of Directors approved the **Procedure for Related Party Transactions** in July 2004. Their approval was also made with reference to the relevant provisions of art. 71 *bis* of CONSOB Regulation 11971 of 14 May 1999 and subsequent amendments, CONSOB communication DEM/2064231 of 30 September 2002, and IAS 24. The procedure is currently being reviewed as a result of the recent approval of the Company's Corporate Governance Code and changes made following the reorganisation of the Group.

The Procedure contains a code of conduct for related party transactions, establishing the criteria for identifying such transactions and the principles to be applied.

The full text of the Procedure for Related Party Transactions can be viewed on the Company's web site at www.atlantia.it/en/corporate-governance/procedura-operazioni-parti-correlate.

Details of the related party transactions carried out by the Company during 2007 are provided in the paragraph on "Related party transactions" in the section "Atlantia SpA: financial review and other information" in the Management Report on Operations.

10. Procedure for reporting to the Board of Auditors

Procedures for relations with the Board of Auditors

In December 2004, the Autostrade SpA (now Atlantia SpA) Board of Directors approved a specific **Procedure for Reporting to the Board of Auditors**, pursuant to art. 150, paragraph 1 of Legislative Decree 58/1998, to replace the previous procedure.

The purpose of the Procedure is to ensure that the Board of Auditors is provided with all information required to carry out its supervisory function pursuant to the above Decree and, by increasing management transparency, to allow each director to play a more informed role in the Company's management. The Procedure includes the exchange of information between the Chief Executive Officer and the Board of Directors as recommended by the Corporate Governance Code. The objective is to confirm the Board's central role in the Company's management, ensuring that all members of the Board of Directors and the Board of Auditors are kept fully informed, in addition to strengthening systems of the internal controls.

According to the procedure, information to be reported to the Board of Auditors includes:

- details of activities carried out;
- the most significant transactions in terms of impact on the Company's results of operations, financial position and cash flows;
- details of the activities through which the Company exercises its management and coordination functions, other than those already reported in connection with the activities carried out;
- atypical or unusual transactions and any other activity or transaction deemed necessary to report to the Board of Auditors.

The reports reflect activities and transactions performed in the period of time (no more than three months) following the period (also no more than three months in length) covered by the previous report.

For the purposes of the reports, the procedure identifies transactions whose impact might be regarded as significant in terms of the Company's results of operations, financial position and cash flows. Specifically, in addition to transactions that are the reserve of the Board of Directors, pursuant to article 2381 of the Italian Civil Code, as well as the Articles of Association and the Corporate Governance Code, significant transactions conducted by Atlantia SpA or by its main direct or indirect subsidiaries include:

- issuance of financial instruments for a total amount in excess of €5 million;
- borrowing or lending as well as the provision of guarantees, investment and divestment, including properties, for amounts in excess of €5 million;
- acquisitions and sales of equity interests, companies or business units, assets and other transactions for amounts each in excess of €5 million;
- mergers and demergers.

During the year the Board of Directors kept the Board of Auditors up to date by reporting to it on a

quarterly basis.

With respect to Legislative Decree 231/2001 and the Group's Code of Ethics, the **Procedure for Relationships with the Board of Auditors** was issued in February 2007 for the definition of responsibilities and operational procedures for managing relationships between employees of Companies belonging to the Group and its Board of Auditors.

The procedure relates to the staff of Group Companies who in the performance of their duties have direct or indirect contact with statutory auditors during the audit.

II. Manager responsible for financial reporting

As required by art. 33 of the Articles of Association, which was added to comply with art. 154 bis of the Consolidated Law on Financial Intermediation, the Board of Directors appointed, subject to the approval of the Board of Auditors, the then Chief Financial Officer (CFO), Dr. Luca Bettonte, as the manager responsible for financial reporting. Following Dr. Bettonte's resignation, the Board of Directors then appointed the new CFO, Dr. Giancarlo Guenzi, as the manager responsible for financial reporting until the conclusion of the Board of Directors' mandate.

In 2007, the project was completed that had started in 2006 to adapt administrative and accounting internal controls to the new requirements introduced by art. 154-bis of the Consolidated Law on Financial Intermediation. These revisions were made to permit the Chief Executive Officer and the manager responsible for financial reporting to make the attestations required for the annual report, the condensed interim and consolidated financial statements regarding, among other things, the adequacy and the effective application of administrative and accounting procedures.

The project entailed analyses of significant Group entities and the related significant processes through the mapping of measures to be taken to assure the existence of risk monitoring controls (at entity and process level) as required by law, accounting regulations and standards regarding the periodic disclosure of financial information.

The effectiveness of the administrative and accounting procedures was verified, with the assistance of a leading specialised firm of consultants, by a monitoring programme of the control and governance environment, as well as process level key controls of relevant entities and processes.

12. Internal control system

The system of internal controls consists of all of the rules, procedures and organisational structures required by the Corporate Governance Code to assure the sound, correct management of the Company in a manner consistent with predetermined objectives.

The Board of Directors develops guidelines for the system of internal controls and assesses its adequacy and proper functioning, by ensuring that the main business risks (operational, financial and risks of any other nature) are adequately identified, managed and has delegated responsibility for overseeing the system to the Chief Executive Officer.

The Chief Executive Officer defines the tools and the implementation procedures for the internal control system, in accordance with the guidelines set by the Board of Directors, overseeing the overall adequacy of the system, its performance, and its adaptation to changes in the operating environment and in the legislative and regulatory frameworks; proposes the appointment or revocation of one or more persons to be in charge of internal controls.

In order to check the proper working of the internal control system, the Board of Directors relies on the Internal Control and Corporate Governance Committee, as well as on one or more adequately independent managers equipped with the proper tools to carry out these duties.

The **heads of internal control**, who are the Managers of the Internal Audit and Risk Management Departments, report directly to the Chairman, the Chief Executive Officer, as well as to the Internal Control and Corporate Governance Committee and the Board of Auditors.

The Chief Executive Officer makes changes to the internal control system whenever required to remedy any weaknesses found by audits.

The **Internal Audit** Organisational Unit is responsible for monitoring and checking the proper performance of the internal control system.

This activity is carried out through a plan involving audits and inspections designed to verify that the processes implemented by the various business units and Group companies are in keeping with law and internal policies and regulations, recommending any corrective action to management.

At the end of these audits and inspections, reports are prepared, containing the conclusions and any recommended improvements to the organisation, processes and systems.

The **Risk Management and Internal Control** Organisational Unit is responsible for overseeing, at Group level, procedures for the identification, management and monitoring of business risks through adequate development and improvement. Based on the risks analysed and existing controls, Risk Management and Internal Control proposes detailed, reasoned measures to senior management for improvements and, on behalf of senior management, supervises implementation. The Unit completed the analysis of procedures in 2007 that had been selected by Senior Management in 2006. The analysis also included the monitoring of the full and correct implementation of improvements to the system of internal controls.

13. Legislative Decree 231/2001

In 2007, Atlantia continued the analysis and adaptation of its organisational, management and control tools to the requirements of Decree 231/2001 as subsequently amended. This, above all, entailed the implementation of the **Management and Control Organisational Model** adopted by Autostrade (now Atlantia), in collaboration with a criminal lawyer, with respect to the evolution of legislation and the modifications to the organisation during the year.

The adoption of the Management and Control Organisational Model contributed to implementation of the Company's System of Internal Controls, as indicated in the new Corporate Governance Code.

The Principles guiding the implementation of Atlantia's Management and Control Organisational Model are available on the Company's web site: www.atlantia.it/investor/corporate-governance.

Atlantia's **Supervisory Board**, chaired by Renato Granata, Emeritus Chairman of the Constitutional Court and the First Honorary Adjunct Chairman of the Supreme Court, consists of the Company's General Counsel and the Head of the Internal Audit Department. In 2007 the Board met 12 times, to deal with the issues associated with legal changes and implementing the Action Plan for the monitoring and evaluation of the Management and Control Organisational Model adopted by Autostrade.

In accordance with the Organisational Model, during 2007 Atlantia's Supervisory Board reported from time to time to the Board of Directors, to the Board of Auditors and to the auditing firm on the activities performed with regard to both revisions to the Management and Control Organisational Model and controls made, including those conducted by the Internal Audit Department.

With regard to Group companies, the respective Supervisory Boards, in keeping with the steps taken by Atlantia's Supervisory Board, have implemented their own action plans to monitor and assess the adequacy of the Management and Control Organisational Models adopted in each case. Atlantia's Internal Audit Department performed all the planned audits and periodic reports on the supervisory activities carried out during the reference periods have been prepared and submitted to the relevant boards of directors, boards of auditors and independent auditors.

14. Shareholder relations

General Meetings

The directors encourage and facilitate the highest possible attendance of shareholders at General Meetings, in particular by providing all the necessary information and documents to ensure smooth running and aware participation at meetings. The information is made available on a special page of the Company's internet site.

The new Corporate Governance Code requires that General Meetings be treated as forums to provide shareholders with reports on the Company's operations and outlook, in accordance with the rules and regulations on price sensitive information. In the event of significant changes in the Company's overall

capitalisation, in the shareholder structure and in the number of shareholders, the directors assess the appropriateness of recommending changes to the Memorandum of Association to the General Meeting as regards the majorities required to implement actions and to exercise the prerogatives designed to protect minorities.

The Company's Articles of Associations provides that all those persons may participate in General Meetings, who have obtained, by the date stipulated by statute as may be in effect from time to time, the attestation of the intermediary, that the holder has the right to vote. All restrictions on share transfers shall be cancelled after that date.

The General Meeting Regulations, shown at the end of the Articles of Association, provide for the orderly and functional proceedings of Ordinary and Extraordinary meetings of shareholders

The full texts of the Articles of Association and General Meeting Regulations are available on the Company's web site: www.atlantia.it/it/corporate-governance/statuto.

The 2007 Shareholders' Meeting was held on 4 May 2007 for: in the Ordinary Part, the approval of the 31 December 2006 Financial Statements and the authorisation to buy and sell treasury shares; and, for the Extraordinary Part, the amendment of art. 1 of the Articles of Association relating to the name of the Company.

Investor relations

Atlantia's financial reporting is designed to reach all of its stakeholders, with special emphasis on the market and the public authorities concerned.

To this end, the Company aims to maintain and develop a constructive dialogue with shareholders and institutional investors, founded on the mutual understanding of the respective roles. Financial reporting is dealt with by the Corporate Finance and Investor Relations department, which is responsible for Group relations with the Italian and international financial community. The department is responsible for providing the market with a timely, complete and clear quantitative and qualitative description of the strategies and results of operations, keeping communication channels open with the market (investors and financial analysts) in all respects through:

- periodic mandatory reports (e.g. annual, half-year and quarterly financial statements);
- extraordinary mandatory information (in connection with capital raising and borrowing transactions carried out by the Company or transactions with an impact on the Group's structure);
- ongoing mandatory information on significant events;
- voluntary information provided to support investors and analysts.

Periodic and extraordinary mandatory disclosures occur through:

- the regular publication of annual and interim financial statements;

- the timely filing with the CONSOB of the prospectuses related to capital raising transactions carried out by the company.

The documents are published promptly in the Investor Relations section of the Company's web site whilst their contents are summarised to the financial community via meetings with the Company's senior management.

Mandatory disclosures on significant events are made in accordance with Legislative Decree 58 dated 24 February 1998 and the CONSOB's Regulations for Issuers. In fact, the principles laid down therein, and any subsequent amendments, are adopted in accordance with the Code of Conduct for Listed Companies and Borsa Italiana's Guide for Reporting to the market, and in accordance with the instructions in the above "Procedure for Market Announcements".

Voluntary information to investors and analysts is provided in regular meetings (road shows, conference calls, one-on-one meetings) with institutional investors in the main financial centres, both in Italy and abroad.

TABLE I: STRUCTURE OF THE BOARD OF DIRECTORS AND COMMITTEES

Board of Directors							Internal Control and Corporate Governance Committee		Remuneration Committee	
Position	Members	Executive	Non-executive	Independent	(1)	No. of other positions (2)	(3)	(1)	(3)	(1)
Chairman	GROS-PIETRO Gian Maria	X			100	5				
Chief Executive Director	CASTELLUCCI Giovanni	X			100	7				
Director	ALEMANY MAS Salvador		X		100	8				
Director	BENETTON Giberto		X		100	11				
Director	BOMBASSEI Alberto		X	X	58	4				
Director	BORRINI Amerigo		X		75	17			X	100
Director	CERA Roberto		X		100	1				
Director *	CLO' Alberto		X	X	92	4			X	100
Director	DE SIMOI Sergio		X		83	5				
Director	DI SALVO Piero		X	X	100	3	X	100		
Director	FASSONE Antonio		X		100	2				
Director *	FERRARINI Guido		X	X	100	1	X	100		
Director	MION Gianni		X		100	9			X	100
Director	PIAGGIO Giuseppe		X		92	5	X	92		
Director	TORCHIA Luisa		X		75	2				
A Nominations Committee is not provided for in Autostrade SpA's Corporate Governance Code, given that, in accordance with the Articles of Association, election of the Board of Directors takes the form of a transparent procedure (a vote list).										
The Remuneration Committee was renamed the Human Resources Committee in the new Corporate Governance Code approved in December 2007, which has also widened its brief and increased the number of members. As a result, in addition to the members of the previous Remuneration Committee indicated in the table, from 14 February 2008 the following Directors are members of the Human Resources Committee: Giuseppe Piaggio and Alberto Bombassei.										
Number of meetings held during the year	Board of Directors: 12		Internal Control and Corporate Governance Committee: 12		Remuneration Committee: 3					

NOTES

- (*) An asterisk indicates that the director has been elected to represent minority shareholders.
- (1) This column shows the percentage attendance of directors at Board and Committee meetings, respectively.
- (2) This column shows the number of directorships or positions as a statutory auditor held by the director in other listed Italian or overseas companies, financial companies, banks, insurers or companies of significant size.
- (3) The "X" in this column indicates that the director is a member of the Committee.

TABLE 2: STRUCTURE OF THE BOARD OF AUDITORS

Position	Members	Percentage attendance at meetings of the Board of Auditors	No. of other positions (1)
Chairman *	SPADACINI Marco	100	5
Auditor	DI TANNO Tommaso	45	2
Auditor*	LUPI Raffaello	91	-
Auditor	MIGLIETTA Angelo	91	1
Auditor	TROTTER Alessandro	100	3
Alternate Auditor *	CIPOLLA Giuseppe Maria	-	-
Alternate Auditor	GENTA Giandomenico	-	-
Number of meetings held during the calendar year: 11			
The right to submit lists is only granted to shareholders who alone or with other shareholders represent at least 1% of the voting shares at Ordinary General Meeting (art. 32 of the Articles of Association)			

NOTES

- (*) An asterisk indicates that the statutory auditor has been elected to represent minority shareholders.
- (1) This column shows the number of directorships or positions as a statutory auditor held by the statutory auditor in other listed Italian companies.

TABLE 3: OTHER PROVISIONS OF THE CORPORATE GOVERNANCE CODE

	YES	NO	Short description of reasons for deviation from Code recommendations
System of powers and related party transactions			
Has the Board attributed powers setting:			
a) any limits	X		none
b) any procedures for their exercise	X		"
c) any frequency for reporting?	X		"
Has the Board kept the prerogative to review transactions with a significant impact on the results of operations, the financial position and cash flows (including related party transactions)?	X		"
Has the Board set guidelines and criteria for identifying "significant" transactions?	X		"
Are the above guidelines and criteria described in the annual report?	X		"
Has the Board defined specific procedures for examining and approving related party transactions?	X		"
Are the procedures for the approval of related party transactions described in the annual report?	X		"
Procedure of the most recent appointment of directors and auditors			
Were the names of candidates for election to the Board of Directors filed at least ten days in advance?	X		none
Was exhaustive information provided on the background of candidates for election to the Board of Directors?	X		"
Did candidates for election to the Board of Directors submit information regarding their suitability to qualify as independent?	X		"

Table 3, continued	YES	NO	Short description of reasons for deviation from Code recommendations
Were the names of candidates for the Board of Auditors filed at least ten days in advance?	X		"
Was exhaustive information provided on the background of candidates for the Board of Auditors?	X		none
General Meetings			
Did the Company implement General meeting Regulations?	X		"
Are these Regulations attached to the annual report (or are instructions provided on where they can be obtained/downloaded)	X		"
Internal Control			
Did the Company appoint a person to take charge of internal controls?	X		"
Do these persons report to managers other than operational managers?	X		"
Organisational units in charge of internal control (under article 93 of the Code)	INTERNAL AUDITING and RISK MANAGEMENT AND INTERNAL CONTROL		
Investor Relations			
Did the company appoint a head of Investor Relations?	X		"
Organisational unit and details (address/telephone/fax/e-mail) of the head of investor relations	Investor Relations: MASSIMO SONEGO Via Antonio Nibby, 20, 00161 ROME. ITALY Tel.: 06/44172610 - e-mail: investor.relations@atlantia.it		

ANNEX A

LIST OF OTHER POSITIONS HELD BY THE DIRECTORS IN OTHER ITALIAN AND FOREIGN COMPANIES LISTED ON ITALIAN AND INTERNATIONAL REGULATED MARKETS, AND IN FINANCIAL, BANKING, INSURANCE OR LARGE COMPANIES

DIRECTOR	OTHER POSITIONS
GROS-PIETRO Gian Maria	<ul style="list-style-type: none"> ➤ Chairman of Autostrade per l'Italia SpA ➤ Chairman of Perseo SpA ➤ Director of Edison SpA ➤ Director of Fiat SpA ➤ Director of SEAT Pagine Gialle SpA
CASTELLUCCI Giovanni	<ul style="list-style-type: none"> ➤ Vice Chairman of Olimpia SpA ➤ CEO of Autostrade per l'Italia SpA ➤ CEO of Autostrade Sud America S.r.l. ➤ Director of Autostrade del Brennero SpA ➤ Director of Autovie Venete SpA ➤ Director of IGLI SpA ➤ Director of Pedemontana Venete SpA
ALEMANY MAS Salvador	<ul style="list-style-type: none"> ➤ Chairman of Acesa Italia S.r.l. ➤ Chairman and CEO of Autopistas Concessionaria Española S.A. ➤ CEO of Abertis Infraestructuras S.A. ➤ Sole Director of Abertis Autopistas España S.A. (until 21 June 2007) ➤ Sole Director of Castellana de Autopistas S.A. Concessionaria del Estrado ➤ Sole Director of Autopistes de Catalunya S.A. Concessionaria de la Generalitat de Catalunya Aucat S.A. ➤ Director of Iberpistas S.A. Concessionaria del Estado ➤ Director of Schemaventotto SpA

DIRECTOR	OTHER POSITIONS
<p>BENETTON Gilberto</p>	<ul style="list-style-type: none"> ➤ Chairman of Autogrill SpA ➤ Chairman of Edizione Holding SpA ➤ Chairman of Sintonia SpA ➤ Vice Chairman of Olimpia SpA (until 25 October 2007) ➤ Director of Allianz SpA (from 20 September 2007) ➤ Director of Benetton Group SpA ➤ Director of Lloyd Adriatico SpA ➤ Director of Pirelli & C. SpA ➤ Director of Schemaventotto SpA ➤ Director of Telecom Italia SpA ➤ Member of the Mediobanca SpA Supervisory Committee
<p>BOMBASSEI Alberto</p>	<ul style="list-style-type: none"> ➤ Chairman of Brembo SpA ➤ Director of Ciccolella SpA ➤ Director of Italcementi SpA ➤ Director of Pirelli & C SpA
<p>BORRINI Amerigo</p>	<ul style="list-style-type: none"> ➤ Chairman of Banca Generali Fiduciaria SIM ➤ Director of Autovie Venete SpA ➤ Director of Banca Generali ➤ Director of Finanziaria Internazionale Holding ➤ Director of Flandria ➤ Director of Generali Finance B.V. (NL) ➤ Director of Generali Investment Italy SGR SpA ➤ Director of Generali Investment Ltd (IRL) ➤ Director of Generali Investment Luxembourg S.A. ➤ Director of Graafschap Holland N.V. (NL) ➤ Director of Ital TBS ➤ Director of Net Engineering International S.r.l. ➤ Director of Perseo SpA ➤ Director of Premuda SpA ➤ Director of Save – Aeroporto di Venezia Marco Polo ➤ Director of Toro Assicurazioni ➤ Director of Transocean Holding Corporation
<p>CERA Roberto</p>	<ul style="list-style-type: none"> ➤ Director of Schemaventotto SpA

Annex A, continued (3/3)

DIRECTOR	OTHER POSITIONS
CLO' Alberto	<ul style="list-style-type: none"> ➤ Director of ASM Brescia SpA ➤ Director of De Longhi SpA ➤ Director of ENI SpA ➤ Director of Italcementi SpA
DE SIMOI Sergio	<ul style="list-style-type: none"> ➤ Director of Autogrill SpA ➤ Director of Schemaventotto SpA ➤ Director of Sintonia S.A. ➤ Director of Sintonia SpA ➤ Director of 2I Investimenti Partners SpA
DI SALVO Piero	<ul style="list-style-type: none"> ➤ Chairman of Autostrade Meridionali SpA ➤ Director of Tangenziale di Napoli SpA ➤ Chairman of the Board of Auditors of 3C SpA
FASSONE Antonio	<ul style="list-style-type: none"> ➤ Director of Schemaventotto SpA ➤ Director of Fondazione Cassa di Risparmio di Torino
FERRARINI Guido	<ul style="list-style-type: none"> ➤ Chairman of TLX SpA
Annex A continued 4/4	<ul style="list-style-type: none"> ➤ CEO of Edizione Holding SpA ➤ CEO of Sintonia SpA
MION Gianni	<ul style="list-style-type: none"> ➤ Director of Aeroporti di Roma SpA ➤ Director of Autogrill SpA ➤ Director of Benetton Group SpA ➤ Director of Cartiere Burgo SpA ➤ Director of Luxottica Group SpA ➤ Director of Schemaventotto SpA ➤ Director of Telecom Italia SpA
PIAGGIO Giuseppe	<ul style="list-style-type: none"> ➤ Chairman of Schemaventotto SpA ➤ Director of Autostrade per l'Italia SpA ➤ Director of Fondazione Cassa di Risparmio di Torino ➤ Director of IGLI SpA ➤ Director of Impregilo SpA
TORCHIA Luisa	<ul style="list-style-type: none"> ➤ Director of ACEA SpA ➤ Director of Cassa Depositi e Prestiti

ANNEX B

LIST OF OTHER POSITIONS HELD BY STATUTORY AUDITORS IN OTHER COMPANIES LISTED ON REGULATED ITALIAN MARKETS

AUDITOR	OTHER POSITIONS
SPADACINI Marco	<ul style="list-style-type: none"> ➤ Director of A. Mondadori Editore SpA ➤ Chairman of the Board of Auditors of SORIN SpA ➤ Serving Auditor of Fondiaria SAI SpA ➤ Serving Auditor of IMMSI SpA ➤ Serving Auditor of SNIA SpA
DI TANNO Tommaso	<ul style="list-style-type: none"> ➤ Chairman of the Board of Auditors of Banca Monte dei Paschi di Siena ➤ Chairman of the Board of Auditors of Caltagirone SpA
LUPI Raffaello	—
MIGLIETTA Angelo	<ul style="list-style-type: none"> ➤ Director of Esprinet SpA
TROTTER Alessandro	<ul style="list-style-type: none"> ➤ Director of Immobiliare Lombarda SpA ➤ Managing Director of Mediobanca SpA ➤ Serving Auditor of KME Group SpA
CIPOLLA Giuseppe Maria	—
GENTA Giandomenico	—

Report of the Board of Auditors to the Shareholders

(pursuant to art. 153 of Legislative Decree 58/1998 and art. 2429, paragraph 3 of the Italian Civil Code)

To the shareholders of Atlantia SpA

During the financial year ended 31 December 2007, we performed the audit procedures required by law, adopting, *inter alia*, the Standards recommended by the Italian accounting profession.

As required by the above legislation and by the rules established by the CONSOB in its Ruling of 6 April 2001, we report the following:

- we verified compliance with the law and the articles of association;
- we obtained quarterly reports from the directors providing adequate information on the Company's activities and on transactions carried out by the Company and its subsidiaries with a major impact on the Group's results of operations, financial position and cash flow, ensuring that

the actions decided on and carried out were in compliance with the law and the articles of association, were not subject to any potential conflict of interest or contrary to the resolutions adopted by the General Meeting, and were not clearly imprudent or risky or such as to compromise the value of the Company;

- in accordance with our responsibilities, we obtained information on and checked the adequacy of the Company's organisational structure and on observance of the principles of good governance, by means of direct observation, the gathering of information from the heads of the various departments and through meetings with the independent auditors with a view to exchanging the relevant data and information; in this regard we have no special observations to make;
- we verified the adequacy of the guidelines communicated by the Company to its subsidiaries pursuant to article 114, paragraph 2 of Legislative Decree 58/1998. In this regard, Atlantia SpA was responsible for the Group's strategies and operating policies during 2007, having taken on the role of holding company following the decision by the parent, Schemaventotto SpA, to suspend all management control over Autostrade SpA. This was followed by the decision taken by the Board of Directors of Autostrade SpA (now Atlantia SpA) to consider Autostrade SpA (now Atlantia SpA) as not being subject to the management and coordination of the majority shareholder, Schemaventotto SpA.

In connection with its role as holding company, Atlantia exercised direction and control during 2007 for the intents and effects of art. 2497 et seq. of the Italian Civil Code, of companies belonging to the group.

As explained in detail in the Report on Operations and the Notes to the Financial Statements, during the first six months of 2007, the Company's Board of Directors approved a reorganisation that was implemented on 1 June 2007. As part of the reorganisation that was made to redefine the role and mission of the parent company, a change in name from Autostrade SpA to Atlantia SpA was also approved. The primary purpose of the reorganisation was to strengthen the identity of Atlantia as an investment and portfolio strategy holding company to support the growth of the infrastructure sector and of networks without, however, being directly involved in operations,

which is now the responsibility of the subsidiary Autostrade per l'Italia SpA, the autonomous, operating sub-holding company for the motorway sector. In its meeting of 14 December 2007, the Board of Directors, as a consequence of the above and of the new Corporate Governance Code, empowered to engage in the direction and coordination of its manufacturing and concession subsidiaries;

- we assessed and verified the adequacy of the system of internal controls;
- we assessed and verified the adequacy of the administrative/accounting system and its ability to correctly represent operating activities, by gathering information from the respective heads of department, examining corporate documents and analysing the results of the work carried out by the independent auditors;
- we held meetings with representatives of the independent auditors, pursuant to art. 150, paragraph 2 of Legislative Decree 58/98, and no significant information that should be included in this report has come to light;
- we verified the absence of exceptional and/or unusual transactions, including intercompany or related party transactions;
- we assessed the adequacy of the information provided in the management report on operations, regarding the absence of exceptional and/or unusual transactions, including intercompany or related party transactions;
- in July 2004, the Board of Directors, taking account of CONSOB Ruling DEM/206231 of 30 September 2002 and IAS 24, approved the Procedure for Related Party Transactions. The procedure is currently under revision due to the fact that Atlantia only adopted the new Corporate Governance Code in December 2007. The new Code has essentially incorporated all of the principles and standards of Borsa Italiana's Corporate Governance Code of March 2006 except for certain specific items and modifications of the Company's Code that arose due to the need to adapt the Code to the changes brought about by the Group reorganisation during 2007. Adequate information on the above is briefly provided in the management report on operations, in the

section dealing with Corporate Governance, whilst more detailed information is provided in the Annual Corporate Governance Report, published on Atlantia's website;

- we verified that related party or intercompany transactions were of an ordinary or recurring nature:
 - intercompany transactions, whether of a trading or financial nature, between the Parent Company and its subsidiaries were all conducted on an arm's length basis, according to the terms and conditions of contractual agreements. Such transactions are adequately described in the financial statements. In particular, the paragraph "Related party transactions" in the section "Atlantia SpA financial review and other information" of the Report on Operations sets out the specifics of transactions with subsidiaries, the parent company and other related parties (certain of the parent company's, Schemaventotto, shareholders). On the other hand, a special table in the Notes to the Financial Statements shows that the value of related transactions is immaterial in comparison with the Group's financial position and results.
 - the paragraph "Related party transactions", included in the section "Other information" in the notes to the consolidated financial statements, states that the effect of modifications to Schemaventotto's shareholders' agreements, its shareholding structure and the adoption of IAS 24, Autogrill SpA is also to be considered a related party. Autogrill is an indirect subsidiary of RAGIONE SApA, the indirect majority shareholder of Schemaventotto, which in turn controls Atlantia SpA, the parent company of Autostrade per l'Italia SpA

The nature of the ordinary or recurring transactions between Autostrade per l'Italia SpA and Autogrill SpA, whether of a trading or financial nature, regard services provided to motorists who stop at motorway service areas in order to use food services, buy food and other consumer goods, in return for which royalties are paid. These royalties appear to be fair and in line with the Company's interests, and have had a positive impact on the results of operations for the period.

With regard to the process of awarding licences to provide the above services, it should be noted that Antitrust Authority Ruling 8009 of 2 March 2000, relating to clearance for the purchase of a controlling interest in Autostrade SpA by Edizione Holding, laid down that the execution of such activities be entrusted to an external entity which, acting as “Adviser”, would have the task of independently managing competitive tenders, including drawing up the requirements for participation, the parameters for awarding the related contracts and publishing all the relevant information.

Although KPMG was originally retained as Adviser in 2001, Roland Berger Strategy Consultants has performed those services from 1 June 2003.

In particular, with regard to transactions between the Atlantia Group’s concessionaires and Autogrill SpA, in 2007 the Atlantia Group earned revenues of approximately €50.7 million (of which €48 million attributable to Autostrade per l’Italia SpA). This figure includes €44.8 million in royalties deriving from 142 food service and retail licences (of which €41.7 million relates to 134 food service and retail licences regard Autostrade per l’Italia SpA, including 3 operated as part of temporary consortia with other food service companies) for service areas along the motorway network managed by Group companies; This income was generated by contacts entered into over the years, of which a large part were entered into after transparent and non-discriminatory competitive tenders;

- the nature of ordinary or recurring transactions with Assitalia SpA and Assicurazioni Generali SpA (Assicurazioni Generali Group companies), whether of a trading or financial nature, relate to the provision of insurance cover. These transactions appear to be fair and in line with the Company’s interests, and have had an impact on the results of operations for the period. In particular, the Company has entered into a number of insurance contracts under authority with Assitalia SpA and Assicurazioni Generali SpA, covering between 60% and 100% of the risks of Atlantia Group’s activities, such as third-party and accident insurance. Gross premiums for 2007 amounted to approximately €8.8 million;

- at 31 December 2005 Unicredito has extended lines of credit totalling approximately €600 million, of which €207 million has been drawn. The Company also engages in current account transactions with the Unicredito Group on the basis of current market rates, and has invested in derivative financial instruments of a total notional amount of €615 million at 31 December 2007 in order to hedge interest rate risk on medium/long-term borrowings;
- the Group's centralised treasury management system has been up and running since 1 November 2005. As part of the restructuring of the Group, the group treasury was transferred to Autostrade per l'Italia on 1 June 2007. Current account transactions with Group companies are conducted on an arm's length basis;
- with regard to directors, auditors and general managers, a special schedule covering the type and amounts of remuneration is annexed to the financial statements in compliance with the Regulations implementing Legislative Decree 58 of 24 February 1998, as adopted by CONSOB Resolution 11971 of 14 May 1999 and subsequent resolutions;
- we note that, again in 2007, ATLANTIA SpA, together with certain subsidiaries, took part in the consolidated tax scheme operated by the parent, Schemaventotto SpA. The conditions for the participation of consolidated companies are defined in a specific contract;
- we note that, as described in the Introduction to the section "Atlantia SpA financial review and other information" in the Report on Operations, the Company has presented a reclassified income statement, cash flow statement and balance sheet for the year ended 31 December 2007, with prior year comparatives, in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and endorsed by the European Commission. The reclassified financial statements have not been audited by the independent auditors, and there are certain differences compared with the official financial statements presented in the section "Financial statements";
- the accounts have been submitted to the required controls by the independent auditors KPMG SpA, which, during periodic meetings with the Board, had nothing to report on this matter;

- we checked that no complaints have been lodged under art. 2408 of the Italian Civil Code, and no petitions of any kind have been presented;
- we note that the “Corporate Governance Code” approved by the Company’s Board of Directors on 14 December 2004 (the full text of the Code is available on the Company’s website) incorporates the recommendations in the New Corporate Governance Code of Borsa Italiana SpA that was published in March 2006. Adequate information on the above is briefly provided in the management report on operations, in the section dealing with Corporate Governance, whilst more detailed information is provided in the Annual Corporate Governance Report, published on Atlantia’s website.
- we note that the management report on operations includes a section on Corporate Governance, providing a summary of the information available in the “Corporate Governance Report”, prepared in accordance with the guidelines established by Emittenti Titoli and Assonime. The full text of this document is available on the Company’s website;
- we note that during 2007, Atlantia’s Supervisory Board oversaw a review of the organisational, management and control model adopted by Atlantia SpA, pursuant to Legislative Decree 231/2001, identifying, with the help of experts in criminal law, the necessary measures to be taken as a result of changes in legislation and the Company’s new organisational structure;
- we have received a specific report from the management detailing the latest engagements assigned to the independent auditors during 2007 and the related fees:
 - the issue of a comfort letter regarding the covenants forming part of the Senior Long Term Facility at 31 December 2006 for a fee of €14,000.00 plus VAT;
 - the issue of a comfort letter regarding the covenants forming part of the Senior Long Term Revolving Facility at 31 December 2006 for a fee of €14,000.00 plus VAT;
 - review of the “List of material subsidiaries of the Issuer and of the Guarantors” at 31 December 2006 for a fee of €5,000.00 plus VAT
 - review of documentation relating to and consequent signature of the simplified and ordinary 2007 tax return 770/2006 for a fee of €5,000.00 plus VAT;

- review of the translation of the interim report for the six months ended 30 June 2006 for a fee of €5,000.00 plus VAT;
 - review of the English translation of the consolidated and separate financial statements for the year ended 31 December 2006 for a fee of €8,000.00 plus VAT;
 - review of the English translation of the interim report for the six months ended 30 June 2007 for a fee of €5,000.00 plus VAT;
 - the issuance of an opinion on the documents required by art. 2433-bis of the Italian Civil Code, regarding payment of an interim dividend for 2007 for a fee of €45,000.00 plus VAT;
- we note that in the paragraph "Other information" in the section "Atlantia SpA financial review and other information", it is stated that the Company, in accordance with the Data Protection Act (Legislative Decree 196/2003, annex B, point 26), has updated its Security Planning Document for 2007.
 - during the year, the Board of Auditors issued, as required by art. 154.bis, paragraph 1 of Legislative Decree 58 of 1998, its opinion on the appointment on 15 June 2007 of the Manager responsible for financial reporting as well as the appointment of a new Manager responsible for financial reporting on 9 November 2007 following the resignation of the original appointee.
 - we examined the financial statements for the year ended 31 December 2007, the consolidated financial statements and the management report on operations, with regard to which we state the following.
 - In view of the fact that it is not our responsibility to audit the financial statements, we checked the overall basis of presentation of the separate and consolidated financial statements and their general compliance with the laws relating to their preparation and structure; we have no particular observations to make in this regard.
 - We verified compliance with the laws governing preparation of the management report on operations and have no particular observations to make in this regard.

- To the best of our knowledge, in preparing the financial statements, the directors did not elect to apply any of the exemptions permitted by art. 2433, paragraph 4 of the Italian Civil Code.
- We verified that the financial statements are consistent with the information in our possession, as a result of carrying out our duties, and have no particular observations to make in this regard.
- We note that the Report on Operations includes a section “Significant aspects and risk factors”, in which the directors provide detailed information and their views on certain events of 2007, including reference to their potential implications for the future. In particular, full and extensive information is provided about:
 - Evolution of the regulatory framework;
 - Signature of the single concession agreement by Autostrade per l’Italia and ANAS
 - Single concession agreements subsidiaries – ANAS;
 - Merger of Autostrade SpA with and into Abertis Infraestructuras SA;
 - The declaratory action brought by ANAS SpA against Autostrade SpA and Autostrade per l’Italia SpA;
 - Tariff increases for 2007;
 - ANAS’s request of 16 March 2007 regarding provisions made in the 2006 financial statements of Autostrade per l’Italia and the other motorway subsidiaries;
 - ANAS’s request of 14 February 2008 with respect to provisions made in the 2007 financial statements by certain motorway subsidiaries (Torino Savona SpA, Autostrade Meridionali SpA, Tangenziale di Napoli SpA, Strada dei Parchi SpA, SAT SpA);
 - Appeal to the Lazio Regional Administrative Court for annulment of CIPE Resolution 3/2007 of 26 January 2007 – Mestre Bypass
 - ANAS’s letter impugning Autostrade per l’Italia for failure to meet contractual obligations;

- Tariff increases for 2008;
 - Appeal before Lazio Regional Administrative Court against the Ministry of the Environment and the Ministry of Culture;
 - Antitrust investigation with respect to motorway mechanical emergency services;
 - Other ongoing litigation.
- After also considering the report of the independent auditors, we invite the General Meeting to approve the financial statements for the year ended 31 December 2007, as prepared by the directors.

The above audit procedures were carried out during 11 meetings of the Board, by taking part in 12 meetings of the Board of Directors, attended by the Chairman of the Board of Auditors, or another auditor delegated to attend, and by attending meetings of the Internal Control and Corporate Governance Committee, which met on 12 occasions.

Finally, as a result of the audit procedures carried out and on the basis of the information obtained from the independent auditors, we are not aware of any omissions, frauds, irregularities or any other material events, that would require a report to be made to regulatory bodies.

- Marco Spadacini (Chairman)
- Tommaso Di Tanno (Auditor)
- Raffaello Lupi (Auditor)
- Miglietta Angelo (Auditor)
- Alessandro Trotter (Auditor)

28 March 2008