



ASTM S.p.A.

Half-yearly Financial Report

as at 30 June 2008

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AUTOSTRADA TORINO-MILANO

Società per Azioni (public limited company)
Share capital EUR 44,000,000 fully paid-up
Tax code and registration number at the
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MEMBERS OF THE BOARD OF DIRECTORS*Chairman*

Riccardo Formica

Vice-Chairman

Daniela Gavio

Managing Director

Alberto Sacchi

Directors

Giovanni Angioni (1)

Enrico Arona

Alfredo Cammara

Ernesto Maria Cattaneo (1)(2)

Nanni Fabris

Cesare Ferrero (2)

Giuseppe Garofano

Vittorio Rispoli

Alvaro Spizzica (1) (2)

Agostino Spoglianti

Secretary

Cristina Volpe

(1) Member of the "Remuneration Committee"

(2) Member of the "Internal Auditing Committee"

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Standing Auditors

Alfredo Cavanenghi

Lionello Jona Celesia

Substitute Auditors

Massimo Berni

Roberto Coda

DIRECTION*General Manager*

Graziano Settime

INDEPENDENT AUDITORS

PricewaterhouseCoopers S.p.A.

TERM OF OFFICE

The Board of Directors was appointed for three financial years by the Shareholders' Meeting on 10 May 2007 and its term of office will expire with the Shareholders' Meeting held for the approval of the 2009 Financial Statements.

The Board of Statutory Auditors was appointed for three financial years by the Shareholders' Meeting on 13 May 2008 and its term of office will expire with the Shareholders' Meeting held for the approval of the 2010 Financial Statements.

The Independent Auditors were appointed by the Ordinary Shareholders' Meeting on 28 April 2006 and are in office for three financial years. Their term of office will expire with the Shareholders' Meeting held for the approval of the 2008 Financial Statements.

POWERS OF COMPANY OFFICERS

The **Chairman** – who was appointed by the Shareholders' Meeting on 10 May 2007 – legally represents the Company and exercises the management powers granted to him by the Board of Directors on 10 May 2007 pursuant to art. 24 of the Articles of Association, within the limits set out by law and by the Articles of Association.

The **Vice-Chairman** – who was appointed by the Board of Directors on 10 May 2007 – was granted the same powers as the Chairman, which shall be exercised in case of absence or impediment of the latter.

The **Managing Director** – who was appointed by the Board of Directors on 10 May 2007 – exercises the same powers as the Chairman.

HALF-YEARLY FINANCIAL REPORT
AS AT 30 JUNE 2008

Foreword

This interim management report of the ASTM Group for the first half of 2008 was prepared pursuant to the joint provisions of Art. 2428, paragraph 3 of the Italian Civil Code and of Art. 154-ter of the Consolidated Law on Finance, paragraphs 2, 3 and 4. Moreover, the report implements the provisions issued by CONSOB by means of Resolution no. 15519 of 27 July 2006 and Communication no. DEM/6064293 of 28 July 2006, concerning reporting formats and company information.

The Independent Auditors' report – which contains the opinion on this half-yearly financial report – shall be issued and published within the terms set by paragraph 2 of Art. 154-ter of the Consolidated Law on Finance.

INTERIM MANAGEMENT REPORT

The half-year profit of the ASTM Group – which was determined according to the income statement – amounted to EUR 33.9 million, also following amortisation/depreciation of intangible and tangible assets (including “assets subject to reversion free of charge”) for a total amount of EUR 89.2 million.

SIGNIFICANT EVENTS OF THE FIRST HALF OF 2008

Relationships with the Granting Body

During the first half of 2008, Legislative Decree no. 59 of 8 April 2008 (known as the “remedy of breach” decree) – which includes a specific regulation approving, by way of law, the Outline Agreements previously subscribed by the licensees with ANAS, at the date the Decree was issued (8 April 2008), irrespective of the status of approval procedures set forth in the general sector regulations – was converted into law.

By virtue of this provision, the following have been **approved** by law: the “**Standard Outline Agreement**” subscribed by **SATAP S.p.A.** (A4 Stretch: Turin-Milan and A21 Stretch: Turin-Alessandria-Piacenza) on 10 October 2007, by **ATIVA S.p.A.** on 7 November 2007 and Autocamionale della **CISA S.p.A.** on 26 March 2008. As regards the latter licensee, prior to the date of conversion of the aforementioned Decree, the Interministerial Decree approving the “Standard Agreement” (currently awaiting registration at the Court of Auditors), had already been issued, pursuant to the general sector regulations.

Regarding the Agreements recently approved, it is noted that specific discussions are in course with the Granting Body, for the purpose of defining several aspects of implementation of the Agreements, with the objective of, among other things, obtaining the application of the toll increases set forth in the financial plans, in relation to the investment plan involving the Group. Specifically, the amount of **investments planned** in the aforementioned Agreements (including those relating to the “Asti-Cuneo Motorway” Agreement, which took effect on 11 February 2008) **exceeds EUR 4 billion**.

In this context it should be underlined that – with regard to the activities for the improvement and expansion of the infrastructure managed by the Group – in the period 2000-30/06/2008 **investments** were made for a total value of approximately **EUR 1.8 billion** (net of financial charges capitalised on such assets).

The licensees which did not benefit from the approval of their agreements by law (which include the subsidiaries Autostrada dei Fiori S.p.A., SALT S.p.A. and SAV S.p.A.) requested that ANAS subscribe the respective “Standard Agreements”. It is hoped that these agreements will soon be approved by way of regulatory provision (in compliance with the contents of the recommendations to the Government which were agreed with – through specific agendas – by the Parliament upon approval of Law no. 101 of 4 June 2008, regarding the conversion of the aforementioned Legislative Decree 59/08).

Group economic performance

The main revenue and expenditure items of the first half of 2008 (compared with the corresponding “pro-forma”⁽¹⁾ figures for the same period of 2007) may be summarised as follows:

	1st Half 2008	1st Half 2007 pro forma	Changes
<i>(values in thousands of EUR)</i>			
Motorway sector revenue	350,567	345,680	4,887
Construction sector revenue	1,003	6,081	(5,078)
Engineering sector revenue	3,806	5,738	(1,932)
Technology sector revenue	7,038	15,418	(8,380)
Other revenues	27,252	29,996	(2,744)
Operating costs	(204,991)	(214,705)	9,714
Capitalised costs on fixed assets	42,178	54,169	(11,991)
Gross operating margin	226,853	242,377	(15,524)
Significant “non-recurring” items	4,325	3,701	624
Adjusted gross operating margin	231,178	246,078	(14,900)
Net amortisation/depreciation and provisions	(98,848)	(92,629)	(6,219)
Operating income	132,330	153,449	(21,119)
Financial income	13,428	15,300	(1,872)
Financial charges	(53,442)	(48,638)	(4,804)
Capitalised financial charges	17,135	13,827	3,308
Profit (loss) of companies accounted for by the equity method	(13,789)	6,524	(20,313)
Net financial income	(36,668)	(12,987)	(23,681)
Profit before tax	95,662	140,462	(44,800)
Income taxes (current and deferred)	(35,644)	(55,635)	19,991
Profit (loss) for the period	60,018	84,827	(24,809)
▪ Minority interests’ share	26,077	37,491	(11,414)
▪ Group’s share	33,941	47,336	(13,395)

Due to the current uncertainty, for factors external to the Group, weighing on the regulatory regime of the “motorway sector”, it is not possible to (i) carry out suitable planning of expansion/improvement operations on the infrastructures managed, and (ii) obtain the approval of the toll increases required to cover the components linked to both the return on planned investments and the recovery of the inflation trend.

Examining the revenue and expenditure items, it is noted that despite the unfavourable general trend, “traffic volumes” remain substantially unchanged compared to the corresponding figure of 2007. Specifically, “motorway sector revenue” increased by around EUR 4.9 million (+1.41%) mainly due to the partial adjustment in toll rates, approved starting from 1 January 2008.

Due to the reasons set forth above, the “construction” and “engineering” sectors saw a decrease in both the work carried out for third parties and in the activities for Group companies, as highlighted by the

¹ Readers will already be aware that the corporate reorganisation of the ASTM and SIAS Groups – completed in July 2007 – led to the takeover, by ASTM S.p.A., of SIAS S.p.A. and its subsidiaries, from the second half of the 2007 financial year. In order to provide comparable figures, a proper “pro-forma” statement for the first half of 2007 has been prepared, in which the effects of the reorganisation are shown as if it had taken place on 1 January 2007. These figures have not been audited.

decrease in the item *“capitalised costs on fixed assets”*: this resulted in a decrease in the “works portfolio” of the companies operating in these sectors.

The decrease in business in the *“technology”* sector can be mainly attributed to the fact that the previous half-year benefited from the recording of revenues deriving from the completion, by SSAT S.p.A., of a significant work order on behalf of the CAV.TO.MI. Consortium (amounting to EUR 6.3 million).

The aforesaid revenue decrease affected *“operating costs”* just partially, mainly as a consequence of both higher maintenance costs (due to a different schedule for maintenance operations with respect to the previous financial year) and costs originating from “winter services”, which were lower in the previous financial year, thanks to the favourable weather conditions characterizing the first few months of financial year 2007.

The *“gross operating margin”* amounted to EUR 226.9 million. The decrease compared to the corresponding “pro-forma” figure for the first half of 2007, amounting to EUR 15.5 million, is attributable to the “motorway sector” for EUR 8.7 million, to the “engineering sector” for EUR 1.6 million, to the “construction sector” for EUR 2.0 million and to the “technology sector” for EUR 3.2 million.

“Significant non-recurring items” regard the extraordinary income linked to the recognition, by the CAV.TO.MI. Consortium, of the reconstruction costs for the Novara Sud service area (on the A4 section) managed by SATAP S.p.A.. This service area was relocated in order to eliminate its interference with the stretch of the “High Speed” Turin-Milan railway line. In the previous financial year, this item referred to the one-off effect on the value of the actuarial adjustment to the staff severance indemnity, as a result of the changes introduced by Law no. 296 of 27 December 2006 and the related implementing decrees.

The item *“net amortisation/depreciation and provisions”*, up by around EUR 6.2 million, reflected – for motorway companies – the contents of the financial plans annexed to the related agreements.

“Financial charges” were affected by both the increase in the benchmark interest rates and the increased financial exposure.

The item *“profit (loss) of companies accounted for by the equity method”* included the Group’s share of profits (losses) from associated companies. This item was affected – for an amount equal to EUR 15.7 million (which, net of related tax charges, totalled EUR 11.4 million) – by the recording in the half-yearly report of Autostrade Sud America - ASA s.r.l. of the pro-quota share of costs relating to the exercise of the “right to repurchase” the option previously granted by ASA to Impregilo International Infrastructures N.V. on 10% of the share capital of the subsidiary Autopista do Pacifico S.A.. These costs were determined on the basis of the increase in value of the licensee Costanera Norte S.A. compared with the acquisition date, as reflected in a recent independent appraisal.

As a result of the above, the Group’s share of *“profit for the period”* amounted to EUR 33.9 million (EUR 47.3 million in the first half of 2007 “pro-forma”). Net of the one-off costs incurred for the repurchase of the aforementioned option, this figure would amount to EUR 41.1 million.

Group financial results

The main items of the consolidated financial position as at 30 June 2008, compared with the corresponding figures as at 31 December 2007, may be summarised as follows:

<i>(values in thousands of EUR)</i>	30/6/2008	31/12/2007	Changes
Fixed assets	3,173,562	3,116,710	56,852
Equity investments	451,406	467,517	(16,111)
Working capital	147,097	51,455	95,642
Invested capital	3,772,065	3,635,682	136,383
Provision for restoration, replacement and maintenance of assets subject to reversion free of charge	(155,305)	(145,798)	(9,507)
Employee severance indemnity and other provisions	(46,165)	(47,663)	1,498
Invested capital less provisions for medium- and long-term risks and charges	3,570,595	3,442,221	128,374
Shareholders' equity and profit (loss) (including minority interests)	1,648,935	1,666,435	(17,500)
Net financial indebtedness	1,293,574	1,147,700	145,874
Payable to ANAS-Central Insurance Fund (*)	367,903	417,205	(49,302)
Other long-term payables (**)	260,183	210,881	49,302
Equity and minority interests	3,570,595	3,442,221	128,374

(*) The Standard Agreement of Autocamionale della Cisa S.p.A. – recently approved – includes the extension of the duration of the concession to 2031. As a result, the plan for repayment of the payable due to ANAS and the Central Insurance Fund was restructured, and the present value of this payable was redetermined.

(**) This relates to the income deriving from the discounting of the payable to ANAS-Central Insurance Fund (which implements the restructuring of the payable by Autocamionale della Cisa S.p.A.).

A breakdown of the item “*Net financial indebtedness*” has been provided below:

<i>(values in thousands of EUR)</i>	30/6/2008	31/12/2007	Changes
A) Cash and cash equivalents	286,295	323,670	(37,375)
B) Securities held for trading	-	100,000	(100,000)
C) Liquidity (A) + (B)	286,295	423,670	(137,375)
D) Financial receivables (*)	21,535	20,683	852
E) Short-term borrowings	(78,294)	(81,432)	3,138
F) Current portion of medium/long-term borrowings	(215,891)	(179,659)	(36,232)
G) Other financial liabilities	(3,905)	(7,031)	3,126
H) Short-term borrowings	(298,090)	(268,122)	(29,968)
I) Current net cash (indebtedness) (C) + (D) + (H)	9,740	176,231	(166,491)
J) Long-term borrowings	(1,100,580)	(1,122,551)	21,971
K) Bonds issued (**)	(201,913)	(200,381)	(1,532)
L) Other long-term payables	(821)	(999)	178
M) Long-term borrowings (J) + (K) + (L)	(1,303,314)	(1,323,931)	20,617
N) Net cash (indebtedness) (I) + (M)	(1,293,574)	(1,147,700)	(145,874)

(*) This relates to capital guaranteed financial instruments: although they are long-term, they may be converted into cash in the short term if required.

(**) Recognised net of the “SIAS 2.625% 2005-2017” bonds held by the parent company ASTM S.p.A. (equal to approximately EUR 90 million)

The Group's net financial position as at 30 June 2008 revealed net borrowings amounting to EUR 1,293.6 million (EUR 1,147.7 million as at 31 December 2007); such amount, including the present value of the “payable due to the Central Insurance Fund and ANAS”, would be EUR 1,661.5 million (EUR 1,564.9 million as at 31 December 2007).

As shown in the “consolidated cash flow statement”, cash flows generated by the management, together with the liquidity from the disposal of equity investments, amounting to EUR 8.7 million, were used both to carry out **enhancement works** on the Group's motorway infrastructure (which, during the **half-year** under review, increased by approximately **EUR 156 million**, including capitalised financial charges) and

to acquire equity investments amounting to a total of around EUR 25.9 million, as well as to purchase own shares for approximately EUR 22 million.

Dividends were paid both by the Parent Company, amounting to EUR 17.3 million, and by its subsidiaries (to Third-party Shareholders) for a total of EUR 21.2 million. Moreover, the Parent Company also paid the taxes related to the transfer of assets made as part of the Corporate Reorganisation for an amount equal to approximately EUR 51 million.

ANALYSIS OF THE RESULTS FOR THE FIRST HALF OF 2008 – MAIN INVESTEE COMPANIES

Motorway sector

As at 30 June 2008, ASTM S.p.A. controlled the following motorway companies through SIAS S.p.A.:

- **SATAP:** Società Autostrada Torino-Alessandria-Piacenza S.p.A., with 99.87% of the share capital;
- **SALT:** Società Ligure Toscana p.A., with 87.39% of the share capital;
- **CISA:** Autocamionale della Cisa S.p.A., with 84.44% of the share capital;
- **SAV:** Società Autostrade Valdostane S.p.A., with 67.63% of the share capital;
- **ADF:** Autostrada dei Fiori S.p.A., with 60.77% of the share capital;
- **Asti-Cuneo:** Società Autostrada Asti-Cuneo S.p.A., with 60% of the share capital;
- **ATIVA:** Autostrada Torino-Ivrea-Valle d'Aosta S.p.A., with 41.17% of the share capital (the company is consolidated using the “proportional method”).

In addition to the above-mentioned controlling shareholdings, reference should be made to the relevant equity investments held in Autostrade Sud America s.r.l. (45%), in Società Italiana per il Traforo Autostradale del Frejus - S.I.T.A.F. S.p.A. (36.976%), in Società Italiana per il Traforo del Gran San Bernardo - SITRASB S.p.A. (36.50%), in Road Link (A69) Holdings Ltd. (20%; this company manages the road section New Castle – Carlisle in the United Kingdom), in Milano Serravalle – Milano Tangenziali S.p.A. (13.59% of the share capital) and in Autostrada Tirrenica S.p.A. (5.58% of the share capital).

The following table shows the extension of the motorway network that is directly managed by the SIAS Group:

	km of managed network
• Società Autostrada Torino Alessandria Piacenza p.A. (A4 Section Turin-Milan)	130.3
• Società Autostrada Torino Alessandria Piacenza p.A. (A21 Section Turin-Piacenza)	167.7
• Società Autostrada Ligure Toscana p.A.	154.9
• Autocamionale della Cisa S.p.A.	182.0 (1)
• Società Autostrade Valdostane S.p.A.	59.5
• Autostrada dei Fiori S.p.A.	113.2
• Società Autostrada Asti-Cuneo S.p.A.	90.0 (2)
• Autostrada Torino-Ivrea-Valle d'Aosta S.p.A.	155.8
Total amount managed by subsidiaries (a)	1,053.4
• Autostrade Sud America s.r.l.	43.0 (3)
• SITAF S.p.A.	94.0
• SITRASB S.p.A.	12.8
• Road Link Holdings Ltd	84.0
Total amount managed by associated companies (b)	233.8
TOTAL (a+b)	1,287.2

(1) Including the 81 km-long road link between Parma and Nogarole Rocca (not yet built)

(2) Of which 37 km already in use and 53 km under construction

(3) This company controls the Chilean licensee Costanera Norte S.A. through the sub-holding Autopista do Pacifico S.A..



The Company manages the motorway sections Turin-Milan (A4) and Turin-Alessandria-Piacenza (A21). As at 30 June 2008, the Company is a subsidiary of the Group (99.874% of the share capital).

The main revenue and expenditure items of the first half of 2008 (with the corresponding figures for the same period of 2007) may be summarised as follows:

<i>(values in thousands of EUR)</i>	1st Half 2008	1st Half 2007	Changes
Motorway sector revenue	118,798	116,645	2,153
Other revenues	11,478	13,212	(1,734)
Operating costs	(57,034)	(51,239)	(5,795)
Gross operating margin	73,242	78,618	(5,376)
Significant “non-recurring” items	4,325	1,151	3,174
Adjusted gross operating margin	77,567	79,769	(2,202)
Net amortisation/depreciation and provisions	(33,992)	(29,541)	(4,451)
Operating income	43,575	50,228	(6,653)
Financial income	4,228	3,922	306
Financial charges	(1,619)	(2,716)	1,097
Net financial income	2,609	1,206	1,403
Profit before tax	46,184	51,434	(5,250)
Income taxes (current and deferred)	(18,382)	(22,404)	4,022
Half-year profit	27,802	29,030	(1,228)

In order to enable the analysis of the revenue and expenditure items related to the two managed stretches, the item “operating income” for the stretches “Turin – Piacenza” (A21) and “Turin – Milan” (A4) may be broken down as follows:

A21 Stretch

<i>(values in thousands of EUR)</i>	1st Half 2008	1st Half 2007	Changes
Motorway sector revenue	57,613	59,363	(1,750)
Other revenues	3,306	3,500	(194)
Operating costs	(24,493)	(22,735)	(1,758)
Gross operating margin	36,426	40,128	(3,702)
Significant “non-recurring” items	-	575	(575)
Adjusted gross operating margin	36,426	40,703	(4,277)

The “A21 Stretch” saw a decrease in “net toll revenues” equal to approximately EUR 1.6 million, which was mainly determined by the reduction in traffic volumes due to both the general economic trend and the “repositioning” of traffic on the A4 section.

The increase in “operating costs” was mainly due to higher costs incurred for “maintenance activities of the motorway network” (+EUR 0.6 million) and for “winter services” (+EUR 0.6 million), as well as for “other costs related to assets subject to reversion free of charge” (+EUR 0.4 million).

The “gross operating margin” totalled EUR 36.4 million (EUR 40.1 million in the first half of 2007).

In the previous half-year, the item “*significant non-recurring items*” related to the effect on the value of the actuarial adjustment to the staff severance indemnity, as a result of the changes introduced by Law no. 296 of 27 December 2006 and the related implementing decrees.

A4 Stretch

<i>(values in thousands of EUR)</i>	1st Half 2008	1st Half 2007	Changes
Motorway sector revenue	61,185	57,282	3,903
Other revenues	8,172	9,712	(1,540)
Operating costs	(32,541)	(28,504)	(4,037)
Gross operating margin	36,816	38,490	(1,674)
Significant “non-recurring” items	4,325	576	3,749
Adjusted gross operating margin	41,141	39,066	2,075

With regard to the “A4 Stretch”, the item “net toll revenues” totalled approximately EUR 56.6 million (approx. EUR 52.9 million in the first half of 2007). As already mentioned above, this increase was due to both the “repositioning” of the traffic on the A21 Stretch (following the significant improvements in the infrastructure, thanks to renewal works) and to the opening to traffic of the road link between the motorway and Malpensa International Airport.

The item “other revenues” includes both the services rendered to the CAV.TO.MI. Consortium for EUR 4.1 million (down EUR 3.1 million compared to the first quarter of 2007) and an extraordinary income (equal to EUR 1.6 million) resulting from the transaction carried out with the said consortium related to previous years’ items. This extraordinary income is reflected in a similar amount recognised in the item “operating costs”.

The growth (approximately EUR 4 million) in “operating costs” was mainly due to both the increase in costs incurred for “*maintenance activities of the motorway network*” (+EUR 3.7 million) and for “*winter services and cleaning activities*” (+EUR 0.8 million), to the recognition of the above-mentioned extraordinary expenditure (EUR 1.6 million) and to the drop (approximately EUR 3.1 million) in costs incurred for the works carried out on behalf of the CAV.TO.MI. Consortium.

The “*gross operating margin*” totalled EUR 36.8 million (EUR 38.5 million in the first half of 2007).

In the first half of 2008, the item “*significant non-recurring items*” regards the extraordinary income linked to the recognition, by the CAV.TO.MI. Consortium, of the reconstruction costs for the Novara Sud service area. This service area was relocated in order to eliminate its interference with the stretch of the “High Speed” Turin-Milan railway line.

The “*financial income*” of **SATAP S.p.A.** (A4 and A21 Stretches) showed a net positive balance of EUR 2.6 million (net positive balance of EUR 1.2 million in the first half of 2007).

The item “*financial income*” totalled EUR 4.2 million, in line with the value recorded in the first half of 2007. It mainly refers to interest income accrued for the loan disbursed to the parent company SIAS S.p.A. and to bank interest income.

“*Financial charges*”, equal to EUR 1.6 million, mainly refer to interest paid on medium- and long-term loans (EUR 0.5 million, net of the amount equal to EUR 17.1 million capitalised as an increase to the value of assets subject to reversion free of charge) and to interest expense (EUR 0.8 million) related to “financial discounting” of non-current liabilities.

According to the above-mentioned figures, the “*half-year profit*” after tax was equal to EUR 27.8 million.

NET FINANCIAL POSITION

The main items of the financial performance as at 30 June 2008, compared with the ones at 31 December 2007, may be summarized as follows:

<i>(values in thousands of EUR)</i>	30/06/2008	31/12/2007	Changes
Cash and cash equivalents	45,456	45,016	440
Securities held for trading	-	-	-
Liquidity (A) + (B)	45,456	45,016	440
Financial receivables	-	-	-
Short-term borrowings	(80,000)	-	(80,000)
Current portion of medium/long-term borrowings	(4,337)	(15,886)	11,549
Other financial liabilities	-	-	-
Short-term borrowings	(84,337)	(15,886)	(68,451)
Current net cash (indebtedness) (C) + (D) + (H)	(38,881)	29,130	(68,011)
Long-term borrowings	(633,945)	(637,991)	4,046
Bonds issued	(3)	(3)	-
Other long-term payables	-	-	-
Long-term borrowings	(633,948)	(637,994)	4,046
Net cash (indebtedness)	(672,829)	(608,864)	(63,965)

The net financial position as at 30 June 2008 showed a debit balance of EUR 673 million (EUR 609 million as at 31 December 2007); this amount - including the discounted value of the “payable due to ANAS and the Central Insurance Fund” - would be equal to EUR 707 million (EUR 642 million as at 31 December 2007).

It should be noted that, as at 30 June 2008, there was an outstanding loan (equal to EUR 120 million) granted during the previous financial year to the parent company SIAS S.p.A., given the temporary liquid funds resulting from intragroup transactions within the Corporate Reorganisation Project that involved ASTM and SIAS Groups. This interest-bearing loan is governed by normal market conditions, at an annual rate equal to 3-month Euribor plus a spread of 0.25% (25 bps). The loan expires on 30 September 2008 and is renewable.

The item “*short-term borrowings*” relates to a loan repaid in July 2008 together with the stipulation of another medium-term loan (for an amount equal to EUR 180 million).

As shown by the analysis of the cash flow statement, the increase in debt position was due to both the considerable investment plan of assets subject to reversion free of charge made during the half-year under review (equal to approximately EUR 98 million) and to the distribution of the 2007 balance dividend (equal to approximately EUR 16 million), which were only partially financed by the operating cash flow.



The Company manages the motorway sections Sestri Levante-Livorno, Viareggio-Lucca and Fornola-La Spezia for a total of 154.9 kilometres. As at 30 June 2008, this company is a subsidiary of the Group (87.39% of the share capital).

The main revenue and expenditure items of the Company may be summarised as follows:

<i>(values in thousands of EUR)</i>	1st Half 2008	1st Half 2007	Changes
Motorway sector revenue	81,049	80,948	101
Other revenues	4,700	4,316	384
Operating costs	(31,258)	(32,047)	789
Gross operating margin	54,491	53,217	1,274
Significant “non-recurring” items	-	731	(731)
Adjusted gross operating margin	54,491	53,948	543
Net amortisation/depreciation and provisions	(26,707)	(23,835)	(2,872)
Operating income	27,784	30,113	(2,329)
Financial income	8,987	5,458	3,529
Financial charges	(8,425)	(4,887)	(3,538)
Value adjustments of financial assets	-	-	-
Net financial income	562	571	(9)
Pre-tax profit	28,346	30,684	(2,338)
Income taxes	(8,299)	(11,463)	3,164
Profit for the period	20,047	19,221	826

The item “*motorway sector revenue*” totalled EUR 81 million, substantially in line with the same period of 2007.

Given that “*operating costs*” were down compared to the corresponding period last year, the “*gross operating margin*” of the first half of 2008 totalled EUR 54.5 million, up EUR 1.3 million (+2.4%) compared to the first half of 2007.

In the previous six months, the item “*significant non-recurring items*” related to the one-off effect on the value of the actuarial adjustment to the staff severance indemnity, as a result of the changes introduced by Law no. 296 of 27 December 2006 and the related implementing decrees.

The item “*net amortisation/depreciation and provisions*” reflected the contents of the Financial Plan annexed to this Agreement.

The “*net financial income*” showed a positive balance of EUR 0.6 million and was in line with the value of the previous financial year.

According to the above-mentioned figures, the “*profit for the period*” was equal to EUR 20 million (EUR 19.2 million in the first half of 2007).

FINANCIAL POSITION

The main items related to the financial income as at 30 June 2008, compared with those as at 31 December 2007, may be summarised as follows:

<i>(values in thousands of EUR)</i>	30/6/2008	31/12/2007	Changes
A) Cash and cash equivalents	113,983	46,455	67,528
B) Securities held for trading	-	100,936	(100,936)
C) Liquidity (A) + (B)	113,983	147,391	(33,408)
D) Financial receivables	-	-	-
E) Short-term borrowings	-	-	-
F) Current portion of medium/long-term borrowings	(16,653)	(46,672)	30,019
G) Other financial liabilities	-	-	-
H) Short-term borrowings (E) + (F) + (G)	(16,653)	(46,672)	30,019
I) Current net cash (indebtedness) (C) + (D) + (H)	97,330	100,719	(3,389)
J) Long-term borrowings	(193,872)	(201,856)	7,984
K) Bonds issued	-	-	-
L) Other long-term payables	-	-	-
M) Long-term borrowings (J) + (K) + (L)	(193,872)	(201,856)	7,984
N) Net cash (indebtedness) (I) + (M)	(96,542)	(101,137)	4,595

The “net financial position” as at 30 June 2008 showed a debit balance of EUR 96.5 million (EUR 101.1 million as at 31 December 2007); this amount - including the discounted value of the “payable due to ANAS and the Central Insurance Fund” - would be equal to EUR 169.1 million (EUR 171.9 million as at 31 December 2007).

Although the investment programme for the motorway infrastructure was further carried out (EUR 21.5 million) and the 2007 balance dividend was distributed (EUR 9.6 million), the net financial position increased by approximately EUR 4.6 million, thanks to the positive trend of the operating cash flow.

During the half-year under review, the Company also provided a loan, at market conditions, amounting to EUR 10 million to the subsidiary Autostrade dei Parchi S.p.A..



The Company manages the motorway section La Spezia – Parma, which will be 182 kilometres long following the realisation of the 81 km-long road link (currently under construction) between Parma and the Brenner motorway. As at 30 June 2008, this Company is a subsidiary of the Group (84.44% of the share capital).

The main revenue and expenditure items of the Company may be summarised as follows:

<i>(values in thousands of EUR)</i>	1st Half 2008	1st Half 2007	Changes
Motorway sector revenue	39,382	38,269	1,113
Other revenues	1,790	3,371	(1,581)
Operating costs	(18,413)	(16,445)	(1,968)
Gross operating margin	22,759	25,195	(2,436)
Significant “non-recurring” items	-	259	(259)
Adjusted gross operating margin	22,759	25,454	(2,695)
Net amortisation/depreciation and provisions	(13,583)	(14,781)	1,198
Operating income	9,176	10,673	(1,497)
Financial income	1,591	2,033	(442)
Financial charges	(4,122)	(3,094)	(1,028)
Value adjustments of financial assets	(14)	(294)	280
Net financial income	(2,545)	(1,355)	(1,190)
Pre-tax profit	6,631	9,318	(2,687)
Income taxes	(2,058)	(3,654)	1,596
Profit for the period	4,573	5,664	(1,091)

The item “*motorway sector revenue*” increased by EUR 1.1 million (+2.91%).

“Net toll revenues” totalled EUR 36.4 million, up approximately EUR 1 million compared to the same period of 2007. This 2.86% growth was due to both the increase in traffic volumes and to the adjustment in toll rates with effect from 1 January 2008 (equal to 0.68%).

The change in the item “*other revenues*” was mainly due to the restatement of the income from discounting the payable due to ANAS (Central Insurance Fund), following the recent signing of the “Standard Agreement” and the extension of the duration of the concession to 2031.

“*Operating costs*” increased due to both higher costs incurred for “winter services” and to the anticipation of some maintenance operations.

With regard to the above-mentioned aspects, in the first half of 2008 the “*gross operating margin*” was equal to EUR 22.8 million (EUR 25.2 million in the first half of 2007).

In the previous six months, the item “*significant non-recurring items*” related to the one-off effect on the value of the actuarial adjustment to the staff severance indemnity, as a result of the changes introduced by Law no. 296 of 27 December 2006 and the related implementing decrees.

The item “*net amortisation/depreciation and provisions*” reflected the contents of the financial plan annexed to this agreement.

The item “*financial income*” showed a negative balance of EUR 1.3 million, due to higher financial charges.

According to the above-mentioned figures, the “*profit for the period*” was equal to EUR 4.6 million (EUR 5.7 million in the first half of 2007).

FINANCIAL INCOME

The main items related to the financial income as at 30 June 2008, compared with those as at 31 December 2007, may be summarised as follows:

<i>(values in thousands of EUR)</i>	30/6/2008	31/12/2007	Changes
A) Cash and cash equivalents	2,740	15,711	(12,971)
B) Securities held for trading	-	-	-
C) Liquidity (A) + (B)	2,740	15,711	(12,971)
D) Financial receivables	-	-	-
E) Short-term borrowings	(12,909)	-	(12,909)
F) Current portion of medium/long-term borrowings	(10,000)	(10,000)	-
G) Other financial liabilities	-	(15,000)	15,000
H) Short-term borrowings (E) + (F) + (G)	(22,909)	(25,000)	2,091
I) Current net cash (indebtedness) (C) + (D) + (H)	(20,169)	(9,289)	(10,880)
J) Long-term borrowings	(89,913)	(94,896)	4,983
K) Bonds issued	-	-	-
L) Other long-term payables	-	-	-
M) Long-term borrowings (J) + (K) + (L)	(89,913)	(94,896)	4,983
N) Net cash (indebtedness) (I) + (M)	(110,082)	(104,185)	(5,897)

The “net financial position” as at 30 June 2008 showed a debit balance of EUR 110.1 million (EUR 104.2 million as at 31 December 2007); this amount - including the discounted value of the “payable due to ANAS and the Central Insurance Fund” - would be equal to EUR 136.3 million (EUR 188.4 million as at 31 December 2007). As already mentioned above, as at 30 June 2008 the present value of the “payable due to ANAS and the Central Insurance Fund” was restated, following the extension of the duration of the concession set out in the Agreement recently signed (the 2010 expiry date has been extended to 31 December 2031).

The change in the net financial position was mainly due to both the implementation of the investment plan for the motorway network (which increased by EUR 10.6 million in the period) and to the distribution of the 2007 balance dividend (EUR 3.3 million).



The Company manages the 59.5 km-long motorway section Quincinetto – Aosta and, as at 30 June 2008, is a subsidiary of the Group (67.63%).

The main revenue and expenditure items of the first half of 2008 (with the corresponding figures of the same period of 2007) may be summarised as follows:

	1 st Half 2008	1 st Half 2007	Change
<i>(amounts in thousands of EUR)</i>			
Motorway sector revenue	22,565	21,560	1,005
Other revenues	3,226	2,906	320
Operating costs	(10,796)	(11,192)	396
Gross operating margin	14,995	13,274	1,721
Significant “non-recurring” items	-	68	(68)
Adjusted gross operating margin	14,995	13,342	1,653
Net amortisation/depreciation and provisions	(5,822)	(4,248)	(1,574)
Operating income	9,173	9,094	79
Net financial charges	(4,783)	(4,225)	(558)
Value adjustments of financial assets	-	-	-
Net financial income	(4,783)	(4,225)	(558)
Pre-tax profit	4,390	4,869	(479)
Income taxes	(1,446)	(2,036)	590
Profit for the period	2,944	2,833	111

The “*motorway sector revenue*” totalled EUR 22.6 million, up EUR 1 million compared to the same period of 2007. Given that “*operating costs*” were substantially in line with previous year’s figures, the “*gross operating margin*” was equal to EUR 15 million, up EUR 1.7 million compared to the same period last year.

In the previous half-year, the item “*significant non-recurring items*” related to the one-off effect on the value of the actuarial adjustment to the staff severance indemnity, as a result of the changes introduced by Law no. 296 of 27 December 2006 and the related implementing decrees.

The increase in the item “*net amortisation/depreciation and provisions*” reflected the contents of the financial plan annexed to this agreement.

The item “*financial income*” showed a negative balance of EUR 4.8 million, up compared to the first half of 2007, due to higher interest accrued on loans.

According to the above-mentioned figures, the “*profit for the period*” was equal to EUR 2.9 million, substantially in line with the first half of 2007 (EUR 2.8 million).

FINANCIAL INCOME

The main items related to the financial income as at 30 June 2008, compared with those as at 31 December 2007, may be summarised as follows:

<i>(values in thousands of EUR)</i>	30/6/2008	31/12/2007	Changes
A) Cash and cash equivalents	4,584	1,069	3,515
B) Securities held for trading	-	-	-
C) Liquidity (A) + (B)	4,584	1,069	3,515
D) Financial receivables	-	-	-
E) Short-term borrowings	(49,422)	(32,324)	(17,098)
F) Current portion of medium/long-term borrowings	(5,116)	(15,521)	10,405
G) Other financial liabilities	-	-	-
H) Short-term borrowings	(54,538)	(47,845)	(6,693)
I) Current net cash (indebtedness) (C) + (D) + (H)	(49,954)	(46,776)	(3,178)
J) Long-term borrowings	(43,706)	(45,787)	2,081
K) Bonds issued	-	-	-
L) Other long-term payables	-	-	-
M) Long-term borrowings (J) + (K) + (L)	(43,706)	(45,787)	2,081
N) Net cash (indebtedness) (I) + (M)	(93,660)	(92,563)	(1,097)

The financial position as at 30 June 2008 showed an exposure of approximately EUR 93.6 million (EUR 92.6 million as at 31 December 2007) that – plus the discounted value of the “payable due to ANAS-Central Insurance Fund” – totalled EUR 170.7 million (EUR 167.4 million as at 31 December 2007).

Autostrada dei Fiori S.p.A.



The Company manages the motorway section Savona-Ventimiglia, for a total of 113.2 kilometres. As at 30 June 2008, this company is a subsidiary of the Group (60.77%).

The main revenue and expenditure items of the Company may be summarised as follows:

<i>(values in thousands of EUR)</i>	1st Half 2008	1st Half 2007	Change
Motorway sector revenue	67,835	67,858	(23)
Other revenues	5,527	5,722	(195)
Operating costs	(34,823)	(32,851)	(1,972)
Gross operating margin	38,539	40,729	(2,190)
Significant “non-recurring” items	-	833	(833)
Adjusted gross operating margin	38,539	41,562	(3,023)
Net amortisation/depreciation and provisions	(18,666)	(18,154)	(512)
Operating income	19,873	23,408	(3,535)
Net financial charges	(6,548)	(6,781)	233
Value adjustments of financial assets	-	-	-
Net financial income	(6,548)	(6,781)	233
Pre-tax profit	13,325	16,627	(3,302)
Income taxes	(4,255)	(6,570)	2,315
Profit for the period	9,070	10,057	(987)

Given the constant traffic volumes, the item “*motorway sector revenue*” was substantially in line with the corresponding figures of the previous half-year.

The change in “*operating costs*” was mainly due to the anticipation of some maintenance operations.

With regard to the above-mentioned aspects, in the first half of 2008 the “*gross operating margin*” was equal to EUR 38.5 million (EUR 40.7 million in the first half of 2007).

In the previous half-year, the item “*significant non-recurring items*” related to the one-off effect on the value of the actuarial adjustment to the staff severance indemnity, as a result of the changes introduced by Law no. 296 of 27 December 2006 and the related implementing decrees.

The item “*net amortisation/depreciation and provisions*” reflected the contents of the financial plan annexed to this agreement.

The “*net financial income*” was substantially in line with the value of the same period last year.

According to the above-mentioned figures, the “*profit for the period*” was equal to EUR 9.1 million (EUR 10.1 million in the first half of 2007).

FINANCIAL POSITION

The main items related to the financial income as at 30 June 2008, compared with those as at 31 December 2007, may be summarised as follows:

<i>(values in thousands of EUR)</i>	30/6/2008	31/12/2007	Changes
A) Cash and cash equivalents	1,566	2,308	(742)
B) Securities held for trading	-	-	-
C) Liquidity (A) + (B)	1,566	2,308	(742)
D) Financial receivables (*)	21,730	20,670	1,060
E) Short-term borrowings	(57,864)	(68,497)	10,633
F) Current portion of medium/long-term borrowings	(941)	(3,694)	2,753
G) Other financial liabilities	-	-	-
H) Short-term borrowings (E) + (F) + (G)	(58,805)	(72,191)	13,386
I) Current net cash (indebtedness) (C) + (D) + (H)	(35,509)	(49,213)	13,704
J) Long-term borrowings	(102,377)	(102,798)	421
K) Bonds issued	-	-	-
L) Other long-term payables	-	-	-
M) Long-term borrowings (J) + (K) + (L)	(102,377)	(102,798)	421
N) Net cash (indebtedness) (I) + (M)	(137,886)	(152,011)	14,125

(*) This item relates to a capital-guaranteed indexed financial instruments that, although it is long-term, may be converted into cash in the short term, if required.

The “net financial position” as at 30 June 2008 showed a debit balance of EUR 137.9 million (EUR 152 million as at 31 December 2007); this amount - including the discounted value of the “payable due to the Central Insurance Fund” - would be equal to EUR 278.9 million (EUR 289.6 million as at 31 December 2007).

Although the investment programme for the motorway infrastructure was further carried out (EUR 4.8 million) and the 2007 balance dividend was distributed (EUR 6 million), the net financial position increased by approximately EUR 14.1 million, thanks to the positive trend of the operating cash flow.



The Company manages Turin’s bypass network, its extension up to Quincinetto, the road link from Ivrea to Santhià and the Turin - Pinerolo section for a total of 155.8 kilometres and, together with another entity, it is a subsidiary of the Group (41.17%). This company and its related subsidiaries were consolidated according to the “proportion with the investment held” method.

The main revenue and expenditure items of the Company may be summarised as follows:

<i>(amounts in thousands of EUR)</i>	1st Half 2008	1st Half 2007	Changes
Motorway sector revenue	54,543	54,448	95
Other revenues	2,382	3,310	(928)
Operating costs	(24,605)	(23,863)	(742)
Gross operating margin	32,320	33,895	(1,575)
Significant “non-recurring” items	-	592	(592)
Adjusted gross operating margin	32,320	34,487	(2,167)
Net amortisation/depreciation and provisions	(11,256)	(9,223)	(2,033)
Operating income	21,064	25,264	(4,200)
Financial income	543	933	(390)
Financial charges	(4,003)	(3,682)	(321)
Net financial income	(3,460)	(2,749)	(711)
Pre-tax profit	17,604	22,515	(4,911)
Income taxes	(5,994)	(8,736)	2,742
Profit for the period	11,610	13,779	(2,169)

The item “*motorway sector revenue*” totalled EUR 54.5 million, substantially in line with the same period of 2007.

“*Operating costs*” increased by EUR 0.8 million, due to both higher costs incurred for “winter services” and to the growth in maintenance operations.

With regard to the above, the “*gross operating margin*” totalled EUR 32.3 million (EUR 34.5 million in the first half of 2007).

In the previous six months, the item “*significant non-recurring items*” related to the one-off effect on the value of the actuarial adjustment to the staff severance indemnity, as a result of the changes introduced by Law no. 296 of 27 December 2006 and the related implementing decrees.

The item “*net amortisation/depreciation and provisions*” increased by approximately EUR 2 million, due to both higher amortisation/depreciation and to a higher allocation to the “provision for restoration, replacement and maintenance of assets subject to reversion free of charge”.

The “*net financial income*” decreased by EUR 0.7 million, due to both lower dividends distributed by subsidiaries and to higher financial charges.

According to the above-mentioned figures, the “*profit for the period*” was equal to EUR 11.6 million (EUR 13.8 million in the first half of 2007).

FINANCIAL INCOME

The main items related to the financial income as at 30 June 2008, compared with those as at 31 December 2007, may be summarised as follows:

<i>(values in thousands of EUR)</i>	30/6/2008	31/12/2007	Changes
A) Cash and cash equivalents	8,934	5,179	3,755
B) Securities held for trading	-	-	-
C) Liquidity (A) + (B)	8,934	5,179	3,755
D) Financial receivables	-	-	-
E) Short-term borrowings	(2,000)	(8,196)	6,196
F) Current portion of medium/long-term borrowings	(11,829)	(11,346)	(483)
G) Other financial liabilities	-	-	-
H) Short-term borrowings	(13,829)	(19,542)	5,713
I) Current net cash (indebtedness) (C) + (D) + (H)	(4,895)	(14,363)	9,468
J) Long-term borrowings	(81,314)	(87,174)	5,860
K) Bonds issued	-	-	-
L) Other long-term payables	-	-	-
M) Long-term borrowings (J) + (K) + (L)	(81,314)	(87,174)	5,860
N) Net cash (indebtedness)	(86,209)	(101,537)	15,328

The “net financial position” as at 30 June 2008 showed a debit balance of EUR 86.2 million (EUR 101.5 million as at 31 December 2007); this amount - including the discounted value of the “payable due to ANAS and the Central Insurance Fund” - would be equal to EUR 128.2 million (EUR 142.5 million as at 31 December 2007).

During the first half of the year, the company distributed the 2007 balance dividend (EUR 10.9 million).

Autostrada Asti-Cuneo S.p.A.

As from 1 April 2008 ⁽¹⁾, the Company manages the motorway section Asti-Cuneo for a total of 90 kilometres, of which 37 km already in use and 53 km under construction. As at 30 June 2008, this company is a subsidiary of the Group (60%).

The main revenue and expenditure items of the Company may be summarised as follows:

<i>(values in thousands of EUR)</i>	1st Half 2008	1st Half 2007	Change
Motorway sector revenue	521	-	521
Other revenues	33	9	24
Operating costs	(2,227)	(606)	(1,621)
Gross operating margin	(1,673)	(597)	(1,076)
Net amortisation/depreciation and provisions	(37)	(18)	(19)
Operating income	(1,710)	(615)	(1,095)
Net financial charges	786	890	(104)
Value adjustments of financial assets	-	-	-
Net financial income	786	890	(104)
Pre-tax profit	(924)	275	(1,199)
Income taxes	284	(7)	291
Profit (loss) for the period	(640)	268	(908)

“Toll revenues” for the period 1 April-30 June 2008 amounted to EUR 0.5 million and referred to the tolling of 21.2 kilometres, out of a total of 37 kilometres, that are currently open to traffic.

“*Operating costs*” referred to the start of the main functional activities related to the Technical, Management, Maintenance and Administrative-Financial areas of the Company.

The “*net financial income*” was mainly due to the management of the liquidity from the subscription by the Shareholders of a 25% stake of the share capital that was originally approved.

According to the above-mentioned figures, the “*loss for the period*” was equal to EUR 0.6 million (EUR 0.3 million in the first half of 2007).

The “*net financial position*” as at 30 June 2008 revealed net liquid funds equal to approximately EUR 24 million (EUR 46.4 million as at 31 December 2007). The decrease compared to the balance as at 31 December 2007 was due to both operating and investment expenses and to the payment of an amount equal to EUR 14.7 million to ANAS S.p.A. as consideration for planning activities, as set out in the agreement.

⁽¹⁾ On 11 February 2008, the concession for the construction and management of the infrastructure entered into force while, on 31 March 2008, the motorway assets were transferred from ANAS to the Company.

SITAF – Società Italiana per il Traforo Autostradale del Frejus S.p.A.



SITAF S.p.A. manages the Turin - Bardonecchia (A32) motorway section, as well as the international Frejus motorway tunnel (T4) and is a subsidiary of the Group (36.9%).

In the first half of 2008, “*net toll payments*” totalled EUR 57.2 million, substantially in line with the same period last year (EUR 57.7 million). “*Operating costs*” amounted to EUR 30.1 million (EUR 28 million in the first half of 2007).

The item “*net amortisation/depreciation and provisions*” increased by approximately EUR 5.2 million compared to the same period of last year, while the profit amounted to EUR 5.9 million (EUR 7.9 million in the first half of 2007).

SITRASB – Società Italiana Traforo del Gran San Bernardo S.p.A.



This Company manages the Gran San Bernardo international tunnel and is a subsidiary of the Group (36.5%).

The “*motorway sector revenue*” – unchanged compared to the first half of 2007 – totalled EUR 3 million. The first half of 2008 showed a profit of EUR 0.1 million, in line with the corresponding figures of the previous year.

The “*net financial position*” as at 30 June 2008 revealed net liquid funds equal to EUR 5.3 million (EUR 8 million as at 31 December 2007).

S.A.Bro.M. – Società Autostrada Broni – Mortara S.p.A.



S.A.Bro.M. S.p.A.

Following the tendering procedure during the first half of the year, S.A.Bro.M. S.p.A. **was awarded**, on a provisional basis, the concession for the definitive planning and final design, construction and management of the regional motorway “**Broni-Pavia-Mortara**” (approximately 50 km). The definitive awarding is subject to the performance of the fulfilments required by law and by the tender documentation, as well as to the approval of the Lombardy Regional Council and the Grantor (Infrastrutture Lombarde S.p.A.). To this extent, it should be underlined that the Lombardy Regional Administrative Court (TAR) suspended the above-mentioned awarding based on the appeal lodged by the competitor “Consorzio Stabile SIS” led by the Sacyr Group.

The Company – that is currently in a start-up phase – closed the first half of 2008 with a loss of EUR 0.1 million. As at 30 June 2008, net borrowing was equal to EUR 11 million (EUR 9.5 million as at 31 December 2007).

During the first half of the year, the subsidiary SATAP S.p.A. transferred a 62% stake in S.A.Bro.M S.p.A. (40% to Impregilo S.p.A., 10% to CMB, 10% to CCC, 1% to SINA S.p.A. and 1% to SINECO S.p.A.), for a total value of EUR 1.5 million. As of today, the Group's equity investment in the said Company is equal to 22% of the share capital.

Autostrade Sud America – ASA s.r.l.

ASA s.r.l., through the Chilean company Autopista do Pacifico S.A., controls Sociedad Concesionaria Costanera Norte S.A., a company that manages a 43 km-long motorway section in Santiago (Chile).

Autostrade Sud America – ASA s.r.l. closed the first half of the year with a loss of EUR 35 million. This result was due to the recording of the cost relating to the exercise of the “right to repurchase” the option previously granted by the Company to Impregilo International Infrastructures N.V. on 10% of the share capital of the subsidiary Autopista do Pacifico S.A..

On 4 July 2008, Autopista do Pacifico S.A. was awarded the tender issued by the Chilean Ministry of Public Works for the licensed management (for a maximum of 30 years) of two road links north (yet to be constructed) and south (already existing) of the Benitez Airport (i.e. 3 and 5 kilometres respectively), one of which is linked to the Costanera Norte stretch (more specifically, the existing southern stretch). The value of the works is estimated at approximately UF 1.6 million (US\$ 66 million at the current exchange rate).

Engineering sector



Società Iniziative Nazionali Autostradali – SINA S.p.A.

This Company operates in the study, planning and works management areas for railway and motorway works. As at 30 June 2008, this Company is a subsidiary of the Group (100% of the share capital).

The main *revenue and expenditure items* of the Company may be summarised as follows:

<i>(values in thousands of EUR)</i>	1st Half 2008	1st Half 2007	Changes
Engineering sector revenue	17,212	17,948	(736)
Other revenues	240	95	145
Operating costs	(15,871)	(15,243)	(628)
Gross operating margin	1,581	2,800	(1,219)
Significant “non-recurring” items	-	158	(158)
Adjusted gross operating margin	1,581	2,958	(1,377)
Net amortisation/depreciation and provisions	(64)	(57)	(7)
Operating income	1,517	2,901	(1,384)
Financial income	1,084	2,568	(1,484)
Financial charges	(45)	(49)	4
Value adjustments of financial assets	-	-	-
Net financial income	1,039	2,519	(1,480)
Pre-tax profit	2,556	5,420	(2,864)
Income taxes	(704)	(1,555)	851
Profit for the period	1,852	3,865	(2,013)

During the first half of 2008, the decrease in planning activities – in particular with regard to the Companies of the Group - led to the recognition of “*revenues*” equal to approximately EUR 17.2 million (EUR 17.9 million in the first half of 2007).

Due to the increase in operating costs – equal to EUR 0.6 million – the “*gross operating margin*” totalled EUR 1.2 million.

In the first half of 2007, the item “*significant non-recurring items*” related to the one-off effect on the value of the actuarial adjustment to the staff severance indemnity, as a result of the changes introduced by Law no. 296 of 27 December 2006 and the related implementing decrees.

In the previous half-year, the item “*financial income*” – which mainly refers to the dividends collected from SIAS S.p.A. and SINECO S.p.A. – benefited from gains (EUR 1.5 million) resulting from the disposal to the parent company ASTM S.p.A. of the equity investment held in Road Link Holdings Ltd. According to the above-mentioned figures, the “*profit for the period*” was equal to EUR 1.9 million (EUR 3.9 million in the first half of 2007).

The “*net financial position*” as at 30 June 2008 showed a credit balance equal to EUR 4 million (EUR 3 million as at 31 December 2007) and consisted of cash and bonds that may be converted into cash in the short term, if required. During the first half of the year, the Company paid the 2007 balance dividend (equal to EUR 1.2 million).

SINECO S.p.A.

The Company carries out monitoring and control activities related to the state of preservation of transport infrastructures throughout the territory. As at 30 June 2008, the Company is a subsidiary of the Group (100% of the share capital).

The main revenue and expenditure items of the Company may be summarised as follows:

<i>(values in thousands of EUR)</i>	1st Half 2008	1st Half 2007	Changes
Engineering sector revenue	8,407	8,127	280
Other revenues	53	9	44
Operating costs	(5,841)	(5,748)	(93)
Gross operating margin	2,619	2,388	231
Significant “non-recurring” items	-	117	(117)
Adjusted gross operating margin	2,619	2,505	114
Net amortisation/depreciation and provisions	(138)	(121)	(17)
Operating income	2,481	2,384	97
Financial income	94	59	35
Financial charges	(95)	(28)	(67)
Net financial income	(1)	31	(32)
Pre-tax profit	2,480	2,415	65
Income taxes	(939)	(1,105)	166
Income/(loss) for the year	1,541	1,310	231

In the first half of 2008, “*revenues*” amounted to EUR 8.4 million, up approximately EUR 0.3 million compared to the same period of 2007.

“*Operating costs*” totalled EUR 5.8 million, up EUR 0.1 million compared to the corresponding 2007 figures.

With regard to the above-mentioned aspects, the “*gross operating margin*” – up EUR 0.2 million – totalled EUR 2.6 million.

In the first half of 2007, the item “*significant non-recurring items*” related to the one-off effect on the value of the actuarial adjustment to the staff severance indemnity, as a result of the changes introduced by Law no. 296 of 27 December 2006 and the related implementing decrees.

According to the above-mentioned figures, the “*profit for the period*” was equal to EUR 1.5 million (EUR 1.3 million in the first half of 2007).

The “*net financial position*” as at 30 June 2008 showed a credit balance of EUR 2.4 million (EUR 4 million as at 31 December 2007) and was represented by the liquid funds available on the Company’s current accounts.

The decrease in cash compared to the previous year was mainly due to the payment of dividends for FY 2007 (equal to EUR 2.3 million).

ATIVA Engineering S.p.A.

In the first half of 2008, the Company - which operates in the study and planning area for motorway works and as service provider for companies operating in the motorway sector - posted a turnover equal to EUR 2.2 million (EUR 2.5 million in the first half of 2007), together with a “*profit for the period*” of EUR 0.2 million (EUR 0.3 million in the first half of 2007).

The “*net financial position*” as at 30 June 2008 revealed a credit balance equal to EUR 0.7 million (EUR 1.7 million as at 31 December 2007).

Cisa Engineering S.p.A.

In the first half of 2008, the Company - which operates in the study and planning area for motorway works - posted a turnover of EUR 0.9 million (EUR 1.5 million in the first half of 2007), with a gross operating margin equal to EUR 0.3 million (EUR 0.6 million in the first half of 2007) and a “*profit for the period*” of EUR 0.2 million (EUR 0.4 million in the first half of 2007).

The “*net financial position*” as at 30 June 2008 revealed liquid funds for EUR 0.8 million (EUR 1.6 million as at 31 December 2007). During the first half of the year, the Company paid the dividends for FY 2007 (equal to EUR 0.3 million).

Construction sector

ABC Costruzioni S.p.A.

The Company carries out maintenance and enhancement activities for the motorway network on behalf of SALT S.p.A., Autostrada dei Fiori S.p.A. and Autocamionale della Cisa S.p.A.. In the first half of 2008, the value of “production” amounted to EUR 30.3 million, down approximately EUR 15 million compared to the 2007 figures. The corresponding decrease in “operating costs” enabled to post a “*profit*” equal to approximately EUR 1.6 million (EUR 2.7 million in the first half of 2007).

The “*net financial position*” as at 30 June 2008 revealed borrowings amounting to EUR 0.3 million (credit balance of EUR 6.6 million as at 31 December 2007). The change in the net financial position was due to the payment of the 2007 dividend for EUR 3.2 million and to the payment of taxes for EUR 3.4 million.

Technology sector

Within the scope of the reorganisation process of the technology sector's companies, during the first half of 2008 SINELEC S.p.A. incorporated the subsidiary Infosistem S.p.A.. After the half-year end, the Shareholders' Meetings of SSAT S.p.A. and SINELEC S.p.A. approved the merger by acquisition of SINELEC S.p.A. into SSAT S.p.A., that will be renamed after the incorporated company SINELEC S.p.A.. This integration project will enable to achieve operational, commercial and financial synergies, as well as to increase the "critical mass" of the technology sector, also based on the considerable investment programme that will be implemented in the following years by the motorway companies of the Group.

SSAT S.p.A.

The company mainly operates in the lease sector of both fibre optics and sites for the positioning of transmission devices for companies operating in the mobile telephony sector.

In the first half of 2008, the Company posted a turnover of approximately EUR 4.7 million, down approx. EUR 5.2 million compared to the same period of last year. This was mainly due to the fact that the first half of 2007 benefited from the completion of a major contract concerning the works carried out on behalf of the CAV.TO.MI. Consortium.

"*Operating costs*" in the first half of 2008 totalled approximately EUR 3.4 million, down about EUR 3 million following the trend recorded in revenues. With regard to the above-mentioned aspects, the "*gross operating margin*" for the first half of 2008 totalled approximately EUR 1.2 million (against EUR 3.5 million recorded in the first half of 2007).

The "*profit for the period*" amounted to EUR 4 million (EUR 4.6 million in the first half of 2007), also taking into account the dividend collected from the subsidiary SINELEC S.p.A..

The "*net financial position*" as at 30 June 2008 revealed a credit balance equal to EUR 0.6 million (EUR 1.3 million as at 31 December 2007).

During the period under review, the company paid the dividend for FY 2007 (equal to approximately EUR 4.3 million).

SINELEC S.p.A.

This Company operates in the sector of outsourcing management and supply of integrated IT systems for motorway companies. As already mentioned above, during the first half of the year the Company incorporated the subsidiary Infosistem S.p.A. and recorded a "value of production" of EUR 13.9 million, slightly down compared to the figures of the first half of 2007 (EUR 14.6 million).

The "*gross operating margin*" for the first half of the year totalled EUR 2.2 million, down approximately EUR 0.5 million compared to the same period of 2007.

The profit for the period benefited from the dividends collected from the subsidiary Euroimpianti Electronic S.p.A. and totalled EUR 2.2 million (EUR 1.9 million in the first half of 2007).

The "*net financial position*" as at 30 June 2008 showed a credit balance equal to EUR 4.4 million (EUR 2.6 million as at 31 December 2007). The increase was due to both the incorporation of Infosistem S.p.A.

and to the cash generated by operating activity. During the first half of the year, the company paid the dividend for FY 2007 (equal to approximately EUR 3.5 million).

Euroimpianti Electronic S.p.A.

During the first half of the year, this Company – which operates in the area of planning and production of electrical, telephone and electronic systems for motorway companies – posted a “*profit*” equal to approximately EUR 1 million (EUR 0.7 million in the first half of 2007), against a “production” of approximately EUR 7.6 million.

The “*net financial position*” as at 30 June 2008 revealed a credit balance equal to EUR 1.2 million (EUR 2.5 million as at 31 December 2007).

During the period under review, the company paid the dividend for the 2007 profit (equal to approximately EUR 1.2 million).

Services sector

Autostrade dei Parchi S.p.A.

In the first half of 2008, the Company posted a “*profit*” of EUR 0.9 million (EUR 0.6 million in the first half of 2007), that was mainly due to the dividends collected from the equity investments held in Banca Ca.Ri.Ge. S.p.A. and FIMPRE s.r.l..

With regard to the impugment by ANAS of the arbitral award dated 20 July 2005 - which awarded a compensation equal to EUR 23.5 million to the Company, to be paid by ANAS with regard to the management of the A24 and A25 motorways carried out for more than twenty years by the Granting Body - the litigation has been postponed to the hearing of 27 April 2010.

The company will carry out all activities necessary to defend and acknowledge its own reasons, as well as to confirm the award by the Court of Appeal.

SEGMENT INFORMATION

Pursuant to CONSOB Communication no. 98084143 of 27 October 1998, it should be underlined that – as already pointed out in the previous section “Business segments and Group composition” – the primary business segment of the Group is represented by the management of motorway networks under concession, as well as by related activities. As a consequence, the economic-financial components of the consolidated financial statements are mainly attributable to this type of activity.

In the Explanatory Notes, an analysis of the results by business sector is included in the related section “Segment reporting”, pursuant to IAS 14.

The geographical segment reporting may not be applied, since the activity of the Company included in the consolidation scope of the Group is carried out at national level.

OTHER DISCLOSURES REQUIRED BY CURRENT LEGISLATION

Following the Shareholders’ resolution taken by Autostrada Torino-Milano S.p.A. on 25 February 2008, during the half-year the company purchased own shares.

As at 30 June 2008, the parent company held 1,834,297 own shares (nominal value of EUR 917,149), equal to 2.08% of the share capital, to which are added – with regard to the prorated share – 21,500 shares (nominal value of EUR 10,750) held by the subsidiary ATIVA S.p.A., equal to 0.02% of ASTM S.p.A. share capital. The changes to the said shares during the period are detailed in the paragraph “Shareholders’ equity” of the explanatory notes.

To this date, the Parent Company and ATIVA S.p.A. hold 2,296,297 own shares.

Your Company has no branches.

With regard to the relationships with subsidiaries, associated companies, parent companies and with enterprises subject to the control of these latter companies, reference should be made to the explanatory notes.

In respect of the policies adopted as regards financial risk management, please refer to the related note contained in the explanatory notes of this abridged half-yearly report.

SIGNIFICANT SUBSEQUENT EVENTS

In addition to the above information, no significant events occurred after 30 June 2008.

BUSINESS OUTLOOK

With regard to the **“motorway sector”**, the updating process of agreements – that was launched in the first half of the year – will enable, if completed in a short time, to overcome the uncertainty that characterises this sector, as well as to carry out the planned investment programme and the application of the related toll increases. Moreover, the current economic trend could determine a decrease in “traffic volumes” in the second half of 2008.

The **“engineering”**, **“construction”** and **“technology”** sectors – whose activities are directly linked to the above-mentioned aspects – should confirm the economic results achieved in the first half of the year.

The performance of the ASTM Group during the year will clearly reflect the evolution of all above-mentioned factors, thus expecting a positive result.

Turin, 5 August 2008

for the Board of Directors
the Managing Director
(Mr. Alberto Sacchi)

Abridged Half-Yearly
Report

Balance Sheet

30 June 2007	(amounts in thousands of EUR)	30 June 2008	31 December 2007
Assets			
Non-current assets			
34,406	1. Intangible assets (Note 1)	84,456	95,567
34,406	Total intangible assets	84,456	95,567
2. Tangible assets (Note 2)			
850,027	3. a. assets subject to reversion free of charge in operation	2,108,192	2,157,474
565,055	3. b. assets subject to reversion free of charge under construction	910,507	793,168
22,223	c. property, plant, machinery and other assets	67,359	67,219
5	d. financial lease assets	3,048	3,282
1,437,310	Total tangible assets	3,089,106	3,021,143
3. Non-current financial assets (Note 3)			
a. equity investments accounted for by the equity			
399,605	method	159,269	177,509
12,235	3. b. unconsolidated investments	235,127	232,822
11,002	3. c. receivables	37,184	37,044
157,977	3. d. other	41,361	40,825
580,819	Total non-current financial assets	472,941	488,200
3,255	4. Deferred tax credits (Note 4)	9,809	7,951
2,055,790	Total non-current assets	3,656,312	3,612,861
Current assets			
3,149	5. Inventories (Note 5)	22,707	36,855
44,189	6. Trade receivables (Note 6)	51,348	69,112
20,461	7. Current tax credits (Note 7)	56,059	41,782
150,742	8. Other receivables (Note 8)	283,987	245,657
-	9. Assets held for trading	-	-
9,752	10. Assets available for sale (Note 9)	349	100,349
-	11. Financial receivables	-	-
228,293	Total current assets	414,450	493,755
59,430	12. Cash and cash equivalents (Note 10)	286,295	323,670
287,723	Total current assets	700,745	817,425
2,343,513	Total assets	4,357,057	4,430,286
Shareholders' equity and liabilities			
Shareholders' equity (Note 11)			
1. Group shareholders' equity			
43,996	a. share capital	43,079	43,996
873,188	b. reserves and retained earnings	918,908	933,406
917,184	Total	961,987	977,402
36,027	2. Minority interests	686,948	689,033
953,211	Total shareholders' equity	1,648,935	1,666,435
Liabilities			
Non-current liabilities			
3. Provisions for risks and charges and severance			
93,352	indemnities (Note 12)	201,470	193,461
15	4. Trade payables (Note 13)	9	9
257,137	5. Other payables (Note 14)	605,921	583,522
594,370	6. Bank debt (Note 15)	1,100,581	1,122,551
-	7. Other financial liabilities (Note 16)	202,734	201,380
23,927	8. Deferred tax liabilities (Note 17)	19,372	26,938
968,801	Total non-current liabilities	2,130,087	2,127,861
Current liabilities			
82,909	9. Trade payables (Note 18)	121,985	144,857
63,449	10. Other payables (Note 19)	128,486	205,326
264,158	11. Bank debt (Note 20)	294,185	261,091
3	12. Other financial liabilities (Note 21)	3,905	7,031
10,982	13. Current tax liabilities (Note 22)	29,474	17,685
421,501	Total current liabilities	578,035	635,990
1,390,302	Total liabilities	2,708,122	2,763,851
2,343,513	Total shareholders' equity and liabilities	4,357,057	4,430,286

Income statement

2007	(amounts in thousands of EUR)	1 st Half 2008	1 st Half 2007
Revenues (Note 23)			
528,563	1. from the motorway sector (Note 23.1)	350,567	160,621
4,618	2. from the construction sector (Note 23.2)	1,003	787
20,418	3. from the engineering sector (Note 23.3)	3,806	12,928
11,809	4. from the technology sector (Note 23.4)	7,038	-
47,335	6. other (Note 23.5)	31,577	17,848
612,743	Total Revenues	393,991	192,184
(100,380)	7. Payroll costs (Note 24)	(73,348)	(30,293)
(164,607)	8. Services (Note 25)	(93,127)	(51,135)
(30,055)	9. Costs for raw materials (Note 26)	(20,243)	(2,629)
(26,211)	10. Other costs (Note 27)	(18,273)	(7,138)
69,542	11. Capitalised costs on fixed assets (Note 28)	42,178	12,044
(108,788)	12. Amortisation, depreciation and write-downs (Note 29)	(89,265)	(25,109)
	13. Update of the provision for restoration, replacement and maintenance of assets subject to reversion free of charge (Note 30)	(9,506)	(9,258)
(1,279)	14. Other provisions for risks and charges (Note 31)	(77)	(28)
	15. Financial income: (Note 32)		
16,908	a. from unconsolidated investments	3,219	270
18,728	b. other	10,209	4,088
	16. Financial charges: (Note 32)		
(41,903)	a. interest expense	(35,241)	(12,243)
(4,480)	b. other	(1,066)	(1,291)
15,691	17. Profit (loss) of companies accounted for by the equity method (Note 33)	(13,789)	14,427
256,754	Profit (loss) before taxes	95,662	83,889
	18. Taxes (Note 34)		
(94,255)	a. Current taxes	(36,507)	(30,793)
7,750	b. Deferred taxes	863	977
170,249	Profit (loss) for the year	60,018	54,073
51,642	minority interests' share	26,077	960
118,607	Group share	33,941	53,113
Earnings per share (Note 35)			
1.348	Profit (euro per share)	0.389	0.604

Cash flow statement

2007 (amounts in thousands of EUR)	1 st Half 2008	1 st Half 2007
81,693	323,670	81,693
616,417	-	-
698,110	323,670	81,693
Operating activity:		
170,249	60,018	54,073
Profit (loss)		
Adjustments		
108,636	89,211	25,109
(845)	9,506	9,258
1,103	3,575	(630)
1,279	77	28
(15,691)	13,789	(14,427)
-	164	381
(16,868)	(7,115)	(1,074)
30,584	(85,792)	(7,967)
(6,994)	(5,149)	(1,764)
271,453	78,284	62,987
Investment activity:		
(9,108)	(3,903)	(1,083)
(332,402)	(155,956) (**)	(146,722)
(25,758)	(334)	(2,536)
(23,264)	(25,270)	(23)
910	659	172
2,302	-	-
136	6	10
82,474	8,000	7,549
(304,710)	(176,798)	(142,633)
Financial activity:		
(253,250)	21,424	69,768
19,349	100,000	7,127
(39,551)	471	-
(529)	(182)	(371)
(2,696)	-	-
-	(22,010)	-
(35,200)	(17,315)	(17,600)
(29,306)	(21,249)	(1,541)
(341,183)	61,139	57,383
323,670	286,295	59,430

Additional information:

86,877	Taxes paid during the period	103,853	(***)	25,278
59,157	Financial charges paid during the period	45,022		18,534

With regard to the "net financial position" of the Group, please refer to the appropriate paragraph in the Management Report.

(*) Consolidation of SIAS S.p.A. and subsidiaries (SIAS Group "cash" as at 30 June 2007)

(**) Capitalised financial charges amounted to EUR 17,135 thousand.

(***) The increase compared to the first half of 2007 was due to both the "change in the scope of consolidation" and to the taxes paid by the parent company with regard to the transactions carried out in FY 2007 as part of the Corporate Reorganisation.

Statement of changes in shareholders' equity

<i>Amounts in thousands of EUR</i>	Share capital	Reserves and retained earnings	Group shareholders' equity	Minority interests	Total shareholders' equity
31 December 2006	43,996	837,092	881,088	36,763	917,851
Distribution of 2006 balance dividend (EUR 0.20 per share)		(17,600)	(17,600)	(1,541)	(19,141)
Effects related to the Corporate Reorganisation		20,247	20,247	638,847	659,094
Update financial assets to fair value					
- Financial assets		(7,326)	(7,326)	(7,464)	(14,790)
- Interest rate swap		671	671	(407)	264
Distribution of 2007 interim dividend (EUR 0.20 per share)		(17,600)	(17,600)	(27,765)	(45,365)
Update provisions for foreign exchange differences		(1,115)	(1,115)	(496)	(1,611)
Other changes		430	430	(546)	(116)
Profit for the period		118,607	118,607	51,642	170,249
31 December 2007	43,996	933,406	977,402	689,033	1,666,435
Purchase of own shares	(917)	(21,093)	(22,010)	-	(22,010)
Distribution of 2007 dividend (EUR 0.20 per share)		(17,315)	(17,315)	(21,249)	(38,564)
Update provisions for foreign exchange differences		(3,277)	(3,277)	(1,890)	(5,167)
Update financial assets to fair value		(6,754)	(6,754)	(4,346)	(11,100)
Other changes (change to the scope of consolidation and purchase of minority shares)		-	-	(677)	(677)
Profit for the period		33,941	33,941	26,077	60,018
30 June 2008	43,079	918,908	961,987	686,948	1,648,935

The breakdown of the item “Reserves and retained earnings” is as follows:

<i>Amounts in thousands of EUR</i>	Share premium reserve	Revaluat. reserves	Legal reserve	Reserve for purchase of own shares	Purchased own shares	Reserves for revaluation to fair value	Provis. for foreign exchange differ.	Retained earnings (losses)	Profit (loss) for the period	Total
31 December 2006	25,861	9,325	10,538	-	-	30,572	(926)	663,728	97,994	837,092
Allocation of 2006 profits								80,394	(80,394)	-
Distribution of 2006 balance dividend (EUR 0.20 per share)									(17,600)	(17,600)
Effects related to the Corporate Reorganisation								20,247		20,247
Reconstitution of reserves by the fair value of the companies entering the scope of consolidation following the Corporate Reorganisation						26,853		(26,853)		
Update financial assets to fair value										
- Financial assets						(7,326)				(7,326)
- Interest rate swap						671				671
Distribution of 2007 interim dividend (EUR 0.20 per share)									(17,600)	(17,600)
Update provisions for foreign exchange differences							(1,115)			(1,115)
Other changes								430		430
Profit for the period									118,607	118,607
31 December 2007	25,861	9,325	10,538	-	-	50,770	(2,041)	737,946	101,007	933,406
Creation of reserve for the purchase of own shares				22,010				(22,010)		-
Purchase of own shares					(21,093)					(21,093)
Allocation of 2007 profits								83,692	(83,692)	-
Distribution of 2007 dividend (EUR 0.20 per share)									(17,315)	(17,315)
Update financial assets to fair value										
- financial assets						(7,245)				(7,245)
- interest rate swap						491				491
- reclassification						143		(143)		-
Update provisions for foreign exchange differences							(3,277)			(3,277)
Profit for the period									33,941	33,941
30 June 2008	25,861	9,325	10,538	22,010	(21,093)	44,159	(5,318)	799,485	33,941	918,908

General information

Autostrada Torino-Milano (ASTM S.p.A.) is organised according to the laws of the Italian Republic.

ASTM S.p.A. operates in Italy as an industrial holding company through its subsidiaries, mainly in the sectors of licensed motorway construction and operation.

The registered office of the Parent Company is at Corso Regina Margherita 165 - Turin, Italy.

The ordinary shares are listed on the MTA [*electronic stock market*] operated by Borsa Italiana S.p.A. and are included in the MIBEX index.

On 5 August 2008, the Board of Directors of ASTM S.p.A. examined and recommended the Half-Yearly Financial Report of the ASTM Group.

Preparation criteria and contents of the half-yearly financial report

Based on the provisions of Article 3, Paragraph 1 of Legislative Decree No. 38 of 28/2/2005, this half-yearly financial report was prepared **in accordance with the international accounting standards (IAS/IFRS)** issued by the International Accounting Standard Board (IASB) and approved by the European Commission, with particular reference to the provisions contained in IAS 34. Consequently, the comparative data referring to the same period in the previous accounting year also comply with the cited accounting standards.

The half-yearly financial report comprises the balance sheet, the income statement, the cash flow statement, the statement of changes in shareholders' equity and these explanatory notes and applies the provisions contained in IAS 1 "Presentation of Financial Statements", as well as the general cost method. The balance sheet has been prepared by distinguishing between current and non-current assets and liabilities, while in the income statement costs have been presented and classified based on their nature. The cash flow statement has been prepared using the indirect method.

Principles of consolidation,
valuation criteria and
explanatory notes

Principles of consolidation and valuation criteria

Consolidation principles and procedures

In addition to the financial statements of the parent company Autostrada Torino-Milano S.p.A., the consolidated financial statements of ASTM Group include the financial statements of the companies over which it exercises control (these financial statements were suitably adjusted/restated to make them compatible with the IAS/IFRS international accounting principles for preparing financial statements).

Control exists when the Group holds 50% of the voting rights directly or indirectly, that is, it has the power to determine the financial and operational policies of the company. The accounts of subsidiaries are included in the consolidated accounts starting from the date upon which control is assumed until the moment when control ceases to exist.-

Companies over which control is held jointly with minority shareholders, based on agreements with them, are consolidated with the proportional method.

Companies over which “significant influence” is exercised on the subject of financial and operational policies are valued with the equity method.

Furthermore, we specify that the subsidiaries Rites s.c.a.r.l., Tangenziale Est s.r.l., INPAR S.p.A. (in liquidation) and Sistemi e Servizi s.c.ar.l. were evaluated with the equity method, because they are small. Consolidating them would not have produced any significant effect on the Group consolidated financial statements.

In the paragraph “Scope of consolidation” below, consolidated investments are shown in detail.

* * *

Consolidation by the line-by-line method

In brief, consolidation by the line-by-line method involves taking the assets and liabilities, income and expenses of the consolidated companies, accounting for the amount of investment held and attributing to third-party shareholders the share of profits and provisions applicable to them in a dedicated heading of Shareholders' Equity called “Minority interests”.

The principal consolidation adjustments made were the following:

1. Elimination of investments in businesses included in the scope of consolidation and of their corresponding fractions of shareholders' equity, attributing the current value as at the date of acquiring control to the individual elements of the balance sheet. If the requirements are met, any positive difference is posted to the asset item “Goodwill”. A negative difference is imputed to the income statement.

The premium price paid for a corresponding fraction of shareholders' equity, from the acquisition of additional shares of subsidiaries, is allocated to the item “Goodwill”.

2. Elimination of receivables and payables between businesses included in the scope of consolidation, as well as income and expenses related to transactions between the businesses themselves. Furthermore, profits and losses from transactions between these businesses and related to securities included in the balance sheet and the income statement are also eliminated, if significant.

Intercompany losses are not eliminated if they reflect an impairment in value of the underlying asset.

Concerning internal work capitalised on assets subject to reversion free of charge, margins generated within the Group have not been reversed, both because these margins are not significant, and because the work was awarded, among other things, through competitive bidding at market prices.

3. Reversal of dividends collected from the consolidated companies.

Consolidation by the proportional method

In brief, the proportional method of consolidation involves aggregating, line by line, the parent company portion of each asset, liability, income and expense of the subsidiary in the respective items of the consolidated financial statements.

With the proportional method of consolidation, we see only that part of the value of the subsidiary that belongs to the Group, and not its total value. Furthermore, as a contra entry to the value of the investments, only that part of shareholders' equity belonging to the Group is eliminated, and the items "Shareholders' equity, minority interest" and "Minority interest" (in the income statement) do not appear, because these items are automatically excluded.

Furthermore, intercompany profits and losses are eliminated proportionally and all other consolidation adjustments are also made in a similar manner.

Valuation of investments with the equity method

The equity investment is initially entered at cost and the book value is increased or decreased to record the share of profits and/or losses of the subsidiary accruing to the holding company, which are realized after the acquisition date. Any goodwill included in the value of the investment is subject to an impairment test. The portion of operating profits of the subsidiary accruing to the holding company is posted to the income statement of the holding company. However, excess losses compared to the book value of the investment on the financial statements are not entered, to the extent that the Group is not obliged to cover them. Dividends received from a subsidiary reduce the book value of the investment.

Valuation criteria

Intangible assets

Goodwill

As an intangible asset, this is not subject to amortisation. An impairment test is conducted at least annually, and in any case when events arise that may indicate a reduction in value. This check is carried out at the level of the individual cash generating unit to which goodwill has been allocated and based on which Management evaluates the yield of the investment. Write-downs are not subject to reversal.

Other intangible assets

"Other intangible assets" are posted at cost. They are systematically amortized over the period in which the assets are expected to be used by the business.

Expenses associated with development activities are posted to the balance sheet assets when: (i) the expense related to the intangible asset can be reliably determined; (ii) there is the intention, the

availability of financial resources and the technical ability to make the asset available for use or sale; (iii) it can be proved that the asset can produce future economic benefits. These intangible assets are amortised over a period not to exceed five years.

When events arise that indicate a reduction in value of intangible assets, the difference between the book value and the associated recovery value is imputed to the income statement.

Expenses for research activities are posted to the income statement of the period in which they are incurred.

Tangible assets

The assets are posted at purchase cost or production cost (including directly imputable auxiliary costs) and include the related directly imputable financial charges needed to make the assets available for use.

Depreciation rates used to distribute systematically the value of tangible assets based on their useful life are as follows:

<u>Category</u>	<u>Rate</u>
Land	Not depreciated
Non-industrial and industrial buildings	3%
Plant, machinery and vehicles	5% - 10% - 20%
Technical equipment	12% - 15% - 25%
Facilities and machines	10% - 12% - 25% - 40%
Light structures	10%
Radio and alarm equipment	25%
Automobiles and motor vehicles	20% - 25%
Office furniture and machines	12% - 20% - 40%

“Assets subject to reversion free of charge” have been posted in accordance with national accounting practices, because these are compatible with the IAS/IFRS. Also, we specify that the information required by the Standing Interpretations Committee No. 29 (SIC 29 Supplemental information – Agreements for licensed services) has been provided.

“Assets subject to reversion free of charge” are systematically depreciated based on the duration of their respective concessions, in accordance with the provisions contained in current financial plans attached to the agreements stipulated with the Granting Body. In determining the depreciation of assets subject to reversion free of charge of ATIVA S.p.A., SALT S.p.A. and Autocamionale della Cisa S.p.A., Item 2 of Article 25 of the current Convention provides that the outgoing licensee is entitled to indemnification by the incoming licensee for the terminal value, that is, that part of new works that have been realized but not yet depreciated to the expiration of the concession.

Concerning assets subject to reversion free of charge, the depreciation reserve and the provisions for recovery or replacement, considered overall, provide adequate coverage of the following expenses:

- free alienation to the State of assets subject to reversion free of charge with a useful life greater than the duration of the concession;
- recovery and replacement of components of assets subject to reversion free of charge, which are

subject to wear;

- recovery of the investment in new works scheduled in the financial plans.

When events arise that indicate a reduction in value of tangible assets, the difference between the book value and the associated recovery value is imputed to the income statement.

Ordinary maintenance costs of tangible assets are posted to the income statement for the period in which they are incurred.

* * *

Concerning the account and treatment of assets subject to reversion free of charge, at the end of 2006, the **IFRIC** (International Financial Reporting Interpretations Committee) approved **Interpretation No. 12** concerning accounting treatment of licensed services. The purpose of this document is to indicate the procedures for entering and valuing concession contracts between a public entity and a private business, referring especially to the procedures for displaying assets subject to reversion free of charge, the operation of those assets as well as the obligations for recovery and maintenance of the same. During 2007, coordinating with AISCAT, the ASTM Group set up a panel to study the applicability of the cited interpretation document, as well as possible impacts from applying that interpretation to the financial statements of the licensee companies.

As already pointed out in the notes to the consolidated financial statements as at 31 December 2007, during the approval process, Interpretation No. 12 encountered some resistance within the European Union, which resulted in the postponement of the approval.

Although the IFRIC had set 1 January 2008 as the implementation date for IFRIC 12, considering the pending approval process by the European Commission, the ASTM Group will adopt IFRIC 12 beginning on the date that will be established during its approval process. This is because the IFRS apply generally only after they are approved and published in the Official Journal of the European Union.

Concerning IFRIC Interpretation 12, it can be seen that unlike the practice of Italian operators heretofore in the absence of specific criteria from the IASB, overlooking both the concept of transferring risks and benefits which has prevailed in the body of IFRS principles heretofore and the special legal nature of national agreements, this document establishes that the licensee does not need to enter the revertible infrastructure among tangible assets because it does not maintain control, but rather, only the right to use the infrastructure to provide the services in accordance with the terms of procedures defined by the Conceding Authority. This right can be classified as a “financial asset” or an “intangible asset” depending on whether there is an unconditional right to receive compensation for the effective use of the infrastructure itself or to charge users a specific payment for using a public service.

Considering that the payment expected or received by the concessions of the ASTM Group for the construction, expansion and operation of the motorway network consists of the right to charge users fee for using the infrastructure, the principal impact (exclusively in terms of accounting presentation) from the application of the cited Interpretation would be the adoption of the so-called “intangible asset model”, with the consequent restatement of “assets subject to reversion free of charge” among “intangible assets”. However, the depreciation process would continue for the life of the concession based on what is contained in the respective financial plans.

Leased assets

Financial lease contracts

Assets purchased with a financial lease transaction are posted among the assets of the balance sheet at the lesser of fair value or present value of the lease payments owed to purchase them, which is determined using the interest rate implied in the lease. As a contra entry, the value is posted among liabilities as a financial payable to the lessor. Any direct costs incurred in finalizing the leasing contract (e.g. costs to negotiate and finalize the financial leasing transaction) are recorded as an increase to the value of the asset. Leased assets are routinely depreciated using the depreciation criteria for owned assets of the same type. When it is not reasonably certain that the asset will be purchased at the end of the lease, it is completely depreciated over the shorter of the lease contract or its useful life.

Lease payments are divided between repaid principal and financial charges posted according to the matching principle.

Operating lease contracts

Lease payments for operating leases are posted to the income statement and constant amounts distributed across the duration of the underlying contract.

Inventories

Raw materials, ancillary materials, consumables, semi-finished goods, finished goods and merchandise

These are valued at the lesser of average weighted cost and net realizable value.

Contracted work in process

Based on agreed fees, this is valued as a function of the state of progress of construction/realization of the asset at the reference date of the accounting statement, using the “percentage of completion” method. Advances paid by the buyers are subtracted from the value of inventory up to the limit of the accrued fees. The remainder is posted to liabilities. Any losses at the end are posted to the income statement.

Requests for additional payments because of change orders or other claims (for example, for greater expenses incurred for reasons that can be imputed to the buyer) are posted to the financial statements in the total payments, if and to the extent that it is probable that the counterparty will accept them.

Assets held for trading

These are recorded at fair value as at the date of the transaction. Gains and losses from any changes in the fair value are posted to the income statement. When fair value cannot be reliably determined, the financial asset is valued at cost, adjusted in the event of any loss of value. The original value is restored in later accounting periods, should the reasons for the write-down no longer hold true.

Financial assets held to maturity

These are posted at fair value upon their acquisition. Later, they are valued at their amortized cost using the criterion of effective interest. Any loss in value is posted to the income statement. The original value is restored in later accounting periods, should the reasons for the write-down no longer hold true.

Financial assets available for sale

These are recorded at fair value as at the date of the transaction. Profits and losses from later changes in fair value are valued using the equity method as the contra entry until the asset is sold and the income is posted to the income statement. When fair value cannot be reliably determined, the financial asset is valued at cost, adjusted in the event of any loss of value.

Loans and Receivables

These are initially posted at fair value (including costs incurred for the purchase/issue) at the date of the transaction. Later, they are valued at their amortised cost using the criterion of effective interest. Any loss in value is posted to the income statement.

The original value is restored in later accounting periods, should the reasons for the write-down no longer hold true.

Cash and cash equivalents

Cash includes cash on hand, including cheques, and bank demand deposits. Cash equivalents are represented by financial investments with a maturity of three months or less from the date of purchase, readily convertible into cash and with an insignificant risk of change in value.

These items are recorded at fair value. Profits or losses from any changes in the fair value are posted to the income statement.

Loans and other liabilities

These are recorded when opened, net of any costs that can be ascribed to them. Later, they are valued at their amortised cost using the criterion of effective interest.

With regard to the *bond loan convertible* into ordinary shares, because it is a composite financial instrument, we separated the components of the loan itself at the time of initial posting, in accordance with IAS 32.

The "*liability component*" is equal to the present value of net cash (principal + interest) related to the debenture loan, discounted at the market interest rate (equal to the cost of the debt capital of the issuer SIAS S.p.A. over 12 years; this rate is considered representative of the yield on similar fixed-income securities that do not carry a right of conversion).

The "*shareholders' equity component*" is equal to the difference between the present value of net cash (as determined above) and the cash from of the bond issue net of related deferred tax effects.

Financial charges are calculated on the “liability component”. They are imputed to the income statement based on the “market interest rate” mentioned above, taking into account also the related deferred tax effects.

Payables to ANAS and the Central Insurance Fund [FCG]

These payables refer to operations undertaken by the parties in question during earlier accounting periods on behalf of the licensees SALT S.p.A., Autostrada dei Fiori S.p.A., Autocamionale della Cisa S.p.A., SATAP S.p.A., SAV S.p.A. and ATIVA S.p.A. to make instalment payments and for accounts payable to suppliers. To facilitate the economic and financial equilibrium of the respective concessions, the financial plans attached to them require retirement of these liabilities based on the duration of the concession, in the absence of related interest payments.

Therefore, these payables have been discounted based on a specific interest rate for each licensee. In compliance with IAS 39, this interest rate is established using as a reference financial instruments with essentially the same conditions and features. The difference between the original amount of the debt and its current value is posted among liabilities to “deferred income”.

The charge from the discounting process is imputed to the income statement among “financial charges”. At the same time, the amount previously deferred (and included in “deferred income”) is posted to the item “other income”.

Provisions for risks and charges

Provisions for risks and charges concern costs and charges of known type and of certain and probable existence, the amount and date of occurrence of which was not known as at the balance sheet date. Provisions are recorded when: (i) a current, legal or implied obligation probably exists from a past event; (ii) it is probable that meeting the obligation will be burdensome; (iii) the amount of the obligation can be reliably estimated.

The provisions to reserves represent our best estimate of the amount needed to extinguish the obligation or to transfer it to third parties as at the closing date of the financial statements. When the financial impact of time is significant and the dates for paying off the obligations can be reliably estimated, the provisions are discounted.

Provision for restoration, replacement and maintenance of assets subject to reversion free of charge

Consistent with the contractual obligations in the financial plans attached to current agreements, as at the date of the report, the “Provision for restoration, replacement and maintenance of assets subject to reversion free of charge” receives the provisions needed to carry out maintenance to ensure the due functionality and safety of the motorway network during later accounting periods.

The Notes also explain any potential liabilities represented by: (i) possible (but not probable) obligations from past events, the existence of which will be confirmed only upon the occurrence of one or more uncertain future events not completely under the control of the Group; (ii) current obligations from past events, the total of which cannot be reliably estimated or the fulfilment of which is probably not costly.

Employee benefits (Employee Severance Indemnity)

Liabilities related to the Employee Severance Indemnity (“defined-benefit plan”) have been determined based on actuarial assumptions and recorded using the matching principle consistently with the service periods required to obtain the benefits. Liability was appraised with the help of independent actuaries.

Because they come from changes in the actuarial assumptions used or changes in the plan conditions, actuarial gains and losses from these plans are posted to the income statement.

Own shares

Own shares are posted at purchase cost, as a reduction in shareholders’ equity. The value resulting from their transfer is posted as an adjustment to the shareholders’ equity and is not imputed to the income statement.

Revenues

Revenues are posted based on the matching principle when it is probable that the future economic benefits will accrue to the Group and their value can be determined reliably. In detail:

Tolls

These are posted based on the related transits and are shown net of the portion owed to the State under Article 15 of Law No. 531 of 12 August 1982, as amended by Item 2 of Article 11 of Law No. 407 of 29 December 1990.

Rental income and royalties

Rental income and royalties are valued based on the payment indicated in the underlying contracts with the respective counterparties.

Revenues from product sales

Revenues from product sales are recognized when the risks are transferred to the buyer, a moment that usually coincides with shipping/delivery.

Revenues for services

Revenues for services are recognized based on the accrued payment.

Revenues for work and planning

Revenues accruing during the period related to contracted work in process are posted based on the agreed payments as a function of the state of progress of the work, according to the percentage of completion method.

Dividends

Dividends paid by unconsolidated companies are posted when the right to receive them is established, which corresponds to the date that the Shareholders' Meeting of subsidiaries approves the distribution.

Any interim dividends are recorded when the distribution is approved by the Board of Directors of the subsidiary.

Grants

Grants are recognised when there exists a reasonable certainty that they will be received and that all the conditions for their disbursement will be met. Capital grants are posted to the balance sheet as an adjustment entry to the book value of the asset to which they refer. Operating grants are imputed as income and systematically allocated to the cost related to them using the matching principle.

Financial charges

Financial charges are recorded as a cost in the accounting period in which they are incurred except for those which are directly imputable to the construction of assets subject to reversion free of charge and other assets, which are capitalised as an additional part of the cost of production. Capitalisation of financial charges begins when activities are under way to prepare the asset for use, and it ends when these activities are essentially completed.

Income taxes

Current and deferred taxes are posted to the income statement when they do not relate to transactions directly posted – or to be posted – to shareholders' equity.

Income taxes are posted based on an estimate of the taxable income for the period, in compliance with current regulations.

In accordance with IAS 12, "deferred tax liabilities" and "advance tax payments" are calculated based on the temporal differences between the recognized value for tax purposes of an asset or a liability and its value on the balance sheet, when it is probable that these differences will cancel themselves out in the foreseeable future. The amount of the "deferred tax liabilities" or "advance tax payments" is determined based on tax rates that are expected to apply to the period in which the tax credit is realized or the tax liability is extinguished. The tax rates are those established in current fiscal legislation as at the reference date of the individual accounting entries.

Deferred tax credits are posted when their recovery is likely.

Advance tax payments and deferred tax liabilities are offset when it is legally allowed.

Furthermore, tax effects have been considered, deriving from the adjustments made to the financial statements of consolidated businesses while applying uniform Group valuation criteria.

Derivatives

Derivatives are assets and liabilities recognized at fair value.

Derivatives are classified as hedging instruments when the relationship between the derivative and the subject of the coverage is formally documented and the coverage is highly effective, which is verified

periodically. When hedging derivatives cover the risk of changes to the fair value of the instruments being covered (a “fair value hedge”, for example, covering the variability of the fair value of assets/liabilities at a fixed rate), the derivatives are recognized at fair value and their effects are imputed to the income statement. At the same time, the instruments subject to coverage are updated to reflect the changes to their fair value associated with the covered risk. When derivatives cover the risk of changes in net cash from the instruments being covered (cash flow hedge, for example, covering the variability of cash flows from assets/liabilities at a fixed rate), changes to fair value of the derivatives are initially posted to shareholders’ equity and later imputed to the income statement along with the economic effects produced by the covered transaction. Changes to the fair value of derivatives that do not satisfy the conditions to be classified as hedges are posted to the income statement.

Estimates and valuations

The preparation of this abridged half-yearly report and the related notes required estimates and assumptions that had an effect on the values of the assets and liabilities in the report and on the information related to potential assets and liabilities as at the date of the report. Actual results achieved may differ from these estimates. Among other things, the valuation used fair value to appraise assets available for sale, and to record amortisation/depreciation, write-downs of assets and provisions for risks. The estimates and assumptions are reviewed periodically and the effects of any changes are reflected immediately in the income statement.

With regard to the valuation of licensees operating in the motorway sector, the financial plans approved by the Granting Body were used to perform the impairment test.

The valuation criteria shown above have been applied coherently in preparing this half-yearly financial report and are consistent with previous year’s consolidated financial statements.

Pursuant to Article 5, Paragraph 2 of Legislative Decree No. 38 of 28 February 2005 and in compliance with Paragraph 46 of IAS 1, this consolidated half-yearly report was prepared in thousands of euro. For the ASTM Group, the euro is both the operating currency and the presentation currency.

Notes - Scope of consolidation

The list of subsidiary companies included in the scope of consolidation is shown below.

Parent company

Name	Registered office
ASTM S.p.A.	Turin - Corso Regina Margherita 165

Subsidiaries – consolidated with the line-by-line method

Name	Registered office	Share capital	Group %	Directly-held %
Cisa Engineering S.p.A.	Ponte Taro (PR) – Via Camboara 26/A	1,000,000	100.000	

Euroimpianti Electronic S.p.A.	Tortona (AL) – Via Balustra 15	120,000	100.000	
Fiori Real Estate s.r.l.	Imperia - Piazza della Repubblica 46A	90,000	100.000	
Holding Piemonte e Valle d'Aosta S.p.A.	Turin - Via Bonzanigo 22	350,000,000	100.000	
Logistica Tirrenica S.p.A.	Lido di Camaiore (LU) – Via Don Tazzoli 9	120,000	100.000	
SINA S.p.A.	Milan – Via F. Casati 1/A	2,028,125	100.000	99.500
SINECO S.p.A.	Milan – Via F. Casati 1/A	500,000	100.000	82.000
Strade Co.Ge. S.p.A.	Tortona (AL) – Via Balustra 15	500,000	100.000	
COALPA S.p.A.	Tortona (AL) S.S.211 Loc. San Guglielmo 3/13	500,000	100.000	
Tibre s.c.a r.l.	Ponte Taro (PR) – Via Camboara 26/A	10,000	100.000	
SATAP S.p.A.	Turin – Via Bonzanigo 22	158,400,000	99.874	
SINELEC S.p.A.	Tortona (AL) – S.S. 211 Loc. San Guglielmo 3/13	1,500,000	97.059	
Autostrade dei Parchi S.p.A.	Tortona (AL) – S.S. 211 Loc. San Guglielmo 3/13	31,500,000	96.193	
L.A.S. s.c.a r.l.	Tortona (AL) – Regione Ratto	10,000	95.000	
Autostrada Ligure Toscana S.p.A.	Lido di Camaiore (LU) – Via Don Tazzoli 9	120,000,000	87.392	
ABC Costruzioni S.p.A.	Ponte Taro (PR) – Via Camboara 26/A	5,326,938	85.921	
Autocamionale della Cisa S.p.A.	Ponte Taro (PR) – Via Camboara 26/A	41,600,000	84.437	
Collegamenti Integrati Veloci S.p.A.	Tortona (AL) – S.S. 211 Loc. San Guglielmo 3/13	15,000,000	80.833	
LIRA s.r.l.	Milan c/o Politecnico di Milano – Via Durando 10	200,000	75.000	
SAV S.p.A.	Châtillon (AO) – Strada Barat 13	24,000,000	67.634	
SIAS S.p.A.	Turin – Via Bonzanigo 22	113,750,000	63.423	61.705
Autostrada dei Fiori S.p.A.	Savona – Via Don Minzoni 7	40,000,000	60.768	
Autostrada Asti-Cuneo S.p.A.	Rome – Via XX Settembre 98/E	200,000,000	60.000	
SSAT S.p.A.	Turin – Via Piffetti 15	7,200,000	60.000	

Subsidiaries – consolidated with the proportional method

Name	Registered office	Share capital	Group %	Directly-held %
ATIVA S.p.A.	Turin – Strada Cebrosa 86	38,512,500	41.170	
Si.Co.Gen. s.r.l.	Turin – Strada Cebrosa 86	260,000	41.170	
Pinerolo s.c.a r.l.	Turin – C.so Francia 22	20,000	41.170	
ATIVA Engineering S.p.A.	Turin – Strada Cebrosa 86	200,000	41.170	

List of investments in subsidiaries and associated companies accounted for by the equity method

Name	Registered office	Share capital	Group %	Directly-held %
BITES S.c.a r.l.	Tortona-Località Passalacqua S.S. 211 KM. 13	10,000	86.660	
TANGENZIALE EST s.r.l.	Turin (TO) - C.so R. Margherita, 165	90,000	80.586	
INPAR S.p.A. (in liquidation)	Turin - Via M. Schina 5	6,196,800	66.666	
SISTEMI E SERVIZI S.c.a r.l.	Tortona (AL) S.S.211 Loc. San Guglielmo 3/13	100,000	61.000	14.000
CON.SIL.FER.	Rome - Via Indonesia 100	5,164	50.000	
V.A. BITUMI s.r.l.	Issogne (AO) - Fraz. Mure	20,800	50.000	
CORSO MARCHE s.r.l.	Turin (TO) - C.so R. Margherita, 165	90,000	47.057	
CO.LA.CI S.c.a r.l.	Parma-Via A.M. Adorni 1	10,200	45.715	
Autostrade Sud America s.r.l.	Milan – Piazzetta Maurilio Bossi 1	100,000,000	45.000	
ITINERA S.p.A.	Tortona (AL) – Via Balustra 15	60,000,000	40.303	
ATON s.r.l.	Tortona (AL) S.S.211 Loc. San Guglielmo 3/13	100,000	40.000	
DEC s.r.l.	Milan – C.so Buenos Aires, 77	102,960	40.000	
MALPENSA 92 S.c.a r.l. (in liquidation)	Tortona (AL)- Regione Ratto	10,000	40.000	
MICROLUX s.r.l.	Tortona (AL) – Via Balustra 15	10,400	40.000	

Fondo Valle S.c.a r.l. (in liquidation)	Tortona (AL)-Strada privata Ansaldo 8	10,000	39.330	
SITAF S.p.A.	Susa (TO) - Fraz. S. Giuliano, 2	65,016,000	36.976	
SITRASB S.p.A.	S.Rhémy-en-Bosses Frazione S.Léonard (AO)	8,000,000	36.500	
BEINASCO S.c.a r.l.	Turin-Corso Francia 22	20,000	36.468	
OMT S.p.A.	Tortona (AL) - S.P. Pozzolo Formigaro 3/5	1,680,000	35.714	
S.A.C. S.r.l. Consortile (in liquidation)	Carini (PA)-S.S. 113 Zona Industriale	10,200	35.000	
FIMPRE S.r.l.	Tortona-Località Passalacqua S.S. 211 KM. 13	10,400	32.846	
ASTA S.p.A.	Turin - C.so Matteotti 57	2,000,000	30.000	
VESIMA S.c.a r.l. (in liquidation)	Tortona (AL) - Via Balustra 15	25,500	30.000	
SOCIETA' TRAFORO CIRIEGIA S.p.A.	Cuneo - C.so Nizza 36	3,167,100	25.684	13.027
ALBENGA-GARESSIO-CEVA S.p.A.	Cuneo - C.so Nizza 36	600,000	25.642	
S.A.C.S. s.r.l. Consortile (in liquidation)	Licata (AG)-Via Bengasi 26	10,200	25.000	
Autostrada Estense S.c.p.A.	Carpi (MO) – Via Carlo Pisacane 2	1,000,000	22.500	
Società Autostrada Broni-Mortara S.p.A.	Milan – Via F. Casati 1/A	2,500,000	22.000	
C.I.M. S.p.A.	Novara - Via Carlo Panseri 100	21,200,000	21.230	
ROAD LINK Holdings Ltd.	Northumberland - 4 Gilsgate - U.K.	GBP 1,000	20.000	

List of unconsolidated investments - available for sale

Name	Registered office	Share capital	Group %	Directly-held %
FIUMICINO PISTA 3 S.c.a r.l.	Rome-L.go Lido Duranti 1/a	10,200	19.990	
CSI- Consorzio Servizi Ingegneria	Verona – Via Cattaneo 20	1,000	19.900	
Confederazione Autostrade S.p.A.	Verona- Via Flavio Gioia, 71	6,000,000	16.667	
Consorzio Autostrade Italiane Energia	Rome-Via A. Bergamini 50	86,848	16.537	
MILANO SERRAVALLE - MILANO TANGENZIALI S.P.A.	Assago Milanofiori(MI)-Strada 3 Palazzo B/4	93,600,000	13.595	0.048
P I S T A S.p.A. (in liquidation)	Turin - Galleria S.Federico 54	2,464,499	13.055	
EURETE S.c.a.r.l.	Genoa-Via Cairoli 11/3c	65,232	12.290	
C.R.S. – Centro Ricerche Stradali S.p.A.	Mestre (VE) – Piazzale Leonardo da Vinci 8/A	657,500	11.081	
SO.GE.A.P. S.p.A.	Fontana (PR)-Via dell'Aeroporto 44/a	6,157,865	11.041	
NUOVO MONDO S.c.r.l.	Genoa - Via Macaggi 23/18	10,200	10.000	
TANGENZIALI EST DI MILANO S.p.A.	Milan – Via Murat 7	7,350,000	8.000	
SPEDIA S.p.A.	La Spezia-Via Fontevivo 25	2,413,762	7.971	
Terminal Container Civitavecchia S.c.a r.l.	Tortona (AL) – Via Balustra 15	50,000	7.000	
AGENZIA di POLLENZO S.p.A.	Bra, Fraz. Pollenzo (CN) – Piazza Vittorio Emanuele 13	25,486,401	6.080	
AUTOSTRADA ALEMAGNA S.p.A.	Venice - San Marco	312,000	5.887	5.887
AUTOSTRADA TIRRENICA S.p.A.	Rome-Via Bergamini 50	24,460,200	5.579	
Consorzio Universitario Di Economia Aziendale	Pinerolo (TO) - P.zza Vittorio Veneto 1	263,426	5.131	5.131
CO.C.I.V.	Genoa (GE) - Via De Marini 1- Palazzo WTC	516,457	5.000	
INTERPORTO RIVALTA SCRIVIA S.p.A.	Rivalta Scrivia (AL) - Strada Savonesa 12/16	10,701,600	4.805	4.805
COMPAGNIA ITALIANA ENERGIA C.I.E. S.p.A.	Turin-Via Bellardi 21 bis	13,040,000	3.842	3.842
FNM S.p.A.	Milan – P.le Cadorna 14	130,000,000	3.746	
P.S.T. S.p.A.	Tortona (AL) - Via Emilia 168	4,797,728	3.461	
COMPUTRON ENGINEERING S.r.l.	Piano di Sorrento (NA)	100,000	3.000	
AEROPORTO PAVIA RIVANAZZANO s.r.l.	Pavia - Via Mentana 27	1,161,459	2.971	
Argo Costruzioni Infrastrutture ACI S.c.p.a.	Tortona (AL)- Regione Ratto	120,000	2.000	
FILSE S.p.A.	Genoa - Via Peschiera 16	22,612,333	1.150	
ALERION INDUSTRIES S.p.A.	Milan- Via Durini n. 16/18	148,041,690	1.789	1.167

Agognate S.c.a r.l.	Tortona (AL) – Strada privata Ansaldo 8	10,000	1.000	
Biandrate s.c.a r.l.	Tortona (AL) – Strada privata Ansaldo 8	10,000	1.000	
Taranto Logistica S.p.A.	Tortona (AL) - Via Balustra 15	13,000,0000	1.000	
BANCA CARIGE S.p.A.	Genoa- Via Cassa di Risparmio 15	1,789,930,903	0.688	
INTERPORTO TOSCANO A. VESPUCCI S.p.A.	Livorno - L.go Strozzi 1	11,756,695	0.659	
GEMINA S.p.A.	Milan – Via della Posta 8/10	1,472,960,320	0.317	0.317
C.e.P.I.M. S.p.A.	Fontevivo (PR)- Piazza Europa, 1	6,643,000	0.211	
Mediobanca S.p.A.	Milan - Piazzetta Enrico Cuccia 1	409,549,083	0.113	0.075
ASSOSERVIZI INDUSTRIE S.r.l.	Carrara (MS)-Viale XX Settembre 118	443,700	0.055	
Assicurazioni Generali S.p.A.	Trieste – Piazza Duca degli Abruzzi 2	1,406,113,907	0.032	
C.A.A.F. IND. E.C. S.p.A.	Bologna- Via Massarenti 190	375,200	0.014	
VALTREBBIA S.c.a r.l.	Genoa - Via Porta degli Archi 10/16	10,200	0.005	
Brisa-Auto-Estrada De Portugals SA	Sao Domingos de Rana	600,000,000	0.003	0.003
Abertis Infraestructuras S.A.	Parc Logistic Avenue 12-20 – Barcelona - Spain	1,915,225,875	0.001	

Changes in the scope of consolidation

With regard to the **changes in the scope of consolidation**, it should be underlined that:

- i) following the transfers made during the period in question – the Group reduced its investment in S.A.Bro.M. S.p.A. (from 82% to 22%). As a result, the company was consolidated using the equity method as from 1 January 2008;
- ii) following the purchases carried out, the Group acquired control of Coalpa S.p.A., that was consolidated using the line-by-line method.

Notes - Segment reporting

The ASTM Group carries out its activity almost entirely within national boundaries. Therefore, in accordance with IAS 14, we have adopted an information outline by business sector.

Business sectors

The activity of the group is divided into five principal sectors:

- a. Motorway sector
- b. Construction sector
- c. Engineering sector
- d. Technology sector
- e. Services sector

We specify that the “economic data” below – which refer to the 1st half of 2007 and 2008 – are not comparable, following the changes in the scope of consolidation.

	Activity sector										Eliminations		Consolidated	
	Motorway		Construction		Engineering		Technology		Services		2008	2007	2008	2007
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007				
Revenues, minority interests:														
Motorway (tolls)	332,218	149,884											332,218	149,884
Other motorway revenues	18,349	10,737											18,349	10,737
Construction			1,003	787									1,003	787
Engineering					3,806	12,928							3,806	12,928
Technology							7,038						7,038	
Services										434				434
Other	17,247	17,067	9,655	131		106	232		118	110			27,252	17,414
Total revenues, minority interests	367,814	177,688	10,658	918	3,806	13,034	7,270		118	544			389,666	192,184
Intersegment Revenues	3,986	382	33,278	2,521	24,608	14,848	18,896		2,791	2,195	(83,559)	(19,946)	-	-
Total Revenues	371,800	178,070	43,936	3,439	28,414	27,882	26,166		2,909	2,739	(83,559)	(19,946)	389,666	192,184
Operating costs	(156,141)	(72,286)	(40,678)	(3,413)	(23,821)	(22,489)	(21,291)		(4,441)	(2,647)	83,559	19,946	(162,813)	(80,889)
Sector GOM	215,659	105,784	3,258	26	4,593	5,393	4,875		(1,532)	92	-	-	226,853	111,295
Non-recurring items (*)	4,325	1,463				275							4,325	1,738
Depreciation, amortisation and provisions	(97,101)	(33,989)	(663)	(106)	(209)	(187)	(688)		(187)	(113)	-	-	(98,848)	(34,395)
Operating profit													132,330	78,638
Financial charges													(36,307)	(13,534)
Financial income													13,428	4,358
Net income, associated companies portion	(13,933)	179		(44)		957	5		139	13,335			(13,789)	14,427
Income taxes													(35,644)	(29,816)
Net income, including minority interests													60,018	54,073

	Activity sector										Eliminations		Consolidated	
	Motorway		Construction		Engineering		Technology		Services		2008	2007	2008	2007
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007				
Sector activity	4,265,446	4,591,417	77,900	91,256	70,489	86,580	50,865	55,017	3,941,076	3,679,897	(4,207,988)	(4,251,390)	4,197,788	4,252,777
Investments in associated companies	42,834	41,744	380	380	15	51	1,675	1,151	114,365	134,183	-	-	159,269	177,509
Assets not attributed to the sectors													-	-
Total assets													4,357,057	4,430,286
Sector liabilities	4,308,280	4,633,161	78,280	91,636	70,504	86,631	52,540	56,168	4,055,441	3,814,080	(5,856,923)	(5,917,825)	2,708,122	2,763,851
Liabilities not attributed to the sectors													-	-
Shareholders' equity													1,648,935	1,666,435
Liabilities													4,357,057	4,430,286
Investments in tangible assets	156,528	347,963	328	1,055	936	474	139	2,943	1,957	458			159,888	352,893

(*) In the first half of 2008, this item referred to an extraordinary income of SATAP S.p.A.; with regard to the first half of 2007, it related to the one-off effect on the value of the actuarial adjustment to the staff severance indemnity, as a result of the changes introduced by Law no. 296 of 27 December 2006 and the related implementing decrees.

Notes - Information on the balance sheet

Note 1 – Intangible assets

This item breaks down as follows:

	Goodwill		Other intangible assets		Total
			In operation	In process	
Cost:					
at 1 January 2007	26,582		3,512	7,349	37,443
Investments			1,894	3,340	5,234
Restatements			10	(10)	-
Write-downs	(3,602)				(3,602)
Change in the scope of consolidation	55,590		13,680	297	69,567
Divestitures			(1,465)	(133)	(1,598)
at 31 December 2007	78,570		17,631	10,843	107,044
Accumulated amortisation:					
at 1 January 2007			(2,665)		(2,665)
2007 amortisation			(1,006)		(1,006)
Restatements					-
Change in the scope of consolidation			(9,268)		(9,268)
Reversals			1,462		1,462
at 31 December 2007			(11,477)	-	(11,477)
Net book value:					
at 1 January 2007	26,582		847	7,349	34,778
at 31 December 2007	78,570		6,154	10,843	95,567

	Goodwill		Other intangible assets		Total
			In operation	In process	
Cost:					
at 1 January 2008	78,570		17,631	10,843	107,044
Investments			334		334
Restatements					-
Write-downs					-
Change in the scope of consolidation			115	(10,807)	(10,692)
Divestitures			(192)	(6)	(198)
at 30 June 2008	78,570		17,888	30	96,488
Accumulated amortisation:					
at 1 January 2008	-		(11,477)	-	(11,477)
2008 half-year amortisation			(644)		(644)
Restatements					-
Change in the scope of consolidation			(103)		(103)
Reversals			192		192
at 30 June 2008	-		(12,032)	-	(12,032)
Net book value:					
at 1 January 2008	78,570		6,154	10,843	95,567
at 30 June 2008	78,570		5,856	30	84,456

At 30 June 2008, the item “goodwill” broke down as follows:

SALT S.p.A.	27,746
SINELEC S.p.A.	379
Autostrada dei Fiori S.p.A.	313
Autocamionale della Cisa S.p.A.	27,152
SATAP S.p.A.	2,907
ATIVA S.p.A.	19,806
Collegamenti Integrati Veloci S.p.A.	267
Total	78,570

The item “other intangible assets” essentially refers to capitalisation of basic expenses and application software expenses and licences for software programmes. The decrease due to the “change in the scope of consolidation” refers to the items of S.A.Bro.M. S.p.A.: this company, following the transfers made during the first half of the year, was accounted for by the equity method.

Note 2 – Tangible assets

This item breaks down as follows:

Assets subject to reversion free of charge

	Motorway in operation	Motorway under construction	Total
Cost:			
at 1 January 2007	1,846,316	470,821	2,317,137
Change in the scope of consolidation	2,719,830	316,213	3,036,043
Investments	48,444	295,333	343,777
Restatements	237,956	(237,956)	-
Divestitures	(44)	(2,258)	(2,302)
Other	(1,007)	-	(1,007)
at 31 December 2007	4,851,495	842,153	5,693,648
Capital grants:			
at 1 January 2007	(156,983)	(38,615)	(195,598)
Change in the scope of consolidation	(185,190)	-	(185,190)
Increases	-	(10,368)	(10,368)
at 31 December 2007	(342,173)	(48,983)	(391,156)
Accumulated depreciation:			
at 1 January 2007	(826,631)	-	(826,631)
Change in the scope of consolidation	(1,425,543)	-	(1,425,543)
2007 depreciation	(99,676)	-	(99,676)
Restatements	-	-	-
Reversals	-	-	-
at 31 December 2007	(2,351,850)	-	(2,351,850)
Net book value:			
at 1 January 2007	862,702	432,206	1,294,908
at 31 December 2007	2,157,472	793,170	2,950,642

	Motorway in operation	Motorway under construction	Total
Cost:			
at 1 January 2008	4,851,495	842,153	5,693,648
Investments	30,785	125,171	155,956
Restatements	5,164	(5,164)	-
Divestitures	-	-	-
at 30 June 2008	4,887,444	962,160	5,849,604
Capital grants:			
at 1 January 2008	(342,173)	(48,983)	(391,156)
Increases	-	(2,670)	(2,670)
at 30 June 2008	(342,173)	(51,653)	(393,826)
Accumulated depreciation:			
at 1 January 2008	(2,351,850)	-	(2,351,850)
2008 half-year depreciation	(85,229)	-	(85,229)
Restatements	-	-	-
Reversals	-	-	-

at 30 June 2008	(2,437,079)	-	(2,437,079)
Net book value:			
at 1 January 2008	2,157,472	793,170	2,950,642
at 30 June 2008	2,108,192	910,507	3,018,699

The gross value of the motorway network – equal to EUR 5,848 million – includes EUR 1,313 million of capitalised financial charges (EUR 1,296 million as at 31 December 2007).

Assets subject to reversion free of charge referred to the following motorway concessions:

Licensee company	Motorway section	Expiry of the concession
SATAP S.p.A.	Turin – Milan	31 December 2026
SATAP S.p.A.	Turin – Piacenza	30 June 2017
SAV S.p.A.	Quincinetto – Aosta	31 December 2032
ATIVA S.p.A.	Tangenziale di Torino (Turin bypass), Turin - Quincinetto, Ivrea - Santhià and Turin - Pinerolo	31 August 2016
SALT S.p.A.	Sestri Levante-Livorno, Viareggio-Lucca and Fornola-La Spezia	31 July 2019
ADF S.p.A.	Savona-Ventimiglia	30 November 2021
CISA S.p.A.	La Spezia-Parma	31 December 2031 (*)
Asti-Cuneo S.p.A.	Asti-Cuneo	(**)

(*) Expiry extended while signing the new agreement outline to include the extension between Parma and Nogarole Rocca.

(**) The duration of the concession is 23.5 years as of the infrastructure's completion date.

Property, plant, machinery and other assets

	Land and buildings	Plant and mach.	Ind. and comm. equip.	Other assets	Financial lease assets	Constr. in progress and advance payments	Total
Cost:							
at 1 January 2007	12,950	9,948	4,542	16,496	6,047	3,654	53,637
Investments	5,755	515	869	1,651	849	(524)	9,115
Restatements	1,290	61	(61)	103	-	(1,400)	(7)
Write-downs	-	-	-	-	-	-	-
Change in the scope of consolidation	30,736	12,136	9,387	21,353	6,404	3,847	83,863
Divestitures	(314)	(150)	(573)	(1,137)	(775)	-	(2,949)
at 31 December 2007	50,417	22,510	14,164	38,466	12,525	5,577	143,659
Accumulated depreciation:							
at 1 January 2007	(2,352)	(5,426)	(3,907)	(13,535)	(6,028)	-	(31,248)
2007 depreciation	(749)	(923)	(624)	(1,786)	(271)	-	(4,353)
Restatements	-	(61)	61	-	-	-	-
Change in the scope of consolidation	(7,613)	(4,097)	(7,264)	(17,088)	(3,534)	-	(39,596)
Reversals	(2)	124	420	907	590	-	2,039
at 31 December 2007	(10,716)	(10,383)	(11,314)	(31,502)	(9,243)	-	(73,158)
Net book value:							
at 1 January 2007	10,598	4,522	635	2,961	19	3,654	22,389
at 31 December 2007	39,701	12,127	2,850	6,964	3,282	5,577	70,501

	Land and buildings	Plant and mach.	Ind. and comm. equip.	Other assets	Assets in financial lease	Constr. in progress and advance payments	Total
Cost:							
at 1 January 2008	50,417	22,510	14,164	38,466	12,525	5,577	143,659
Investments	1,646	55	217	1,160	231	622	3,931
Restatements	(24)	-	(24)	(11)	-	24	(35)
Write-downs	-	-	-	-	-	-	-
Change in the scope of consolidation	-	-	-	84	-	-	84
Divestitures	-	(90)	(230)	(657)	(319)	(390)	(1,686)
at 30 June 2008	52,039	22,475	14,127	39,042	12,437	5,833	145,953
Accumulated depreciation:							
at 1 January 2008	(10,716)	(10,383)	(11,314)	(31,502)	(9,243)	-	(73,158)
2008 half-year depreciation	(640)	(615)	(516)	(1,200)	(366)	-	(3,337)
Restatements	-	-	-	-	-	-	-
Change in the scope of consolidation	-	-	-	(77)	-	-	(77)
Reversals	-	68	130	608	220	-	1,026
at 30 June 2008	(11,356)	(10,930)	(11,700)	(32,171)	(9,389)	-	(75,546)
Net book value:							
at 1 January 2008	39,701	12,127	2,850	6,964	3,282	5,577	70,501
at 30 June 2008	40,683	11,545	2,427	6,871	3,048	5,833	70,407

With regard to the item “land and buildings”, there is a mortgage in favour of Cassa di Risparmio di La Spezia (for a value of EUR 3.4 million) for the building owned by Logistica Tirrenica S.p.A. as guarantee for a loan of the same amount issued by the said bank.

Financial lease assets

As at 30 June 2008, the Group had in place 25 financial lease contracts to acquire plant, machinery, industrial and commercial equipment. At 30 June 2008, their net book value totalled EUR 3,048 thousand.

Lease payments are based on both the value of the asset at the beginning of the contract and the duration of the contract. The lease payments are updated periodically as a function of the specific financial parameters in each contract.

Guarantees were not issued for the commitments from contracts in place at 30 June 2008.

Note 3 – Non-current financial assets

3.a – Investments accounted for by the equity method

	31 December 2007	Purchases	Changes to the restatement area	Sales	Adjustment to shareholders' equity			Foreign exchange differences	30 June 2008
					Profit	Dividends	Other (*)		
Equity investments:									
a) in unconsolidated subsidiaries:									
INPAR S.p.A. (in liquidation)	1,310								1,310
Rites S.c.a r.l.	9								9
Sistemi e Servizi s.c.a r.l.	59		3						62
Tangenziale Est s.r.l.	64								64
b) in associated companies									
Albenga Garessio Ceva s.r.l.	993				28				1,021
ASTA S.p.A.	674	948							1,622
ATON S.p.A.	-	40							40
Autostrada Estense S.c.p.A.	225								225
Autostrade Sud America s.r.l.	47,025				(16,987)		(5,081)		24,957
Autopista do Pacifico S.A.	2								2
Beinasco s.c.a r.l.	7								7
C.I.M. S.p.A.	3,442				(42)				3,400
Coalpa S.p.A.	37	110	(147)						-
Co.la.ci. S.c.a r.l.	3								3
CONSILFER	3								3
Corso Marche S.r.l.	-								-
DEC s.r.l.	-								-
FIMPRES S.r.l.	6,222				265	(650)			5,837
Fondo Valle S.c.a r.l. (in liquidation)	4								4
Itinera S.p.A.	27,557								27,557
Malpensa 92 S.c.a r.l.	4								4
Microlux S.r.l.	148				5				153
OMT S.p.A.	657				2				659
Road Link Holdings Ltd.	3,165				682	(485)			3,362
S.A.C. s.c.r.l. Consortile (in liquidation)	-								-
S.A.C.S. s.c.r.l. Consortile (in liquidation)	-								-
S.A.Bro.M S.p.A.			511		(18)				493
SITAF S.p.A.	76,612				2,205		390		79,207
SITRACI S.p.A.	960				(90)				870
SITRASB S.p.A.	7,976				71				8,047
V.A. Bitumi S.r.l.	351								351
VESIMA S.c.a r.l. (in liquidation)	-								-
Total	177,509	1,098	367		(13,879)	(1,135)	390	(5,081)	159,269

(*) Share of the update of fair value (resulting from the consolidated financial statements of the SITAF Group)

The principal changes during the first half of the year are shown below:

- subscription of capital increase approved by ASTA S.p.A.;
- incorporation of ATON S.p.A.;
- takeover of the subsidiary Coalpa S.p.A. and subsequent consolidation using the line-by-line method;
- consolidation of S.A.Bro.M. S.p.A. using the equity method (the company was previously consolidated using the line-by-line method);
- adjustment to shareholders' equity related to the first half of 2008.

It should be underlined that the “adjustment to shareholders' equity” of Autostrade Sud America s.r.l. was the result of receiving the pro-quota share of its profit for EUR 17 million (of which EUR 15.7 million related to the cost of the said repurchase option) and of the foreign exchange differences, with the shareholders' equity as contra entry (approximately EUR 5 million).

At 30 June 2008, the value of the equity investment in SITAF S.p.A. included EUR 1.1 million as the share of the update of fair value performed by the associated company.

3.b – Unconsolidated investments - available for sale

Changes to investments in “other businesses” during the period were as follows:

	31 December 2007			Changes during the period					30 June 2008		
	Original value	Updates to fair value	Total	Pur-chases	Change in area/restat.	Sales	Updates to fair value	Other/ write-downs	Original value	Updates to fair value	Total
Equity investments:											
Abertis Infraestructuras	56	115	171				(48)		56	67	123
ACI s.c.p.a.	2		2						2		2
Aeroporto Pavia Rivanazzano s.r.l.	57		57						57		57
Agenzia di Pollenzo S.p.A.	1,500		1,500						1,500		1,500
Alerion Industries S.p.A.	2,048	844	2,892	1,909			(83)		3,957	761	4,718
Assicurazioni Generali S.p.A.	12,264	1,686	13,950				(2,983)		12,264	(1,297)	10,967
Assoservizi Industria s.r.l.	1		1						1		1
Atlantia S.p.A.	-		-						-		-
Autostrada Alemagna S.p.A.	18		18						18		18
Banca CA.RI.GE S.p.A.	19,916	6,419	26,335	16,370		(6,923)	(10,837)		29,363	(4,418)	24,945
Brisa – Autostrada - S.A.	36	64	100				(27)		36	37	73
C.A.A.F. Industria Emilia Centrale S.p.A.	-		-						-		-
CE.P.I.M. S.p.A.	14		14						14		14
C.I.E. Compagnia Italiana Energia S.p.A.	122		122						122		122
Consorzio Autostrade Italiane Energia	14		14						14		14
Consorzio COCIV	1,177		1,177						1,177		1,177
Cons. Univ. Di Economia Aziendale	-		-						-		-
CRS Centro Ricerche Stradali S.p.A.	59		59	33				(59)	33		33
Coop Agricola Forza e Luce	-		-						-		-
Consorzio Servizi Ingegneria	-		-						-		-
Eurete S.c.a r.l.	8		8						8		8
FILSE S.p.A.	259		259			(259)			-		-
Fiumicino Pista 3 S.c.a r.l.	2		2						2		2
FNM S.p.A.	11,097	(4,477)	6,620	66		(548)	2,007		10,615	(2,470)	8,145
Gemina S.p.A.	-		-	4,308		(270)	(417)		4,038	(417)	3,621
Interporto Rivalta Scrivia S.p.A.	576		576						576		576
Interporto Toscano A. Vespucci S.p.A.	77		77						77		77
Milano Serravalle – Milano											
Tangenziali S.p.A.	88,901	77,274	166,175	19			17		88,920	77,291	166,211
Mediobanca S.p.A.	7,620	(207)	7,413	1,928			(2,051)		9,548	(2,258)	7,290
Nuovo Mondo S.c.a r.l.	1		1						1		1
P I S T A S.p.A.	322		322						322		322
P.S.T. S.p.A.	166		166						166		166
Società Confederazione Autostrade S.p.A.	985		985					(15)	970		970
Società per Autostrada Tirrenica S.p.A.	2,028		2,028						2,028		2,028
SO.GE.A.P. S.p.A.	569		569						569		569
SPEDIA S.p.A.	656		656						656		656
Taranto Logistica S.p.A.	130		130						130		130
Terminal Container Civitavecchia S.c.a r.l.	4		4						4		4
Tangenziali Esterne di Milano S.p.A.	419		419	168					587		587
Valtrebbia S.c.a r.l.	-		-						-		-
Total	151,104	81,718	232,822	24,801	-	(8,000)	(14,422)	(74)	167,831	67,296	235,127

The principal changes during the first half of the year are shown below:

- purchase of 3,098,709 shares of Alerion Industries S.p.A. carried out by the parent company;
- subscription of capital increase and purchase – net of transfers – of 3,581,158 shares of Banca Ca.Ri.Ge. S.p.A. by Autostrade dei Parchi S.p.A.;
- transfer of the equity investment held in Filse S.p.A.;
- purchase – net of transfers – of 4,660,000 shares of Gemina S.p.A., carried out by the parent company;
- purchase of 150,000 shares of Mediobanca S.p.A. carried out by the parent company;
- transfer – net of purchases – of 327,675 shares of FNM S.p.A., carried out by the parent company;
- subscription of capital increase approved by Tangenziali Esterne di Milano S.p.A.;
- updates to fair value and write-downs/revaluations for the first half of 2008.

The value of investments “available for sale” at 30 June 2008 (group and minority interests) included about EUR 67.3 million (EUR 81.7 million at 31 December 2007) which related to the fair value update of the investments.

It should be underlined that 3,993,611 shares of Banca Ca.Ri.Ge. S.p.A. were pledged as collateral for the credit line granted – upon opening of a credit – to the subsidiary Autostrade dei Parchi S.p.A..

3.c – Receivables

These consist of:

	30 June 2008	31 December 2007
Loans:		
• Loans to subsidiaries	2,096	2,076
Receivables:		
• from INA	12,472	13,787
• as collateral on fidejussory policies	18,000	18,000
• from suppliers as security deposits	481	479
• on account for taxes on Employee Severance Indemnities Reserve	19	54
• from others	4,116	2,648
Total	37,184	37,044

“Loans to subsidiaries” refer to the loan of EUR 1.8 million from ASTM S.p.A. and SATAP S.p.A. to INPAR S.p.A. (in liquidation).

“Receivables from INA” represent the provisions during previous periods to the employee severance indemnity of motorway companies.

The item “Receivables as collateral on fidejussory policies” represents the value of the pledge issued against fidejussory policies by the Insurance Institutes on behalf of SALT S.p.A., in conjunction with the bidding competition for the Asti-Cuneo concession.

The item “receivables from others” includes EUR 2.3 million to update the fair value of the interest rate swap arranged by SAV S.p.A..

3.d – Other

These consist of:

	30 June 2008	31 December 2007
• SITAF convertible bond loan	6,418	6,418
• Other financial assets	34,943	34,407
Total	41,361	40,825

The “*SITAF convertible bond loan*” refers to the convertible bonds 31 December 2001-30 June 2009 issued by SITAF S.p.A..

The “*other financial assets*” (EUR 21.4 million) refer to Autostrada dei Fiori S.p.A. subscribing to an indexed financial instrument with guaranteed principle from Merrill Lynch Bank (this value includes an update to fair value equal to EUR 1.4 million). The remaining part mainly relates to the “equity component” referred to the “Bond loan SIAS 2.625% 2005-2017” cancelled upon consolidation.

Note 4 – Deferred tax credits

This item totalled EUR 9,809 thousand (EUR 7,951 thousand at 31 December 2007). For the breakdown of this item, please refer to Note 34 – Income taxes.

Note 5 – Inventories

These consist of:

	30 June 2008	31 December 2007
Raw materials, ancillary materials and consumables	10,177	8,593
Work in progress and semi-finished goods	-	-
Contracted work in process	12,047	27,413
Finished goods and merchandise	257	486
Advance payments	226	363
Total	22,707	36,855

Contracted work in process breaks down as follows:

	30 June 2008	31 December 2007
Gross value of the orders	306,765	301,749
Advance payments on work progress	(278,210)	(258,719)
Advance payments on price changes and reserves	(7,580)	(6,689)
Provisions to guarantee work in progress	(8,928)	(8,928)
Net value	12,047	27,413

At 30 June 2008, the item “contracted work in process” included reserves totalling EUR 10.4 million. The decrease in the “works portfolio” related to the uncertainty weighing on the motorway sector and, consequently, on the planned infrastructure works for the managed network.

Note 6 – Trade receivables

Trade accounts receivable totalled EUR 51,348 thousand (EUR 69,112 thousand at 31 December 2007), not including provisions for bad debts of EUR 1,917 thousand.

Note 7 – Current tax credits

This item totalled EUR 56,059 thousand (EUR 41,782 thousand at 31 December 2007). It refers to receivables for VAT, IRAP, IRES and other tax credits.

Note 8 – Other receivables

This item breaks down as follows:

	30 June 2008	31 December 2007
from unconsolidated subsidiaries	86	60
from associated companies	582	1,129
from parent companies	4,650	12
from connected companies	164,306	141,666
from ANAS for arbitration award to Autostrade dei Parchi	23,456	23,456
from Granting Body for capital grants	60,486	57,816
from others	22,910	15,208
prepaid expenses	7,511	6,310
Total	283,987	245,657

“Receivables from unconsolidated subsidiaries” mainly relate to services rendered to INPAR S.p.A. (in liquidation).

The item “receivables from associated companies” refers mainly to receivables from some consortia companies, from Itinera S.p.A. and Road Link Holdings Ltd..

“Receivables from parent companies” mainly relate to receivables from Aurelia S.p.A. and related to the so-called “tax consolidation”.

The item “receivables from connected companies” refers to receivables from connected companies not belonging to the Group for tolls collected on behalf of licensees of the Group, which had not yet been allocated by the end of the period.

The item “receivables from ANAS for arbitration award to Autostrade dei Parchi” refers to the certified receivable resulting from the arbitration award dated 20 July 2005, by which the board of arbitrators unanimously awarded the subsidiary Autostrade dei Parchi S.p.A. an indemnity in that amount from ANAS, for managing the A24 and A25 motorways on behalf of ANAS for more than 20 years. During 2006, ANAS appealed against the said award at the Court of Appeal of Rome. The suit challenging the arbitration award has been remanded to the hearing on 27 April 2010. Despite the complexity of the dispute and the inevitable uncertainty about the conduct of the Court of Appeal upon examination of the appeal, it is believed that there are no elements such as to suggest that, based on the result of the litigation, the company will be denied the right to credit.

“Receivables from Granting Body for capital grants” refer to the certification of the grant to which SATAP S.p.A. is entitled both for construction of the Novara-Malpensa connector and for realization of motorway access facilities for the New Milano Rho-Pero Fairgrounds. The increase in the period is

related to the progress of the works for the said fairgrounds.

Note 9 – Assets available for sale (current)

These consist of:

	30 June 2008	31 December 2007
Commercial paper	-	50,000
Credit linked notes	-	50,000
Iri Management S.p.A.	349	349
Sitech S.p.A.	-	-
Total	349	100,349

The items “*commercial papers*” and “*credit linked notes*” – related to financial products underwritten by SALT S.p.A. during the previous financial year – zeroed since they expired during the first half of the year.

The Group owns 1,256,112 shares of Sitech S.p.A. (12.58% of share capital). These shares were completely written down during previous accounting periods.

Note 10 – Cash and cash equivalents

These consist of:

	30 June 2008	31 December 2007
Bank and postal deposits	280,660	317,413
Cheques	81	66
Cash and cash equivalents on hand	5,554	6,191
Total	286,295	323,670

Please see the cash flow statement for a detailed analysis of the changes to this item.

Note 11 – Shareholders’ equity

11.1 – Share capital

At 30 June 2008, the share capital consisted of 88,000 ordinary shares at a nominal value of EUR 0.50 each, for a total value of EUR 44,000 thousand (unchanged compared to the previous year), entirely subscribed and paid in.

The share capital includes an amount equal to EUR 11.8 million made up of revaluation reserves per Law no. 72/83 that, in the event of distribution, will constitute income for the Parent Company and the shareholders.

Deferred tax liabilities have not been entered against these reserves, for which there are valid reasons to expect that they will not be used under conditions making them taxable.

Pursuant to IAS 1, the value of own shares is posted as an adjustment to the share capital. The balance as at 30 June 2008 (including the shares of the parent company held by subsidiaries (*)) is provided below:

	No. of shares	Nominal value	% on the share capital	Average unit value (in EUR)	Total countervalue
31 December 2007	8,851	4.425	0.01%	5.07	45
Purchases	1,834,297	917.149	2.08%	12.00	22,010
Sales	-	-	-	-	-
30 June 2008	1,843,148	921.574	2.09%	11.97	22,055

(*) The subsidiary ATIVA S.p.A. holds 21,500 shares and is consolidated using the proportional method for a 41.17% share.

With regard to the above-mentioned aspects, the share capital as at 30 June 2008 is as follows (amounts in thousands of EUR):

- Share capital	44,000
- Own shares held by the Parent Company (n.v.)	(917)
- Shares held by subsidiaries (n.v.)	(4)
- Adjusted share capital	43,079

11.2 – Reserves

11.2.1 – Share premium reserve

This item totalled EUR 25,861 thousand (unchanged compared to 31 December 2007).

11.2.2 – Revaluation reserves

This item totalled EUR 9,325 thousand (unchanged compared to 31 December 2007).

In the event of distribution, the revaluation reserves will constitute income for the Parent Company and the Shareholders.

In compliance with the provisions of IAS 12, deferred tax liabilities have not been entered against these reserves, for which there are valid reasons to expect that they will not be used under conditions making them taxable.

Similar reasons apply for tax deferral reserves of companies consolidated using the line-by-line method.

11.2.3 – Legal reserve

This item totalled EUR 10,538 thousand, unchanged compared to 31 December 2007 since it is higher than the limit set out in Art. 2430 of the Italian Civil Code.

11.2.4 – Reserve for purchase of own shares

This “unavailable” reserve was created to purchase own shares, in execution of the Shareholders’ resolution on 25 February 2008. It totalled EUR 22,010 thousand (EUR 0 as at 31 December 2007). This reserve was created following the reclassification from the item “Retained earnings”.

11.2.5 – Purchased own shares

This item represents the value paid for the purchase of own shares by the parent company, net of their nominal value that was subtracted from the “share capital”.

11.2.6 – Reserves for revaluation to fair value

This item was established and moves as a contra entry of the financial assets classified as “available for sale”. At 30 June 2008, this item totalled EUR 44,159 thousand (EUR 50,770 thousand as at 31 December 2007), net of the related deferred tax effect.

11.2.7 – Provisions for foreign exchange differences

This item totalled -EUR 5,318 thousand (-EUR 2,041 thousand at 31 December 2007). It receives the differences on foreign exchange related to the shareholders’ equity of the associated companies Road Link Holdings Ltd (UK) and ASA s.r.l..

11.2.8 – Retained earnings (losses)

As at 30 June 2008, this item totalled EUR 799,485 thousand (EUR 737,946 thousand at 31 December 2007) and also includes the amounts related to the differences in accounting handling that arose on the date of transition to IFRS (1 January 2004), which can be traced to the adjustments made to the financial statements that were prepared on that date in compliance with national accounting principles. This reserve increased following the allocation of 2007 profits and decreased due to the above-mentioned restatement to the “reserve for purchase of own shares”.

11.3 – Profit (loss) for the period

This item gathers the profits/losses for the period. It totalled EUR 33,941 thousand (EUR 53,113 thousand in the first half of 2007).

11.4 – Minority interests

At 30 June 2008, this item totalled EUR 686,948 thousand (EUR 689,033 thousand at 31 December 2007). It includes the minority interest share of the period profit/loss totalling EUR 26,077 thousand.

Note 12 – Provisions for risks and charges and Employee benefits (Employee Severance Indemnity)

12.1 – Provisions for risks and charges

The following table shows the changes in provisions for risks and charges compared to the values at the end of the previous accounting period.

	Provision for restoration	Tax reserve	Other reserves	Total
31 December 2007	145,798	3	5,157	150,958
Provisions	62,250	-	77	62,327
Drawdowns	(52,743)	-	(113)	(52,856)
30 June 2008	155,305	3	5,121	160,429

A brief description of the types of obligations associated with the provisions follows.

Provision for restoration, replacement and maintenance of assets subject to reversion free of charge.

The provisions for renewal for the first half of 2008 totalled EUR 62,250 thousand, while drawdown amounted to EUR 52,743 thousand and represented all maintenance operations.

Other reserves

This item totalled EUR 5,121 thousand and referred mainly to:

- EUR 1,704 thousand set aside for possible risks and charges borne by Autocamionale della Cisa S.p.A., mainly for work on behalf of ANAS on the Ghiare di Berceto-Bivio di Bertorella section;
- EUR 1,195 thousand set aside by ATIVA S.p.A. against risks from work in progress, disputes in process and environmental and safety regulations;
- EUR 2,109 thousand set aside by SINA S.p.A. and ABC Costruzioni S.p.A. for expenses of disputes.

12.2 – Employee benefits (Employee Severance Indemnity)

As at 30 June 2008, this item totalled EUR 41,040 thousand (EUR 42,503 thousand at 31 December 2007). Changes during the period were as follows:

31 December 2007	42,503
Period contributions	2,569
Update related to the implementation of reforms to Employee Severance Indemnity	1,006
Change in the scope of consolidation	178
Transfers to other companies	(240)
Indemnities advanced/liquidated during the period	(4,975)
30 June 2008	41,041

The tables below show the economic/financial and demographic assumptions respectively used for the actuarial appraisal of these liabilities.

Economic/financial assumptions

Annual discount rate	4.75%
Annual inflation rate	2.0%
Annual rate of increase in severance pay	3.0%
Annual rate of salary increases (for Companies with less than 50 employees)	From 3.0% to 4.5%

Demographic assumptions

Mortality	ISTAT 2000 index
Disability	INPS tables by age and sex
Retirement age	Meeting requirements
% of frequency of advances	From 2% to 4%
Turnover	From 1% to 10%

Note 13 – Trade payables (non-current)

This item totalled EUR 9 thousand (EUR 9 thousand at 31 December 2007).

Note 14 – Other payables (long-term)

These consist of:

	30 June 2008	31 December 2007
To ANAS - Central Insurance Fund	341,557	370,702
Deferred income related to discounting the payable to ANAS-Central Insurance Fund	258,575	206,896
CIV S.p.A. share of advances paid by TAV to COCIV	4,002	4,002
To others	1,787	1,922
Total	605,921	583,522

The item payable “to ANAS-Central Insurance Fund” refers to operations undertaken by the parties in question on behalf of the licensees SALT S.p.A., Autostrada dei Fiori S.p.A., Autocamionale della Cisa S.p.A., SATAP S.p.A., SAV S.p.A. and ATIVA S.p.A. to make instalment payments and for accounts payable to suppliers. The amount of the debt has been discounted based on repayment plans in the respective agreements.

The item “deferred income related to discounting the payable to ANAS-Central Insurance Fund” collects the difference between the original amount of the debt and its present value. The charge from the discounting process is imputed to the income statement among “financial charges”. At the same time, the amount previously deferred is posted to the item “other income”.

It should be underlined that in this half-yearly report – following the redetermination of the duration of the concession of Autocamionale della Cisa S.p.A. to 2031 – the present values of the “payable due to ANAS and the Central Insurance Fund” and consequently of the related “deferred income” were restated.

The payables shown above are broken down by maturity as follows:

	Between one and five years	Beyond five years	Total
Payable to ANAS-Central Insurance Fund	156,337	185,220	341,557
Deferred income related to discounting the payable to ANAS-Central Insurance Fund	57,930	200,645	258,575
Other payables	5,670	119	5,789
Total	219,937	385,984	605,921

Note 15 – Bank debt (non-current)

This item totalled EUR 1,100,580 thousand (EUR 1,122,551 thousand at 31 December 2007).

Almost all the medium- and long-term loan contracts in place at 30 June 2008 require compliance with certain economic and financial parameters (covenants) that are normal for loans of this type. As of 30 June 2008, these parameters had been satisfied.

The tables below show the medium-term bank debt at 30 June 2008 and 31 December 2007, indicating the related balance due (current and non-current portion) and summarizing the principal conditions applied to each liability.

30 June 2008									
Lending bank	Company	Due date	Initial amount	Interest rate	Currency	Balance at 30.06.08	Maturity		
							Within 1 year	1 to 5 years	Beyond 5 years
Banca OPI S.p.A.	SATAP	15/06/2024	75,000	Variable	EUR	75,000	2,419	24,194	48,387
Mediobanca	SATAP	15/03/2022	15,000	Variable	EUR	15,000	-	5,400	9,600
Mediobanca	SATAP	15/06/2024	59,450	Variable	EUR	59,450	1,918	19,177	38,355
Mediobanca (1)	SATAP	14/12/2009	400,000	Variable	EUR	399,114	-	399,114	-
Mediobanca	SATAP	01/08/2008	80,000	Variable	EUR	80,000	80,000	-	-
MCC	SATAP	31/05/2014	90,000	Variable	EUR	89,718	-	89,718	-
BNL – Mediobanca (2)	SAV	21/12/2019	50,000	Variable	EUR	47,873	4,167	16,659	27,047
Banca di Roma S.p.A.	SAV	18/12/2008	15,000	Variable	EUR	15,000	15,000	-	-
Banca di Roma S.p.A.	SAV	31/12/2008	10,000	Variable	EUR	10,000	10,000	-	-
Banca di Roma S.p.A.	SAV	29/10/2008	5,000	Variable	EUR	5,000	5,000	-	-
Banca di Roma S.p.A.	SAV	12/12/2008	15,000	Variable	EUR	15,000	15,000	-	-
Banca OPI	Ativa	15/06/2015	120,000	Variable	EUR	38,257	4,780	21,320	12,157
Banca OPI	Cisa	30/06/2018	110,000	Variable	EUR	99,913	10,000	39,913	50,000
Unicredit Banca d'Impresa S.p.A.	ADF	30/06/2016	100,000	Variable	EUR	99,760	-	69,835	29,925
Unicredit Banca d'Impresa S.p.A.	ADF	24/02/2012	150,000	Variable	EUR	3,489	872	2,617	-
Cassa Risparmio La Spezia S.p.A.	Logistica Tirrenica	01/10/2018	3,400	Variable	EUR	3,383	131	1,182	2,070
West LB	SALT	26/04/2010	70,000	Variable	EUR	49,848	-	49,848	-
Monte dei Paschi di Siena	SALT	30/06/2018	170,000	Variable	EUR	160,214	16,191	64,763	79,260
Banca di Roma	SIAS	2008	30,000	Variable	EUR	30,378	30,378	-	-
Barclays Bank	SIAS	2008	20,000	Variable	EUR	20,011	20,011	-	-
Intesa San Paolo	Strade Co.Ge	19/12/2010	150	Variable	EUR	63	24	39	-
Total loans						1,316,471	215,891	803,779	296,801
Total bank debt (non-current)								1,100,580	

Notes:

- (1) There is an option at maturity to extend the loan to 31 December 2021 ("Extension Option")
- (2) To prevent the risk from interest rate swings, SAV has drawn up an interest rate swap contract connected with this loan

31 December 2007									
Lending bank	Company	Due date	Initial amount	Interest rate	Currency	Balance at 31 December 2007	Maturity		
							Within 1 year	1 to 5 years	Beyond 5 years
Banca OPI S.p.A.	SATAP	15/06/2024	75,000	Variable	EUR	75,000	-	24,194	50,806
Mediobanca	SATAP	15/03/2022	15,000	Variable	EUR	15,000	-	4,800	10,200
Mediobanca	SATAP	15/06/2024	59,450	Variable	EUR	59,450	-	19,177	40,273
Mediobanca (1)	SATAP	14/12/2009	400,000	Variable	EUR	398,916	-	398,916	-
Mediobanca	SATAP	05/05/2008	150,000	Variable	EUR	15,000	15,000	-	-
MCC	SATAP	31/05/2014	90,000	Variable	EUR	89,625	-	80,625	9,000
Intesa San Paolo	SAV	30/06/2008	151,838	Variable	EUR	10,935	10,935	-	-
BNL – Mediobanca (2)	SAV	21/12/2019	50,000	Variable	EUR	49,954	4,167	20,787	25,000
Banca di Roma S.p.A.	SAV	18/06/2008	15,000	Variable	EUR	15,000	15,000	-	-
Banca di Roma S.p.A.	SAV	30/06/2008	10,000	Variable	EUR	10,000	10,000	-	-
Banca di Roma S.p.A.	S.A.Bro.M	01/10/2008	9,550	Variable	EUR	9,550	9,550	-	-
Banca OPI	Ativa	15/06/2015	120,000	Variable	EUR	40,561	4,671	20,855	15,035
Banca OPI	Cisa	30/06/2018	110,000	Variable	EUR	104,896	10,000	39,896	55,000
Banca Carige S.p.A.	ADF	30/06/2008	54,700	Variable	EUR	2,737	2,737	-	-
Unicredit Banca d'Impresa S.p.A.	ADF	30/06/2016	100,000	Variable	EUR	99,745	-	29,850	69,895
Unicredit Banca d'Impresa S.p.A.	ADF	24/02/2012	150,000	Variable	EUR	3,925	872	3,053	-
Cassa Risparmio La Spezia S.p.A.	Logistica Tirrenica	01/10/2018	3,400	Variable	EUR	3,313	31	1,131	2,151
West LB	SALT	26/04/2010	70,000	Variable	EUR	70,436	20,618	49,818	-
Monte dei Paschi di Siena	SALT	30/06/2018	170,000	Variable	EUR	168,229	16,191	69,413	82,625
Monte dei Paschi di Siena	SALT	30/06/2008	108,400	Variable	EUR	9,863	9,863	-	-
Banca di Roma	SIAS	21/06/2008	300,000	Variable	EUR	50,000	50,000	-	-
Intesa San Paolo	Strade Co.Ge	19/12/2010	150	Variable	EUR	75	24	51	-
Total loans						1,302,210	179,659	762,566	359,985
Total bank debt (non-current)								1,122,551	

Notes:

(1) There is an option at maturity to extend the loan to 31 December 2021 ("Extension Option")

(2) To prevent the risk from interest rate swings, SAV has drawn up an interest rate swap contract connected with this loan

The interest on the loans above is essentially tied to the EURIBOR plus a spread ranging from 0.15% to 1.15%.

The section "Other information - Financial risk management" contains the description of the financial risks of the Group and the management policies for them.

Note 16 – Other financial liabilities (non-current)

These consist of:

	30 June 2008	31 December 2007
Liabilities to bondholders ("liability component")	201,913	200,381
Other liabilities	821	999
Total	202,734	201,380

"Liabilities to bondholders" – arising out of the consolidation of the SIAS Group – relate to the "liability component", subscribed by third parties, of the convertible bond loan "SIAS 2.625% 2005 – 2017 convertible in ordinary shares". In compliance with IAS 32, this item was posted net of the cost incurred for the issue/listing on the MTA.

The bond loan consists of 31,875,000 bonds with a unit nominal value of EUR 10.50. The bonds have the following principal features:

- duration: 12 years;
- interest rate: 2.625% per year, gross;
- conversion option: beginning at the end of the fifth year, one ordinary share of SIAS S.p.A. for each Bond held;
- redemption: unconverted bonds upon maturity (30 June 2017) will be redeemed in a lump sum at par value.

At the time of initial entry, the “shareholders’ equity component” was separated, discounting the net cash of the debenture loan based on market interest rates.

“Other liabilities” refer to that portion of medium- and long-term loans related to the lease-purchase of assets. These liabilities mature between one and five years.

Note 17 – Deferred tax liabilities

This item totalled EUR 19,372 thousand (EUR 26,938 thousand at 31 December 2007). For the breakdown of this item, please refer to Note 34 – Income taxes.

Note 18 – Trade payables (current)

This item totalled EUR 121,985 thousand (EUR 144,857 thousand at 31 December 2007).

Note 19 – Other payables (current)

These consist of:

	30 June 2008	31 December 2007
Advance payments	8,247	9,674
Payable to unconsolidated subsidiaries	111	69
Payable to associated companies	13,997	17,437
Payable to parent companies	1,766	47,380
Payable to welfare organisations	8,775	8,201
Payable to connected companies	15,658	10,179
Payable to ANAS and the Central Insurance Fund	26,347	46,503
Deferred income	18,188	18,350
Other payables	35,397	47,533
Total	128,486	205,326

The item “*advance payments*” includes advances received from buyers in accordance with the law and intended to be recovered based on the progress of the work.

“*Payable to unconsolidated subsidiaries*” and “*payable to associated companies*” refer to payables to consortia companies and other associated companies for services rendered.

“*Payable to parent companies*” refers both to the managerial assistance and other services provided by the parent company Argo Finanziaria S.p.A. and to the joining in the tax consolidation of the parent

company Aurelia S.p.A.. The significant decrease in this item was mainly due to the taxes paid by the parent company with regard to the transactions carried out in FY 2007 as part of the Corporate Reorganisation.

“Payable to ANAS-Central Insurance Fund” represents that portion of the debt maturing during the next accounting period. The decrease during the period was due to the restatement of the amount related to Autocamionale della Cisa S.p.A., following the extension of the repayment schedule, linked to the redetermination of the duration of the concession, to 2031.

The item “deferred income” relates to prepaid lease, easement payments, grants received by SATAP S.p.A. (A4 Stretch) and given by TAV S.p.A. and RFI S.p.A., as well as to grants received by SAV S.p.A. and given by RAV S.p.A. and the Autonomous Region of Valle d’Aosta.

Note 20 – Bank debt (current)

These consist of:

	30 June 2008	31 December 2007
Short-term loans and advances	78,294	81,432
Maturing portion of medium-and long-term loans	215,891	179,659
Total	294,185	261,091

The item “short-term loans and advances” refers to revolving-type pool loans, other short-term loans and advances, and current account overdrafts.

Concerning the “maturing portion of medium-and long-term loans”, please refer to Note 15.

Note 21 – Other financial liabilities (current)

These consist of:

	30 June 2008	31 December 2007
SATAP bond loan	3	3
Liabilities to SIAS bondholders for interest accrued	3,027	6,117
Liabilities for lease contracts	875	911
Total	3,905	7,031

The item “Liabilities to SIAS bondholders for interest accrued” refers to the liabilities to “third-party bondholders” for interest accrued as at 30 June 2008.

With regard to the item “liabilities for lease contracts”, we show below the reconciliation between total future payments for leased assets and their present value (total short-, medium- and long-term debt as at 30 June 2008) using the interest rate implicit in the respective contract.

Future payments	946
Near present value of the instalments based on the implicit rate in the contracts	(71)
Present value of future payments	875

Note 22 – Current tax liabilities

Current tax liabilities totalled EUR 29,474 thousand (EUR 17,685 thousand at 31 December 2007). They refer to liabilities for IRES, IRAP, VAT and personal income taxes withheld, as well as conveyance to the State per Law No. 531/82.

Notes - Information on the income statement

Specific notations have been inserted in the Notes below to allow valuation of the impact of changes in the scope of consolidation (the first half of 2008 includes consolidation of data for the SIAS Group).

Note 23 – Revenues

23.1 – Motorway sector revenue

This item breaks down as follows:

	1st Half 2008	1st Half 2007
Tolls	348,349	157,429
Conveyance to the State (Art. 15 (b) Law No. 531/82)	(16,131)	(7,545)
Net toll payments	332,218	149,884
Other accessory revenues - rental income	18,349	10,737
Total	350,567	160,621

“*Net toll payments*” totalled EUR 332.2 million (EUR 149.9 million in the first half of 2007). The increase over the first half of 2007 equal to EUR 182.3 million was due for EUR 178.5 million to the cited changes in the scope of consolidation and for EUR 3.8 million to both the partial adjustment in toll rates that took effect on 1 January 2008 on some of the sections under management and to the tolls applied to the motorway section Asti-Cuneo as from 1 April 2008 (EUR 0.5 million). The traffic volumes for the first half of the year were substantially in line with previous year’s corresponding figures.

“*Other accessory revenues*” refer mainly to rents on service areas. The increase compared to the first half of 2007 was only due to the change in the scope of consolidation.

23.2 – Construction sector revenue

This item breaks down as follows:

	1st Half 2008	1st Half 2007
Revenues for work and changes in contract work in process	617	703
Other revenue and changes in inventories of work in progress, semi-finished products and finished goods	386	84
Total	1,003	787

This item relates to the total amount of “production” carried out by the subsidiaries ABC Costruzioni S.p.A., STRADE Co.Ge. S.p.A., Sicogen s.r.l. and LAS s.c.a r.l.. This amount is posted net of the

intercompany “production” related to maintenance and expansion services performed on the motorway network by the cited Companies of the Group on behalf of SALT S.p.A., Autostrada dei Fiori S.p.A., Autocamionale della Cisa S.p.A., Autostrada Asti-Cuneo S.p.A., ATIVA S.p.A., SAV S.p.A. and SATAP S.p.A..

23.3 – Engineering sector revenue

This item breaks down as follows:

	1st Half 2008	1st Half 2007
Revenue for planning	3,502	12,824
Other revenue and changes in inventories of work in progress, semi-finished products and finished goods	304	104
Total	3,806	12,928

This item relates to the total amount of “production” carried out by the subsidiaries SINA S.p.A., SINECO S.p.A. and LIRA S.p.A.. This amount is posted net of the intercompany “production” related to services performed on the motorway network by the cited Companies of the Group on behalf of SALT S.p.A., Autostrada dei Fiori S.p.A., Autocamionale della Cisa S.p.A., Autostrada Asti-Cuneo S.p.A., ATIVA S.p.A., SAV S.p.A. and SATAP S.p.A..

The significant decrease in production was mainly due to major intercompany eliminations (related to the change in the scope of consolidation).

23.4 – Technology sector revenue

This item breaks down as follows:

	1st Half 2008	1st Half 2007
Revenues and changes in contract work in process	7,213	-
Change in work in progress, semi-finished products, finished goods and other revenues	(175)	-
Total	7,038	-

This is the total amount of “production” carried out by the subsidiaries Sinelec S.p.A., SSAT S.p.A. and Euroimpianti Electronic S.p.A.. This amount is recognised net of intragroup “production” related to maintenance and enhancement activities for the motorway network carried out by the said Companies for the Group motorway companies.

23.5 – Other revenues

These break down as follows:

	1st Half 2008	1st Half 2007
Indemnification of damages	2,965	1,324
Works on behalf of CAV TO.MI.	8,739	7,184
Recovery of expenses and other income	10,256	5,732
Share of income resulting from the discounting of the payable due to ANAS and FCG	9,463	3,458
Operating grants	154	150
Total	31,577	17,848

The item “*Works on behalf of CAV TO.MI.*” related to the revenue resulting from the services rendered by SATAP S.p.A. on behalf of the CAV.TO.MI. Consortium for the construction of the high-speed railway line Turin – Milan. The increase compared to the same period last year was due to the higher volume of services rendered on behalf of the Consortium.

The item “*recovery of expenses and other income*” includes an amount equal to EUR 1.6 million due to an extraordinary income resulting from the transaction carried out with the CAV.TO.MI Consortium, relating to previous years’ items. This extraordinary income is reflected in a similar amount recognised in the item “*other costs – other operating expenses*”. Moreover, an “extraordinary income” was recorded for EUR 4.2 million, linked to the recognition, by the said Consortium, of the reconstruction costs for the Novara Sud service area (A4 Stretch). This service area was relocated in order to eliminate its interference with the stretch of the “High Speed” Turin-Milan railway line.

The item “*accruing portion of the income from discounting the payable due to ANAS-Central Insurance Fund*” refers to the accrued portion of the previously deferred difference between the original amount of the debt and its near present value.

Note 24 – Payroll costs

This item can be detailed as follows:

	1 st Half 2008	1 st Half 2007
Salaries and wages	51,826	22,802
Social security contributions	16,399	7,229
Actuarial updating of Employee Severance Indemnity	2,569	1,108
Other costs	2,554	892
Total	73,348	32,031

Changes to “payroll costs” can be traced mainly to the “changes in the scope of consolidation”.

Average staffing breaks down by category as follows:

	1 st Half 2008	1 st Half 2007
Executives	73	29
Middle managers	77	40
Staff	2,024	1,033
Workers	423	116
Total	2,597	1,218

The staffing of the ATIVA Group (consolidated using the proportional method) is composed as follows:

	1st Half 2008 Total	1st Half 2008 pro-quota (41.17%)
Executives	10	4
Middle managers	13	5
Staff	341	140
Workers	79	33
Total	443	182

Note 25 – Services

This expense item breaks down as follows:

	1st Half 2008	1st Half 2007
Maintenance of assets subject to reversion free of charge	22,420	15,700
Other costs related to assets subject to reversion free of charge	12,011	5,585
Other costs for services	58,696	29,850
Total	93,127	51,135

The item “*Maintenance of assets subject to reversion free of charge*” is recognised net of intragroup “production” carried out by Group companies operating in the “construction” and “engineering” sectors in favour of motorway companies. The total amount of **maintenance operations** carried out in the period under review totalled **EUR 46 million** (EUR 18 million in the first half of 2007). The overall increase in maintenance costs and other costs associated with fixed assets subject to reversion free of charge was due to both the change in the scope of consolidation and to the increase in costs incurred for “*winter services*”, which were lower in the previous year given the favourable climatic conditions that characterised the first months of 2007.

The item “*other costs for services*” mainly included professional fees, costs for legal assistance, fees for corporate bodies, as well as services provided by subcontractors to the subsidiaries ABC Costruzioni S.p.A., Strade Co.Ge S.p.A. and Euroimpianti Electronic S.p.A.. The increase in this item was mainly due to the change in the scope of consolidation.

Note 26 – Costs for raw materials

This expense item breaks down as follows:

	1st Half 2008	1st Half 2007
Raw materials	16,825	1,769
Production supplies	3,457	778
Merchandise	1,466	176
Changes in inventories of raw materials, production supplies and merchandise	(1,505)	(94)
Total	20,243	2,629

This item refers mainly to the subsidiaries ABC Costruzioni S.p.A., Strade Co.Ge. S.p.A., Euroimpianti Electronic S.p.A. and SINELEC S.p.A.. The increase in this item was mainly due to the change in the scope of consolidation.

Note 27 – Other operating costs

This expense item breaks down as follows:

	1 st Half 2008	1 st Half 2007
License fee	8,396	3,812
Lease and rental expenses	4,107	1,917
Other operating expenses	5,770	1,409
Total	18,273	7,138

The increase in the item “*license fee*” was mainly due to the change in the scope of consolidation.

The item “*leases and rental expenses*” refers mainly to operating lease contracts for motor vehicles, computers, printers and premises used by the Group Companies. The increase during the first half of the year was due to the said change in the scope of consolidation.

The associated contracts for these assets contain clauses for both redemption upon maturity at market prices for the contracted asset and renewal options upon maturity. The lease payments increase annually based on the ISTAT index.

The increase in the item “*other operating expenses*” – due to the change in the scope of consolidation – also takes into account the recognition made by SATAP S.p.A. of an extraordinary expenditure (EUR 1.6 million) resulting from the transaction carried out with the CAV.TO.MI. Consortium.

Note 28 – Costs for capitalised internal work

This item, equal to EUR 42,178 thousand (EUR 12,044 thousand in the first half of 2007) mainly related to the capitalisation of internal works carried out within the Group, which were capitalised and increased the item “assets subject to reversion free of charge”. The increase in the item was mainly due to the change in the scope of consolidation.

Note 29 – Depreciation and amortisation

This item breaks down as follows:

	1 st Half 2008	1 st Half 2007
Intangible assets:		
• Other intangible assets	644	147
Tangible assets:		
• Buildings	640	173
• Plant and machinery	615	319
• Manufacturing and commercial equipment	516	116
• Other assets	1,200	450
• Assets in financial lease	366	14
• Assets subject to reversion free of charge	85,229	21,139
Total depreciation and amortisation	89,210	22,358
Write-downs	55	2,751
Total amortization, depreciation and write-downs	89,265	25,109

The increase in depreciation of “assets subject to reversion free of charge” is reflected in the financial plans of the motorway companies, attached to their respective agreements.

In the previous year, the item “write-down” referred to the reduction made to goodwill of ATIVA S.p.A. following an impairment test.

Note 30 – Update of the provision for restoration, replacement and maintenance of assets subject to reversion free of charge

The updating of provision for restoration, replacement and maintenance of assets subject to reversion free of charge is detailed as follows:

	1st Half 2008	1st Half 2007
Use of the provision for restoration, replacement and maintenance of assets subject to reversion free of charge	(52,743)	(19,031)
Set-aside to provision for restoration, replacement and maintenance of assets subject to reversion free of charge	62,249	28,289
Net update of the provision for restoration, replacement and maintenance of assets subject to reversion free of charge	9,506	9,258

The use of the provision for restoration, replacement and maintenance of assets subject to reversion free of charge represents all maintenance costs borne by the motorway companies during the period. The reserve captures the amount needed to update the provisions to meet scheduled maintenance programmes in the financial plans attached to the individual concessions in later accounting periods, in order to ensure the appropriate functionality and safety of the respective motorway infrastructures.

Note 31 – Provisions for risks and charges

These break down as follows:

	1st Half 2008	1st Half 2007
Reserve for contractual risks and litigation	77	28
Total	77	28

The item refers to the provision set aside by Autocamionale della Cisa S.p.A. to cover potential expenses on works carried out on behalf of ANAS on the Ghiare-Bretorella section.

Note 32 – Financial income and charges

32.1 – Financial income

This item breaks down as follows:

	1st Half 2008	1st Half 2007
Income from investments:		
• dividends from other businesses	3,061	270
• capital gains from the disposal of investments	158	-
Interest income and other financial income		
• from credit institutions	7,204	1,635
• from financial assets	2,229	2,453
• others	776	-
Total	13,428	4,358

The item “*dividends from other businesses*” refers to the dividends collected from the subsidiaries

Milano Serravalle - Milano Tangenziali S.p.A. (EUR 1,198 thousand), Banca Ca.Ri.Ge. S.p.A. (EUR 1,080 thousand), Assicurazioni Generali S.p.A. (EUR 405 thousand), SAT S.p.A. (EUR 373 thousand) and Abertis Infraestructuras e Brisa Auto-Estrada de Portugal S.A. for a total amount of EUR 5 thousand.

The item “*capital gains from the disposal of investments*” was due to the capital gains from the sale of S.A.Bro.M. S.p.A. (EUR 122 thousand), FNM S.p.A. (EUR 24 thousand) and Gemina (EUR 12 thousand) shares.

32.2 – Financial charges

This item breaks down as follows:

	1st Half 2008	1st Half 2007
Interest expense to credit institutions:		
• on loans	34,859	17,795
• on current accounts at banks	1,830	99
Miscellaneous interest expense:		
• from financial discounting	10,469	3,941
• from convertible bond loan	4,943	-
• from financial lease contracts	41	-
Other financial charges:		
• Other financial charges	1,300	1,291
Total	53,442	23,126
Capitalised financial charges (1)	(17,135)	(9,592)
Total	36,307	13,534

(1) As reported in Note 2 – Tangible assets, an amount equal to EUR 17.1 million was capitalised under the item “assets subject to reversion free of charge”.

Interest paid “*on loans*” increased due to both the increased financial exposure to credit institutions and the increase in interest rates.

Interest expense related to “*financial discounting*” of non-current liabilities refers to payables due to ANAS and the Central Insurance Fund (EUR 9.5 million) and to the financial component of the Employee Severance Indemnity (EUR 1 million).

Interest expense on the “*convertible bond loan*” represents the charges on the “liabilities component” of the loan issued by SIAS S.p.A. in July 2005, recalculated based on the market interest rate.

The item “*other financial charges*” includes write-downs and losses from the transfer of “Unconsolidated investments – available for sale” (equal to EUR 0.8 million).

The increase in the item “*capitalised financial charges*” was due to the implementation of the investment plan, especially with regard to the “A4 Stretch” managed by the licensee SATAP S.p.A..

Note 33 – Profit (loss) of companies accounted for by the equity method

This item is detailed as follows:

	1st Half 2008	1st Half 2007
Revaluations (write-downs) of equity investments:		
• Albenga Garessio Ceva s.r.l.	28	172
• Autostrade Sud America - ASA s.r.l.	(16,987)	-
• Coalpa S.p.A.	-	(9)

• CIM S.p.A.	(42)	(5)
• FIMPRE s.r.l.	265	-
• Microlux s.r.l.	5	-
• OMT S.p.A.	2	-
• Road Link Holdings Ltd.	682	553
• SABROM S.p.A.	(18)	-
• SIAS S.p.A.	-	10,955
• SITAF S.p.A.	2,205	2,900
• SITRACI S.p.A.	-	(142)
• SITRASB S.p.A.	71	47
• V.A. Bitumi s.r.l.	-	(44)
Total	(13,789)	14,427

The write-down of the Autostrade Sud America – ASA s.r.l. equity investment reflects the recording, for an amount equal to EUR 15.7 million, of the pro-quota share of costs relating to the exercise of the “right to repurchase” the option previously granted by ASA s.r.l. to Impregilo International Infrastructures N.V. on 10% of the share capital of the subsidiary Autopista do Pacifico S.A.. These costs were determined on the basis of the increase in value of the licensee Costanera Norte S.A. compared with the acquisition date, as reflected in a recent independent appraisal.

Note 34 – Income taxes

This item can be detailed as follows:

	1 st Half 2008	1 st Half 2007
Current taxes:		
• IRES	27,546	25,694
• IRAP	9,056	5,016
	36,602	30,710
Taxes (prepaid)/deferred:		
• IRES	(342)	(1,016)
• IRAP	(521)	39
	(863)	(977)
Taxes related to prior years:		
• IRES	(159)	73
• IRAP	64	10
	(95)	83
Total	35,644	29,816

Furthermore, during the first half of the year advance tax payments for EUR 1.3 million, mainly related to the valuation of fair value of financial assets available for sale, were posted directly to shareholders' equity.

In compliance with Paragraph 81 (c) of IAS 12, we provide below the reconciliation of the effective and theoretical income taxes posted to the half-yearly reports at 30 June 2008 and 2007.

Reconciliation between effective and theoretical rates (IRES):

	1 st Half 2008		1 st Half 2007	
Period income before taxes		95,662		83,889
Effective income taxes (from half-yearly report)	27,204	28.44%	24,678	29.42%
Lower taxes (compared to the theoretical rate):				
• lower taxes on dividends	800	0.84%	12	0.01%

• tax-exempt capital gains	41	0.04%	-	-
• update of investments accounted for by the equity method	879	0.92%	4,741	5.65%
Higher taxes (compared to the theoretical rate):				
• Taxes on intercompany dividends, non-deductible expenses and other changes	(2,617)	-2.74%	(1,748)	-2.08%
Theoretical income taxes	26,307	27.50%	27,683	33.00%

Reconciliation between effective and theoretical rates (IRAP):

	1 st Half 2008		1 st Half 2007	
Value added (IRAP taxable base)	222,890		115,093	
Effective income taxes (from half-yearly report)	8,535	3.83%	5,055	4.39%
Lower taxes (compared to the theoretical rate):				
• Net miscellaneous deductible expenses	158	0.07%	(164)	-0.14%
Theoretical income taxes	8,693	3.90%	4,891	4.25%

With regard to the period under review and the corresponding 2007 period, the tables below show the total deferred tax income and expenses (posted to the income statement) and the total deferred tax assets and liabilities (posted to the balance sheet).

	1 st Half 2008	1 st Half 2007
Deferred tax income related to: (*)		
• repayment of deferred taxes on capital gains	176	582
• repayment of deferred taxes on the “shareholders’ equity component” of the Convertible Bond Loan	622	-
• provisions to tax deferral reserves	51	-
• others	1,098	1,530
Total (A)	1,947	2,112
Deferred tax expenses related to: (*)		
• repayment of provisions to tax deferral reserves	86	63
• valuation of work in progress	603	-
• off-book deductions to the provision for restoration	-	271
• assets in financial lease	-	4
• actuarial recalculation of the Employee Severance Indemnities Reserve	13	537
• others	382	260
Total (B)	1,084	1,135
Total (B) – (A)	(863)	(977)

(*) Deferred tax income and expenses are accounted for based on tax rates in effect at the time that their repayment is expected.

	30 June 2008	31 December 2007
Deferred tax credits related to: (*)		
• intangible assets not capitalised in accordance with IAS/IFRS	501	505
• provisions to tax deferral reserves	3,015	3,440
• maintenance costs exceeding deductible share	253	328
• valuation of financial assets at fair value	1,053	47
• other	4,987	3,631
Total deferred tax credits	9,809	7,951
	30 June 2008	31 December 2007
Deferred tax liabilities related to: (*)		
• off-book deductions	-	(7,879)
• assets in financial lease	(392)	(391)
• valuation of work in progress	(2,501)	(1,937)
• shareholders' equity component of the Convertible Bond Loan	(13,579)	(14,195)
• actuarial appraisal of the Employee Severance Indemnities Reserve	(771)	(664)
• valuation of financial assets at fair value	(1,140)	(1,533)
• other	(989)	(339)
Total deferred tax liabilities	(19,372)	(26,938)

(*) Deferred tax assets and liabilities are accounted for based on tax rates in effect at the time that their repayment is expected.

Note 35 – Earnings per share

In accordance with IAS 33, earnings per share are calculated by dividing the Group share of net profit/loss by the average number of shares in circulation during the period. The average number of shares is calculated taking into account the average number of own shares held by the Parent Company and its Subsidiaries.

<i>(amounts in thousands of EUR)</i>	1st Half 2008	1st Half 2007
Net profit - Group share	33,943	53,113
Average number of ordinary shares in circulation during the period	87,256,068	87,978,500
Earnings per share (euro per share)	0,389	0,604
Number of ordinary shares	88,000,000	88,000,000
Weighted average of own shares held during the period (also through subsidiaries)	(743,932)	(21,500)
Weighted average of ordinary shares in circulation during the period	87,256,068	87,978,500

During 2007 and in the first half of 2008, no options, warrants or equivalent financial instruments on dilutive “potential” ordinary shares were recorded.

Note 36 – Information on the cash flow statement

36.1 – Change in net working capital

	1 st Half 2008	1 st Half 2007
Inventories	14,148	1,326
Trade receivables	17,764	12,683
Current tax assets	(14,277)	(1,989)
Receivables from others	(35,660)	(12,571)
Current trade accounts payable	(22,872)	1,919
Other current payables	(56,684)	(11,374)
Current tax liabilities	11,789	2,039
Total	(85,792)	(7,967)

The change in the item “*receivables from others*” was mainly due to higher receivables from connected companies, linked to the increase in traffic volumes due to the seasonality of the period.

The major change in the item “*other current payables*” was mainly due to the taxes paid by the parent company to the controlling company Aurelia S.p.A. (as part of the joining in the tax consolidation) with regard to the transactions carried out in 2007 as a result of the Corporate Reorganisation.

36.2 – Other changes from operating activity

	1 st Half 2008	1 st Half 2007
Drawdown on provisions for Employee Severance Indemnities and other provisions	(5,149)	(1,764)
Total	(5,149)	(1,764)

Other information

Information is shown below related to the commitments undertaken by the Companies of the Group, the determination of fair value, risk management and relationships with related parties. With regard to information about the Group, about “**Events after the closing date**” and about the “**Business outlook**”, please see the “Management Report”.

Commitments undertaken by the Companies of the Group

On this subject, we point out the following:

- The guarantee for EUR 3.1 million issued by SATAP S.p.A. to TAV S.p.A. to guarantee the redesign, development and maintenance work for the junction on the ANAS ring road of Novara and the interchange for the new station (this guarantee is renewed annually until ANAS accepts the project).
- Guarantees totalling EUR 13.7 million (prorated) issued in favour of Banca di Roma with which SATAP S.p.A. (together with the other Shareholders of S.A.Bro.M S.p.A.) guaranteed the commitments undertaken by S.A.Bro.M S.p.A., for both the presentation of the preliminary design for the Broni-Mortara motorway section (which took place on 9 October 2006) and for a loan.
- The guarantee for EUR 0.3 million issued by ASTM S.p.A. to Banca Intesa-San Paolo S.p.A. in the interest of Edilrovaccio2 s.r.l. as guarantee for the payable from the secured loan agreement (this guarantee is renewed annually).

The acquisition of Sociedad Concesionaria Costanera Norte S.A. took place through ASA s.r.l. It brought about a joint commitment by SIAS S.p.A. and Atlantia S.p.A. (to a proportional extent) to guarantee repayment of the loan that Mediobanca S.p.A. disbursed to the Chilean sub holding company Autostrade do Pacifico S.A. (totalling a maximum of EUR 264 million, of which the prorated share would be EUR 132 million).

It should be underlined that, on 3 December 2004, an additional agreement was signed between ANAS, ASTM S.p.A. and SATAP S.p.A. according to which – following the transfer to SATAP of the agreement for the “Turin-Milan” section – ASTM S.p.A. would maintain shareholding control over time of SATAP S.p.A..

In this context, on 28 May 2007 ASTM – although being aware that, also in case it reduces its equity investment in SIAS under the threshold of the so-called control “as of right”, it will actually exercise control over SIAS and, indirectly, over SATAP since, as pointed out by the Granting Body, it will hold an investment in SIAS such as to enable it to have enough votes to exercise a dominant influence during the ordinary shareholders’ meeting of SIAS – showed its willingness towards ANAS (in case ASTM reduces its investment in SIAS under the threshold of the so-called control “as of right”) to enter into a shareholders’ agreement with the parent company Aurelia S.p.A., according to which it will be possible to jointly steer the exercise of the voting right related to the shares representing the absolute majority of the share capital of SIAS, held by Aurelia and ASTM. Moreover – in case the said agreement is not renewed, is not effective anymore or the equity investment is under the threshold of the so-called control “as of right” of SIAS – ASTM showed its willingness to repurchase (from SIAS) and the latter to transfer (to

ASTM) the shareholding control of SATAP, pursuant to the agreement mentioned in the note.

ASTM is providing a guarantee to ANAS S.p.A., which arose from the signing of the above-mentioned “additional agreement”. This guarantee (equal to EUR 75.1 million) corresponds to the value of ASTM assets that are not included in the business segment being allocated, exceeding 10% of the shareholders’ equity of ASTM as stated in the financial statements at 31 December 2003.

Financial instruments: supplemental information

Concerning the valuation of the fair value of financial instruments, we specify the following in compliance with IFRS 7:

Assets

• non-current financial assets - receivables:	The value posted to the financial statements represents their fair value
• cash and cash equivalents:	The value posted to the financial statements represents their fair value
• investments available for sale:	The value posted to the financial statements represents their fair value

Liabilities

• variable rate loans:	The value posted to the financial statements represents their fair value
• trade payables:	The value posted to the financial statements represents their fair value
• convertible bond loan:	This loan is posted to the financial statements at nominal value, with the “shareholders’ equity component” shown separately. Because this involves a listed financial instrument, we show below a comparison between its fair value and a corresponding book value/issue value:

Convertible bond loan <i>(amounts in millions of EUR)</i>	30 June 2008	31 December 2007
• book value in the financial statements (“liabilities component”) (*):	205	206
• issue value (“liabilities component” + “shareholders’ equity component”):	339	343
• fair value (official market listing):	297	347

(*) Amount net of bonds held by ASTM S.p.A.

Derivatives

At 30 June 2008, there was also an Interest Rate Swap transaction in place. This contract was signed by the subsidiary SAV S.p.A.. It is classified as a hedging instrument because the relationship between the derivative and the subject of the coverage (maturity, rates) is formally documented. This financial instrument is valued at fair value and changes are imputed completely to a specific reserve in shareholders’ equity.

The fair value of derivatives is determined by discounting the expected net cash, using the market interest rate curves for the date of reference. The features of the derivative contract in place at 30 June 2008 and the related fair value are summarized below:

<i>Type</i>	<i>Purpose of hedging</i>	<i>Counter-parts</i>	<i>Currency</i>	<i>Duration of the derivative contract</i>		<i>30 June 2008</i>		<i>Hedged financial liability</i>		
				<i>from</i>	<i>to</i>	<i>Notional reference</i>	<i>Fair value</i>	<i>Description</i>	<i>Nominal amount</i>	<i>Duration</i>
Interest Rate Swap	Change in interest rate	Unicredit	EUR	15/12/2005	15/12/2016	47,917	+2,336	Loan	50,000	21/12/2019

Financial risk management

In compliance with IFRS 7, we specify that in the normal conduct of its operating activities, the ASTM Group is potentially exposed to the following financial risks:

- “market risk” mainly from exposure to interest rate fluctuations and, to a marginal extent, to the change in foreign exchange rates;
- “liquidity risk” from a lack of financial resources adequate for operational activities and repayment of liabilities assumed in the past.

The risks cited above are broken down in detail below:

Market risk

With regard to the risks connected with the *fluctuation of interest rates*, the ASTM Group strategy has been designed to contain this risk mainly by carefully monitoring the dynamics associated with interest rates.

As for the exposure to interest rates, ASTM Group financial indebtedness at 30 June 2008 consisted of 16.6% at fixed rate. This takes into account both the convertible bond loan and the loan to the subsidiary SAV S.p.A. (which has taken out coverage against interest-rate swings). The portion of indebtedness at variable rate is 83.4%.

With regard to the risk related to interest rates, a sensitivity analysis was conducted to determine the impact on the income statement for the first half of 2008 of a change of +/- 100 basis points in the interest rates. This analysis makes it possible to state that a positive/negative change of 100 basis points in the interest rate would affect the profit for the first half of the year by EUR 5.9 million (net of the theoretical tax effect).

Liquidity risk

The “liquidity risk” is the risk that financial resources available may be insufficient to cover maturing obligations. The ASTM Group believes that the generation of cash flow, together with the diversification of financing sources and the availability of credit lines, guarantee being able to satisfy scheduled financial requirements.

The tables below show the breakdown of financial liabilities in place at 30 June 2008, by maturity date. The amounts shown below also include interest payments (we clarify that the interest on variable-rate loans is calculated based on the last available rate, keeping it constant to maturity).

Lending bank	Company	Total net cash		Maturity (*)					
				Within 1 year		1 to 5 years		Beyond 5 years	
		Capital	Interest	Capital	Interest	Capital	Interest	Capital	Interest
Banca OPI S.p.A.	SATAP	75,000	33,732	2,419	3,980	24,194	16,348	48,387	13,404
Mediobanca	SATAP	15,000	6,118	-	793	5,400	3,314	9,600	2,011
Mediobanca	SATAP	59,450	26,739	1,918	3,155	19,177	12,959	38,355	10,625
Mediobanca	SATAP	399,114	29,958	-	20,554	399,114	9,404	-	-
Mediobanca	SATAP	80,000	667	80,000	667	-	-	-	-
MCC	SATAP	89,718	17,916	-	4,882	89,718	13,034	-	-
BNL – Mediobanca	SAV	47,873	16,598	4,167	2,714	16,659	8,438	27,047	5,446
Banca di Roma S.p.A.	SAV	15,000	444	15,000	444	-	-	-	-
Banca di Roma S.p.A.	SAV	10,000	298	10,000	298	-	-	-	-
Banca di Roma S.p.A.	SAV	5,000	143	5,000	143	-	-	-	-
Banca di Roma S.p.A.	SAV	15,000	444	15,000	444	-	-	-	-
Banca OPI	Ativa	38,257	7,596	4,780	1,937	21,320	5,491	12,157	168
Banca OPI	Autocamionale Cisa	99,913	31,677	10,000	5,418	39,913	20,200	50,000	6,059
Unicredit Banca d'Impresa S.p.A.	ADF	99,760	29,737	-	5,167	69,835	19,136	29,925	5,434
Unicredit Banca d'Impresa S.p.A.	ADF	3,489	388	872	162	2,617	226	-	-
Cassa Risparmio La Spezia S.p.A.	Logistica Tirrenica	3,383	1,114	131	180	1,182	588	2,070	346
West LB	SALT	49,848	5,115	-	2,790	49,848	2,325	-	-
Monte dei Paschi di Siena	SALT	160,214	47,438	16,191	8,810	64,763	26,204	79,260	12,424
Banca di Roma S.p.A.	SIAS	30,378	716	30,378	716	-	-	-	-
Barclays Bank	SIAS	20,011	251	20,011	251	-	-	-	-
Intesa San Paolo	Strade Co.Ge	63	2	24	1	39	1	-	-
	Total loans	1,316,471	257,091	215,891	63,506	803,779	137,668	296,801	55,917
Convertible bond loan	SIAS	334,687	78,987	-	4,369	-	35,143	334,687	39,475
	Total borrowing	1,651,158	336,078	215,891	67,875	803,779	172,811	631,488	95,392

(*) Distribution upon maturity is based on current residual contract duration

Related party disclosures

As required by CONSOB Notices No. 98015375 of 27 February 1998 and No. DEM/6064293 of 28 July 2006, and by IAS 24, information on related party transactions during the period in question are summarised below (amounts in millions of EUR):

	Transactions with "Related parties" (A)	Consolidated Financial Statements (B)	Impact (A) / (B)%
Revenues	2.0	394.0	0.5%
Operating costs	40.1	205.0	19.6%
Tangible/intangible assets	29.7	3.089.1	1.0%

With regard to the amount of "operating costs" due to transactions with related parties, EUR 23.3 million out of a total of EUR 40.1 million mainly referred to services rendered by the associated company Itinera S.p.A. to the subsidiary SATAP S.p.A..

More specifically, the **principal** relationships between the Companies of the Group, arranged by items in the financial statements, are the following:

Revenues

- data processing assistance services provided by SINELEC S.p.A. to Itinera S.p.A., ACI S.c.p.A. and ASTM S.p.A. totalling EUR 0.2 million; ^{(1) (2)}
- services provided by Euroimpianti Electronic S.p.A. to Itinera S.p.A. and ACI S.c.p.A. totalling EUR 0.3 million; ⁽²⁾
- services provided by Strade S.p.A. to Itinera S.p.A. totalling EUR 0.2 million; ⁽²⁾
- services provided by ABC Costruzioni S.p.A. to Itinera S.p.A. and ACI S.c.p.A. totalling EUR 0.4 million; ⁽²⁾
- services provided by SATAP S.p.A. to Itinera S.p.A. and ACI S.c.p.A. totalling EUR 0.5 million; ⁽²⁾

Costs

- managerial assistance and consulting provided by the parent company Argo Finanziaria S.p.A. to the Companies of the Group, totalling about EUR 1.5 million; ⁽¹⁾
- services and delivery of materials provided by SEA s.r.l. to SALT S.p.A., Autostrada dei Fiori S.p.A., SATAP S.p.A., SAV S.p.A., ATIVA S.p.A., ABC Costruzioni S.p.A. and Autocamionale della Cisa S.p.A., totalling EUR 4.7 million; ⁽²⁾
- services and delivery of materials provided by Itinera S.p.A. to SATAP S.p.A., SAV S.p.A., ABC Costruzioni S.p.A., SSAT S.p.A., Euroimpianti Electronic S.p.A. totalling EUR 23.3 million; ⁽²⁾
- insurance services provided by the broker P.C.A. s.r.l. to the Companies of the SIAS Group, totalling EUR 3 million; ⁽³⁾
- payroll and financial data processing services provided by Sistemi e Servizi s.c.a.r.l. to the Companies of the Group, totalling EUR 0.5 thousand; ⁽⁴⁾
- services provided by Gavio S.p.A. and Interstrade S.p.A. to the Companies of the SIAS Group, totalling EUR 0.4 million; ⁽²⁾
- supply of electricity and services by Energrid S.p.A. to the companies of the Group totalling EUR 4.8 million; ⁽²⁾

Increases in tangible/intangible assets

- work services provided by ITINERA S.p.A. and ACI S.c.p.a. to SATAP S.p.A., totalling EUR 29.3 million. ⁽²⁾

In addition to what is shown above, there are relationships between the businesses of the Group concerning transactions in the system that interconnects motorway tolls.

The transactions indicated above were carried out under normal market conditions.

⁽¹⁾ Relationships with parent companies

⁽²⁾ Relationships with businesses subject to the control of the same parent companies

⁽³⁾ Relationships with other related parties

⁽⁴⁾ Relationships with unconsolidated subsidiaries

Pursuant to Article 2391-bis of the Italian Civil Code, we specify that based on the general principles indicated by Consob and the rules of corporate governance in the “Code of Self-governance” adopted by the Company, related party transactions (either direct or through subsidiaries) were performed in accordance with regulations that assure their transparency as well as their essential and procedural correctness.

Certification
pursuant to Art. 154-bis
of Legislative Decree no. 58/98

Certification pursuant to art. 154-bis of Legislative Decree no. 58/98

1. The undersigned Alberto Sacchi as Managing Director and Graziano Settime as Manager in charge of drawing up the corporate accounting documents of Autostrada Torino-Milano S.p.A., taking into account the provisions of Article 154-bis, Paragraphs 3 and 4 of Legislative Decree No. 58 of 24 February 1998, do attest:
 - its adequacy with regard to the characteristics of the business; and
 - the actual implementation of the administrative accounting procedures for preparing the abridged half-yearly report during the first half of 2008.
2. Furthermore, we attest that:
 - 2.1 the abridged half-yearly report:
 - a) was prepared in compliance with the international accounting standards approved by the European Community pursuant to EC Regulation no. 1606/2002 of the European Parliament and the Council dated 19 July 2002;
 - b) corresponds to the books and accounting entries;
 - c) provides a true and correct representation of the equity, economic and financial position of the issuer and all the businesses included in the consolidation;
 - 2.2 the interim management report contains at least references to major events occurred in the first six months of the year and to their impact on the abridged half-yearly report, together with a description of the main risks and uncertainties for the second half of the year, as well as information on major transactions with related parties.

Turin, 5 August 2008

the Managing Director

Alberto Sacchi

the Manager in charge of drawing up
the corporate accounting documents

Graziano Settime

Auditors' Report

A.S.T.M. GROUP

AUDITORS' REPORT ON THE REVIEW OF THE
CONSOLIDATED CONDENSED INTERIM FINANCIAL
STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

**AUDITORS' REPORT ON THE REVIEW OF THE CONSOLIDATED
CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS
ENDED 30 JUNE 2008**

To the Shareholders of
Autostrada Torino - Milano SpA

1. We have reviewed the consolidated condensed interim financial statements of Autostrada Torino - Milano SpA and its subsidiaries ("A.S.T.M. Group") as of 30 June 2008 and the six months then ended, comprising the balance sheet, income statement, statements of changes in cash flows and shareholders' equity and related explanatory notes. Autostrada Torino - Milano SpA's Directors are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the international accounting standard IAS 34, applicable to interim financial reporting, as adopted by the European Union. Our responsibility is to issue this report based on our review.

2. Our work was conducted in accordance with the criteria for a review recommended by the National Commission for Companies and the Stock Exchange (CONSOB) with Resolution no. 10867 of 31 July 1997. The review consisted principally of inquiries of company personnel about the information reported in the consolidated condensed interim financial statements and about the consistency of the accounting principles utilised therein as well as the application of analytical review procedures on the data contained in the above mentioned consolidated condensed interim financial statements. The review excluded certain auditing procedures such as compliance testing and verification and validation tests of the assets and liabilities and was therefore substantially less in scope than an audit performed in accordance with generally accepted auditing standards. Accordingly, unlike an audit on the annual consolidated financial statements, we do not express a professional audit opinion on the consolidated condensed interim financial statements.

Regarding the comparative amounts of the consolidated financial statements of the prior year and the consolidated condensed interim financial statements of the prior year presented in the consolidated condensed interim financial statements, reference should be made to our reports dated 11 April 2008 and 12 September 2007, respectively.

3. Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of A.S.T.M. Group as of 30 June 2008 and the six months then ended have not been prepared, in all material respects, in accordance with the international accounting standard IAS 34, applicable to interim financial reporting, as adopted by the European Union.
4. For a better comprehension of the consolidated condensed interim financial statements we draw your attention on the fact that, as extensively reported in the paragraph "Notes - Information on the income statement", income statement data relating to the first six months of 2008 are not immediately comparable with those of the preceding year as a consequence of the group reorganization that, during the financial year 2007, involved the A.S.T.M. Group and the group of companies held by its subsidiary S.I.A.S. - Società Iniziative Autostradali e Servizi SpA.

Turin, 28 August 2008

PricewaterhouseCoopers SpA

Signed by

Piero De Lorenzi
(Partner)

This report has been translated into the English language solely for the convenience of international readers. We have not examined the translation of the consolidated condensed interim financial statements referred to in this report.