



SIAS GROUP

**QUARTERLY REPORT
AS OF 30 SEPTEMBER 2007**

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**SOCIETA' INIZIATIVE
AUTOSTRADALI E SERVIZI**

Public Limited Company
Share capital €13.75m, fully paid-in
Tax Registration and Turin
Company Register No.: 08381620015
Regd. Office 22, Via Bonzanigo, Turin
Website: www.grupposias.it
Direction and coordination: Argo Finanziaria S.p.A.

COMPANY OFFICERS

Chairman
Bruno Binasco

Managing Director
Enrico Arona

Directors
Giovanni Angioni
Gianfranco Boschetti (1)
Alessandro Braja (2)
Ernesto Maria Cattaneo (2)
Paolo Andrea Colombo
Beniamino Gavio
Daniela Gavio
Rinaldo Lascialfare (1)
Vincenzo Macchia (2)
Ferruccio Piantini (1)
Paolo Pierantoni
Alberto Sacchi

Secretary
Cristina Volpe

- (1) Member of the Remuneration Committee
(2) Member of the Internal Control Committee

BOARD OF STATUTORY AUDITORS

Chairman
Lionello Jona Celesia

Full Auditors
Alfredo Cavanenghi
Ernesto Ramojno

Alternate Auditors
Paolo Della Valle
Pietro Mandirola

INDEPENDENT AUDITORS

PricewaterhouseCoopers S.p.A.

TERM OF OFFICE

The Board of Directors and the Board of Statutory Auditors were both appointed by the General Meeting of Shareholders held on 6 May 2005 for three financial years, i.e. until the AGM's approval of the Financial Statement for 2007.

The Independent Auditors were appointed by the same General Meeting of Shareholders, i.e. until the AGM's approval of the Financial Statement for 2007.

POWERS OF COMPANY OFFICERS

The Chairman, appointed on 6 May 2005, is authorized under Art. 24 of the Articles of Association to represent the company in law.

The Managing Director, (appointed by Board of Directors resolution dated 16 May 2005), has full powers to manage the company, excepting only those which are explicitly reserved by law to the Board itself.

DIRECTORS' REPORT

1. SIGNIFICANT EVENTS DURING THE THIRD QUARTER OF 2007

Group company reorganisation project

This quarter saw the completion of the first stage of the reorganisation of companies in the ASTM and SIAS groups, which had begun in December 2006. In particular:

- on 6 July 2007 the newly formed company HPVdA S.p.A. (wholly controlled by SIAS S.p.A.) bought the following shareholdings from ASTM S.p.A.:
 - 2,642,622 shares (41.17%) in ATIVA S.p.A. (which as concessionaire manages Turin's system of bypasses, the extension as far as Quincinetto, the Ivrea - Santhià link and the Turin – Pinerolo motorway), for €13.8m;
 - 15,620,425 shares (65.085%) in SAV S.p.A. (which has the concession to build and operate the A5 motorway between Quincinetto and Aosta), for €5.7m;
 - 4,602,895 shares (36.531%) in SITAF S.p.A. (company which as concessionaire operates manages the stretch of motorway between Turin and Bardonecchia (A32) and the international Fréjus Tunnel (T4) for €34.1m, together with 228,273 bonds convertible into ordinary shares of SITAF S.p.A., for €3.9m.
- on 31 July 2007 the Board of Directors of SIAS S.p.A. completed, as required under Civil Code 2343, its check on the valuation made by the Expert Valuer appointed by the Court of Turin, and decided there was no reason to revise the estimates and valuations on the basis of which the capital increase had been resolved on;
- on 28 September 2007, following approval by the financial regulator CONSOB, the Prospectus relating to the listing on the MTA exchange of 100,000,000 ordinary shares in SIAS S.p.A. (nominal value €0.50) was lodged with CONSOB; those “new shares”, reserved to ASTM S.p.A. in return for contributing its shareholdings in SATAP S.p.A. and Road Link Holdings Ltd, became negotiable on the MTA from that date.

As part of the reorganisation project, moreover, SIAS' subsidiaries SALT S.p.A. and ADF S.p.A. sold to ASTM S.p.A. a total of 50,000 shares in SINECO S.p.A. (10% of the share capital), for a consideration of €2.8m.

Shareholdings

During the third quarter and in October 2007 SIAS S.p.A. sold a total of 2,650,000 shares in Generali Assicurazioni S.p.A. for about €2.2m, reducing its holding to 0.05% of the share capital.

On 29 October 2007 SIAS S.p.A. acquired 1,800,000 shares in Milano Serravalle – Milano Tangenziali S.p.A. (1% of the share capital) from ABM Network Investments S.A. at a total cost of €13.4m. As a result of that transaction, the ASTM Group's holding in Milano Serravalle - Milano Tangenziali S.p.A. rose from 12.55% to 13.55% of the share capital.

Relations with the public concession authority

Regarding work on the remaining sections of the Asti – Cuneo motorway, the Committee for Economic Planning (CIPE), in its meeting of 4 October 2007, approved the “Concession Agreement” signed on 1 August 2007 between ANAS S.p.A. and Autostrada Asti – Cuneo S.p.A.

On 10 October 2007 the “Concession Agreement” for **SATAP S.p.A.** was signed (A4 Turin – Milan and A21 Turin – Piacenza stretches).

The projected investments amount to €1,038 million for A4 and €256 million for A21, and are to be completed over the residual duration of the Concession.

The above “Concession Agreement” will become effective upon completion of the authorisation process required by the relevant legislation (which includes approval of the convention text by CIPE, approval by the parliamentary committees, the issue of the Interministerial decree of approval by the Infrastructure and Economics Ministries and, finally, the registration of the decree by the “Corte dei Conti”).

On 7 November 2007, the “Concession Agreement” was signed by the controlled subsidiary **ATIVA S.p.A.** That agreement involves capital spending over the remaining duration of the concession of about €130 million.

The authorisation process relating to this agreement is similar to that described above for the SATAP S.p.A. agreement.

As to the Group’s remaining motorway concession companies, discussions are continuing with the Infrastructure Ministry and with the public concession authority for renewal of its “Concession Agreements”.

2. ANALYSIS OF THE THIRD QUARTER 2007 RESULTS AND BALANCE SHEET FOR 30 SEPTEMBER 2007 OF THE SIAS GROUP

The key income and expenditure figures for the third quarter of 2007, together with the proforma figures for the nine months to 30 September 2007 and for 2006 (*) are given below:

01/01 - 30/09/2007 proforma	01/01 - 30/09/2006 proforma	Change (€000s)		Q3 2007	Q3 2006 proforma	Change
548,175	528,659	19,516	Motorway Sector revenue	202,495	194,701	7,794
9,565	5,482	4,083	<i>“Construction and Engineering Sector revenues”</i>	3,058	3,082	(24)
20,329	11,195	9,134	Technology Sector revenue	4,862	2,679	2,183
43,789	40,882	2,907	Other revenues	13,703	13,729	(26)
621,858	586,218	35,640	Total revenues (A)	224,118	214,191	9,927
(299,818)	(292,455)	(7,363)	<i>Operating costs (B)</i>	(99,633)	(92,444)	(7,189)
57,008	67,569	(10,561)	<i>Capitalized costs on fixed assets (C)</i>	17,482	21,084	(3,602)
379,048	361,332	17,716	GROSS OPERATING MARGIN (A+B+C)	141,967	142,831	(864)
3,426	-	3,426	Significant non-recurring items	-	-	-
382,474	361,332	21,142	Gross Operating Margin, adjusted	141,967	142,831	(864)

For the **third quarter of 2007**, the *“Motorway Sector revenue”* showed an increase of €7.8 million; this increase of 4% was the result of increases in both concession income (+€0.5 million) from the service areas and toll revenues (+€7.3 million). This latter change was due to an increase in traffic volumes and an adjustment in the toll rates which took effect on some of the Group’s sections on 15 March 2007.

The amount of *“Construction and Engineering Sector revenues”* reflects the largely unchanged amount of work performed for third parties ; less work was done for SIAS Group companies, resulting in a fall in *“capitalised costs on fixed assets”*.

The *“Technology Sector revenues”* increased by some €2.2m, as a result of growth in the work performed, mainly on behalf of third parties, partly offset by a reduction in work for Group companies.

The change in *“Operating costs”* is due to the rise in the motorway operating companies’ expenses, mainly attributable to higher maintenance activity and concession charges.

The combined effect of the foregoing was that the *“Gross Operating Margin”* was €142m, essentially in line with the same period last year.

In the period **1 January – 30 September 2007**, *“Motorway Sector revenue”* increased by €19.5 million (+3.69%), mainly due, as already explained, to the increase in toll receipts (+€17.8m).

(*) Readers will already be aware that the company reorganization of the ASTM and SIAS groups which was completed in early July 2007 involved the takeover by SIAS SpA of the motorway concession companies SATAP SpA, SAV SpA, ATIVA SpA and their various subsidiaries; figures for those companies have accordingly been consolidated, starting with the present quarter.

In order to provide comparable data despite this change, proforma figures have been prepared for Q3 2006 and for the first nine months of each of the two years 2006 and 2007, reflecting the situation as it would have been if the reorganization had taken place on 1 January 2006.

The change in “*Construction and Engineering Sector revenues*” reflects the type of work done in the period: while there was an increase in work performed for third parties, the amount of work done for SIAS Group companies fell (as shown in the decrease in “*capitalised costs on fixed assets*”).

The “*Technology Sector revenues*” grew by some €9.1 million because more work was done for outside companies; the figure was boosted in particular by the completion by SSAT S.p.A. of a big contract for the CAV.TO.MI. Consortium (+€5.5m): this growth naturally affected total current *Operating costs* in the period.

The increase in “*operating costs*” was essentially the net result of increase in concession fees (€7.4 million), costs related to the work on behalf of the aforesaid Consortium, and an increase in maintenance expenses related to a change in the timing of work on the motorway infrastructure operated by the Group in the first nine months of 2007.

The combined effect of the foregoing was that the Gross Operating Margin increased by about €17.7 million (+4.90%).

“*Significant non-recurring items*” (€3.4m) refers to the positive effect of *compliance with the amendments made in the legislation on employees leaving entitlements (TFR)* by Law No. 296 of 27 December 2006 and implementing decrees.

GROUP NET FINANCIAL POSITION

The net financial position as at 30 September 2007 can be summarised as follows:

(€000s)	30/9/2007	30/6/2007	Change
A) Cash and cash equivalents	564,316	616,417	(52,101)
B) Securities held for trading	-	-	-
C) Cash (A) + (B)	564,316	616,417	(52,101)
D) Financial receivables (*)	20,150	82,620	(62,470)
E) Current bank debt	(335,610)	(373,044)	37,434
F) Current portion of non-current debt	(107,521)	(74,811)	(32,710)
G) Other current financial payables	(7,305)	(5,039)	(2,266)
H) Total current financial debt (E) + (F) + (G)	(450,436)	(452,894)	2,458
I) Current financial cash (debt), net (C) + (D) + (H)	134,030	246,143	(112,113)
J) Non-current bank debt	(1,027,697)	(400,280)	(627,417)
K) Bonds outstanding	(288,519)	(287,557)	(962)
L) Other non-current payables	(601)	(740)	139
M) Non-current financial debt (J) + (K) + (L)	(1,316,817)	(688,577)	(628,240)
N) Financial (debt)/cash, net (I) + (M)	(1,182,787)	(442,434)	(740,353)

(*) This item, at 30 September 2007 is related to guaranteed capital indexed financial instruments and bonds that, though multi-year in nature, can be converted into cash short term, if required.

The Net financial position of the Group as at 30 September 2007 showed a negative balance of €1,183 million (€442 million on 30 June 2007); this amount, inclusive of the present value of debt toward the “Fondo Centrale di Garanzia and ANAS”, would be €1,631 million (€756 million on 30 June 2007). Some €33.9 million of the bank debt is guaranteed by the State.

€27 million of the rise in indebtedness since 30 June 2007 is attributable to the effects arising from the **company reorganisation project**. The details are these: (i) €604.8 million relate to the consolidation (from the present quarter) of the net cash flow of SATAP S.p.A., SAV S.p.A., ATIVA S.p.A. and their respective subsidiaries, (ii) €347.5 million is due to the purchase by the controlled subsidiary HPVdA S.p.A. from the parent company Autostrada Torino-Milano S.p.A. of its holdings in the motorway operators SITAF S.p.A., ATIVA S.p.A. and SAV S.p.A., as well as 228,273 SITAF S.p.A. bonds convertible into ordinary shares; the greater indebtedness resulting from the reorganisation is mitigated by €125.3 million cash flow from the sale to Autostrada Torino-Milano S.p.A. of the shareholdings in SINECO S.p.A. and SINA S.p.A. and of the SIAS 2.625% 2005-2017 convertible bonds.

In addition to the foregoing changes, some of the shares in Generali Assicurazioni S.p.A. were sold during this quarter (for a total of €51m) while incremental work was completed on the Group motorway infrastructure at a cost of €4 million.

ANALYSIS OF THE RESULTS OF THE MAIN SUBSIDIARIES FOR THE THIRD QUARTER AND FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2007

The key income and expenditure figures of the main subsidiaries for the third quarter of 2007 and for the nine months to 30 September 2007 are given below.

Motorway Sector

Società Autostrada Ligure Toscana p.A.



The key income and expenditure figures for the third quarter of 2007 and for the nine months to 30 September 2007 are given below, together with their 2006 equivalents for comparison.

01/01 - 30/09/2007	01/01 - 30/09/2006	Change		Q3 2007	Q3 2006	Change
131,147	127,951	3,196	Motorway Sector revenue	50,199	49,033	1,166
6,714	6,547	167	Other revenues	2,398	2,000	398
137,861	134,498	3,363	Total revenues (A)	52,597	51,033	1,564
(46,017)	(43,888)	(2,129)	Operating costs (B)	(13,970)	(13,270)	(700)
91,844	90,610	1,234	Gross Operating Margin (A-B)	38,627	37,763	864
731	-	731	Significant non-recurring items	-	-	-
92,575	90,610	1,965	Gross Operating Margin, adjusted	38,627	37,763	864

“Toll Revenues” came to €48.8 million in the **third quarter of 2007** (€47.3 million in the third quarter of 2006); the 2.99% rise in “Toll Revenue” is entirely due to the increase in traffic in the period, since ANAS did not grant the company the toll increase to which it was entitled.

“Operating costs” (€14m) were higher in total by some €0.7 million compared with the same period last year, largely because of the greater expense due to the application, from 1 January 2007, of higher concession charges to the National Highways Agency ANAS: these rose from 1% of toll receipts to 2.4%.

As a result, “Gross Operating Margin” for the third quarter of 2007 was €38.6m, an improvement of some €0.9 million compared with the third quarter of 2006.

“Toll Revenues” for the period **1 January – 30 September 2007** came to €126 million (€122.8 million for the nine months to 30 September 2006); the 2.61% increase in this item is attributable, as already explained, to the increase in traffic.

“Operating costs” (€46m) were up overall by 4.85%, firstly because of higher staff costs due to the company’s new collective labour agreement and secondly, as mentioned above, because of the greater expense arising from the new and higher concession charges to ANAS.

As a result, “Gross Operating Margin” for the period 1 January – 30 September 2007 was €11.8, up €1.2 million compared with the same period last year.

“Significant non-recurring items” refers to the positive effect of *compliance with the amendments made in the legislation on employees leaving entitlements (TFR)* by Law No. 296 of 27 December 2006 and implementing decrees.

The net financial position as at 30 September 2007 can be summarised as follows:

<i>(€000s)</i>	30/9/2007	30/6/2007	Change
A) Cash and cash equivalents	159,900	128,465	31,435
B) Securities held for trading	-	-	-
C) Cash (A) + (B)	159,900	128,465	31,435
D) Financial receivables	-	-	-
E) Current bank debt	-	-	-
F) Current portion of non-current debt	(33,776)	(25,912)	(7,864)
G) Other current financial payables	-	-	-
H) Total current financial debt (E) + (F) + (G)	(33,776)	(25,912)	(7,864)
I) Current financial cash (debt), net) (C) + (D) + (H)	126,124	102,553	23,571
J) Non-current bank debt	(188,407)	(194,682)	6,275
K) Bonds outstanding	-	-	-
L) Other non-current payables	-	-	-
M) Non-current financial debt (J) + (K) + (L)	(188,407)	(194,682)	6,275
N) Financial (debt)/cash, net (I) + (M)	(62,283)	(92,129)	29,846

The net financial position on 30 September 2007 was better than on 30 June 2007, showing a negative balance of €2.3 million (€2.1 million on 30 June 2007); this amount, inclusive of the present value of debt toward the “Fondo Centrale di Garanzia and ANAS”, would be €34.8 million (€163.7 million on 30 June 2007).

The financial position on 30 September 2007 includes approximately €9 million of State-guaranteed loans.

The improvement here is mainly due to the cash generated by the actual traffic figures in the summer period.



The key income and expenditure figures for the third quarter of 2007 and for the nine months to 30 September 2007 are given below, together with their 2006 equivalents for comparison.

01/01 - 30/09/2007	01/01 - 30/09/2006	Change		Q3 2007	Q3 2006	Change
110,277	106,515	3,762	Motorway Sector revenue	42,419	40,897	1,522
8,696	9,185	(489)	Other revenues	2,974	2,950	24
118,973	115,700	3,273	Total revenues (A)	45,393	43,847	1,546
(46,978)	(44,513)	(2,465)	Operating costs (B)	(14,128)	(11,990)	(2,138)
71,995	71,187	808	Gross Operating Margin (A-B)	31,265	31,857	(592)
833	-	833	Significant non-recurring items	-	-	-
72,828	71,187	1,641	Gross Operating Margin, adjusted	31,265	31,857	(592)

“Motorway Sector revenues” increased overall by €1.5 million in the **third quarter of 2007** (+3.72%).

“Toll Revenues” came to €40.1m, up about €1.4 million compared with the same period of 2006 (+3.60%); this increase is due to the rise in toll rates from 15 March 2007 (+1.54%) and the increase in paying traffic.

“Operating costs” for the third quarter of 2007 came to €14.1 million (€12 million in the third quarter of 2006).

The €2.1 million increase in “Operating costs” is mainly due to the higher concession charge paid to ANAS (€0.6m: from 1 January 2007 these are 2.4% of toll receipts instead of the former 1%) and the greater maintenance costs incurred in the period (€1.1m).

As a result, “Gross Operating Margin” was €31.3 million (€31.9 million in the third quarter of 2006)

“Toll Revenues” for the period **1 January – 30 September 2007** came to €104.5 million (€101.0 million for the nine months to 30 September 2006); the 3.50% increase here is due to the rise in paying traffic and the rise in toll rates mentioned above.

“Other Revenues” were lower as less work was done on behalf of ANAS, and there was a broadly similar fall in “Operating costs” as a result.

“Operating costs” (€17 million) rose overall by 5.5%; as already explained, this was due to higher maintenance costs incurred (principally in the third quarter of 2007) and the increase in the concession charges to ANAS.

As a result, “Gross Operating Margin” for the period 1 January – 30 September 2007 was €72 million (€71.2 million in the corresponding period last year).

“Significant non-recurring items” refers to the positive effect of *compliance with the amendments made in the legislation on employees leaving entitlements (TFR)* by Law No. 296 of 27 December 2006 and implementing decrees.

The net financial position as at 30 September 2007 can be summarised as follows:

<i>(€000s)</i>	30/9/2007	30/6/2007	Change
A) Cash and cash equivalents	8,331	1,784	6,547
B) Securities held for trading	-	-	-
C) Cash (A) + (B)	8,331	1,784	6,547
D) Financial receivables (*)	20,150	22,615	(2,465)
E) Current bank debt	(50,601)	(73,294)	22,693
F) Current portion of non-current debt	(7,660)	(6,437)	(1,223)
G) Other current financial payables	-	-	-
H) Total current financial debt (E) + (F) + (G)	(58,261)	(79,731)	21,470
I) Current financial cash (debt), net) (C) + (D) + (H)	(29,780)	(55,332)	25,552
J) Non-current bank debt	(102,791)	(103,219)	428
K) Bonds outstanding	-	-	-
L) Other non-current payables	-	-	-
M) Non-current financial debt (J) + (K) + (L)	(102,791)	(103,219)	428
N) Financial (debt)/cash, net (I) + (M)	(132,571)	(158,551)	25,980

(*) This heading refers to indexed financial instruments (with capital guarantees) which, though not due for more than one year, can readily be encashed at short notice.

The net financial position on 30 September 2007 was better than on 30 June 2007, showing a negative balance of €132.6 million (€158.6 million on 30 June 2007); this amount, inclusive of the present value of debt toward the “Fondo Centrale di Garanzia”, would be €278.7 million (€302.9 million on 30 June 2007). Some €3.9 million of the bank debt is guaranteed by the State.

The improvement of the net financial position is principally due to healthy growth in cash flow from operations, boosted by the usual seasonal traffic of the summer months.



The key income and expenditure figures for the third quarter of 2007 and for the nine months to 30 September 2007 are given below, together with their 2006 equivalents for comparison.

01/01 - 30/09/2007	01/01 - 30/09/2006	Change		Q3 2007	Q3 2006	Change
64,276	61,786	2,490	Motorway Sector revenue	26,007	25,092	915
4,874	4,946	(72)	Other revenues	1,503	1,538	(35)
69,150	66,732	2,418	Total revenues (A)	27,510	26,630	880
(25,384)	(26,106)	722	Operating costs (B)	(8,939)	(9,854)	915
43,766	40,626	3,140	Gross Operating Margin (A-B)	18,571	16,776	1,795
259	-	259	Significant non-recurring items	-	-	-
44,025	40,626	3,399	Gross Operating Margin, adjusted	18,571	16,776	1,795

“Toll Revenues” came to €23.9 million in the **third quarter of 2007**, up about €0.8 million compared with the same period of 2006; the 3.38% increase is due to the rise in toll rates from 15 March 2007 (+0.88%) and the increase in paying traffic.

“Operating costs” in the third quarter of 2007 came to €8.9m, €0.9 million down overall compared with the same period last year, mainly because of lower maintenance costs.

As a result the “Gross Operating Margin” was €18.6m, up by about 10.7% compared with the same period last year.

“Toll Revenues” for the period **1 January – 30 September 2007** came to €59.2 million (€57 million for the nine months to 30 September 2006); the 3.87% improvement is due to the increase in paying traffic and the rise in toll rates, as already explained.

The decrease in “Operating costs” is mainly due to lower maintenance activity in the period, only partly offset by the increase in concession charges (which rose from 1% to 2.4% from 1 January 2007).

As a result, “Gross Operating Margin” for the period 1 January – 30 September 2007 was €14m, €3.4 million better than the corresponding period last year (+8.37%).

“Significant non-recurring items” refers to the positive effect of *compliance with the amendments made in the legislation on employees leaving entitlements (TFR)* by Law No. 296 of 27 December 2006 and implementing decrees.

The net financial position as at 30 September 2007 can be summarised as follows:

<i>(€000s)</i>	30/9/2007	30/6/2007	Change
A) Cash and cash equivalents	39,107	4,192	34,915
B) Securities held for trading	-	-	-
C) Cash (A) + (B)	39,107	4,192	34,915
D) Financial receivables	-	61,400	(61,400)
E) Current bank debt	(10,000)	(42,993)	32,993
F) Current portion of non-current debt	-	-	-
G) Other current financial payables	-	-	-
H) Total current financial debt (E) + (F) + (G)	(10,000)	(42,993)	32,993
I) Current financial cash (debt), net (C) + (D) + (H)	29,107	22,599	6,508
J) Non-current bank debt	(99,888)	(99,879)	(9)
K) Bonds outstanding	-	-	-
L) Other non-current payables	-	-	-
M) Non-current financial debt (J) + (K) + (L)	(99,888)	(99,879)	(9)
N) Financial (debt)/cash, net (I) + (M)	(70,781)	(77,280)	6,499

The net financial position on 30 September 2007 showed total net indebtedness of €70.8 million (€77.3 million on 30 June 2007); this amount, inclusive of the present value of debt toward the “Fondo Centrale di Garanzia and ANAS”, would be €69.4 million (€74.7 million on 30 June 2007).

The improvement of the net financial position is principally due to healthy growth in cash flow from operations, which is typical of the summer period.

SATAP – Società Autostrada Torino-Alessandria-Piacenza S.p.A. (*)



The key income and expenditure figures for the third quarter of 2007 and for the nine months to 30 September 2007 are given below, together with their 2006 equivalents for comparison (€000s):

01/01 - 30/09/2007	01/01 - 30/09/2006	Change		Q3 2007	Q3 2006	Change
176,132	170,658	5,474	Motorway Sector revenue	59,487	57,741	1,746
18,745	15,806	2,939	Other revenues	5,533	5,947	(414)
194,877	186,464	8,413	Total revenues (A)	65,020	63,688	1,332
(81,287)	(84,409)	3,122	Operating costs (B)	(30,048)	(28,478)	(1,570)
113,590	102,055	11,535	Gross Operating Margin (A-B)	34,972	35,210	(238)
1,151	-	1,151	Significant non-recurring items	-	-	-
114,741	102,055	12,686	Gross Operating Margin, adjusted	34,972	35,210	(238)

To allow proper analysis of the income and expenditure figures for the two motorway sections which the company operates, the Gross Operating Margin (EBITDA) for each of these, the “Turin-Piacenza” (A21) and “Turin-Milan” (A4) stretches, are given separately.

01/01 - 30/09/2007	01/01 - 30/09/2006	Change	Section A21	Q3 2007	Q3 2006	Change
90,222	86,139	4,083	Motorway Sector revenue	30,859	30,700	159
4,573	4,793	(220)	Other revenues	1,073	1,427	(354)
94,795	90,932	3,863	Total revenues (A)	31,932	32,127	(195)
(35,330)	(40,763)	5,433	Operating costs (B)	(12,596)	(13,734)	1,138
59,465	50,169	9,296	Gross Operating Margin (A-B)	19,336	18,393	943
575	-	575	Significant non-recurring items	-	-	-
60,040	50,169	9,871	Gross Operating Margin, adjusted	19,336	18,393	943

“*Motorway Sector revenue*” in the **third quarter of 2007** was essentially in line with the corresponding figure for the third quarter of last year.

The decrease in “*Operating costs*” is mainly due to lower maintenance activity in the period, only partly offset by the increase in concession charges (which rose from 1% to 2.4% from 1 January 2007).

Gross Operating Margin (EBITDA) was accordingly €19.3 million (€18.4 million in the third quarter of 2006).

The €1.1 million increase in “*Motorway Sector revenue*” in the period **1 January – 30 September 2007** is due to the increase in “*Toll Revenue*” (+€3.8m) and in rental income (+€0.3m). In particular, the change in toll revenue (+4.71% compared with the same period of 2006) is for the most part related to the increase in traffic, since the toll increase (which was restricted to 0.36%) only became effective from 15 March 2007.

(*) This company has been consolidated within the SIAS group since 1 July 2007 following the ASTM/SIAS company reorganization

“Operating costs” for the period came to €5.3 million (€4.8 million for the nine months to 30 September 2006); the reduction compared with the same period last year is due to less maintenance activity and lower costs for winter services. These reductions were partly offset by the increase in concession charges.

“Gross Operating Margin” was accordingly €60.0 million (€50.2 million for the nine months to 30 September 2006).

“Significant non-recurring items” refers to the positive effect of compliance with the amendments made in the legislation on employees leaving entitlements (TFR) by Law No. 296 of 27 December 2006 and implementing decrees.

01/01 - 30/09/2007	01/01 - 30/09/2006	Change	Section A4	Q3 2007	Q3 2006	Change
85,910	84,519	1,391	Motorway Sector revenue	28,628	27,041	1,587
14,172	11,013	3,159	Other revenues	4,460	4,520	(60)
100,082	95,532	4,550	Total revenues (A)	33,088	31,561	1,527
(45,957)	(43,646)	(2,311)	Operating costs (B)	(17,452)	(14,744)	(2,708)
54,125	51,886	2,239	Gross Operating Margin (A-B)	15,636	16,817	(1,181)
576		576	Significant non-recurring items	-	-	-
54,701	51,886	2,815	Gross Operating Margin, adjusted	15,636	16,817	(1,181)

The €1.6 million increase in “Motorway Sector revenue” in the **third quarter of 2007** is entirely due to more traffic, since the public concession authority did not grant the company any of the toll adjustment for 2007 to which it was entitled on this motorway section.

The change in “Operating costs” is mainly due to greater maintenance activity in the period and the increase in concession charges.

“Gross Operating Margin” (EBITDA) was accordingly €15.6 million (€16.8 million in the third quarter of 2006).

“Motorway Sector revenue” increased by €1.4 million in the period **1 January – 30 September 2007** (+2.70%), due to the increase in traffic during the third quarter of the year.

The €3.2 million increase in “Other Revenues” is mainly due to the increase in services performed for the CAV.TO.MI. Consortium in the course of the first half of 2007.

The €2.3 million rise in “Operating costs” is mainly the net effect of the increase in work performed for third parties (€4.1m, connected with the services to CAV.TO.MI mentioned above), the lower costs incurred for winter services and other service costs (€2.5 million altogether), and lastly the increase in concession charges already mentioned, which for the A4 Section came to €1.1m.

As a result, “Gross Operating Margin” was €54.7 million (€51.9 million for the nine months to 30 September 2006).

“Significant non-recurring items” refers, as in the case of Section A21, to the positive effect of compliance with the amendments made in the legislation on employees leaving entitlements (TFR) by Law No. 296 of 27 December 2006 and implementing decrees.

The net financial position as at 30 September 2007 can be summarised as follows:

<i>(€000s)</i>	30/9/2007	30/6/2007	Change
A) Cash and cash equivalents	211,929	28,376	183,553
B) Securities held for trading	-	-	-
C) Cash (A) + (B)	211,929	28,376	183,553
D) Financial receivables	-	46,952	(46,952)
E) Current bank debt	-	-	-
F) Current portion of non-current debt	(36,718)	(30,781)	(5,937)
G) Other current financial payables	-	-	-
H) Total current financial debt (E) + (F) + (G)	(36,718)	(30,781)	(5,937)
I) Current financial cash (debt), net (C) + (D) + (H)	175,211	44,547	130,664
J) Non-current bank debt	(547,957)	(508,156)	(39,801)
K) Bonds outstanding	(3)	(3)	-
L) Other non-current payables	-	-	-
M) Non-current financial debt (J) + (K) + (L)	(547,960)	(508,159)	(39,801)
N) Financial (debt)/cash, net (I) + (M)	(372,749)	(463,612)	90,863

The net financial position on 30 September 2007 was better than on 30 June 2007, showing a negative balance of €372.7 million (€463.6 million on 30 June 2007); this amount, inclusive of the present value of debt toward the “Fondo Centrale di Garanzia and ANAS”, would be €409.5 million (€499.9 million on 30 June 2007).

The change in “Cash and Cash equivalents” is due to the proceeds of the sale to ASTM S.p.A. of the shareholdings in SINA S.p.A. and SINECO S.p.A. and of the SIAS 2.625% 2005-2017 convertible bonds (total proceeds €120m), and the cashing in of an endowment contract (about €47m).

The rise in bank debt (current and non-current) is due to the progress of the investment programme: capital spending increased by €57 million in the third quarter of 2007.



The key income and expenditure figures for the third quarter of 2007 and for the nine months to 30 September 2007 are given below, together with their 2006 equivalents for comparison (€000s):

01/01 - 30/09/2007	01/01 - 30/09/2006	Change		Q3 2007	Q3 2006	Change
35,280	32,943	2,337	Motorway Sector revenue	13,721	12,420	1,301
4,340	4,393	(53)	Other revenues	1,437	1,362	75
39,620	37,336	2,284	Total revenues (A)	15,158	13,782	1,376
(16,834)	(15,122)	(1,712)	Operating costs (B)	(5,641)	(4,944)	(697)
22,786	22,214	572	Gross Operating Margin (A-B)	9,517	8,838	679
68	-	68	Significant non-recurring items	-	-	-
22,854	22,214	640	Gross Operating Margin, adjusted	9,517	8,838	679

“Toll Revenues” came to €13.5 million in the **third quarter of 2007**, up about €1.3 million compared with the same period of 2006; the change in this figure is mainly due to the 10.41% increase in toll rates from 15 March 2007.

The increase in “Operating costs” is due to greater maintenance activity and the rise in the concession charges to ANAS from 1 January 2007.

As a result, “Gross Operating Margin” was €9.5m, €0.7 million better than last year.

“Toll Revenues” for the period **1 January – 30 September 2007** came to €34.6 million (€32.3 million for the nine months to 30 September 2006); the increase here is the result of higher tolls, as explained above, partly compensated for by the fall in HGV traffic.

As already explained, the increase in “Operating costs” is due to the greater maintenance activity and the increase in concession charges to ANAS.

As a result, “Gross Operating Margin” for the first nine months of 2007 was €22.8m, €0.6 million better than last year.

“Significant non-recurring items” refers to the positive effect of *compliance with the amendments made in the legislation on employees leaving entitlements (TFR)* by Law No. 296 of 27 December 2006 and implementing decrees.

^(*) This company has been consolidated within the SIAS group since 1 July 2007 following the ASTM/SIAS company reorganization

The net financial position as at 30 September 2007 can be summarised as follows:

<i>(€000s)</i>	30/9/2007	30/6/2007	Change
A) Cash and cash equivalents	10,585	1,156	9,429
B) Securities held for trading	-	-	-
C) Cash (A) + (B)	10,585	1,156	9,429
D) Financial receivables	-	-	-
E) Current bank debt	(24,957)	(26,084)	1,127
F) Current portion of non-current debt	(24,798)	(23,388)	(1,410)
G) Other current financial payables	-	-	-
H) Total current financial payables	(49,755)	(49,472)	(283)
I) Current financial cash (debt), net) (C) + (D) + (H)	(39,170)	(48,316)	9,146
J) Non-current bank debt	(47,906)	(47,906)	-
K) Bonds outstanding	-	-	-
L) Other non-current payables	-	-	-
M) Non-current financial debt (J) + (K) + (L)	(47,906)	(47,906)	-
N) Financial (debt)/cash, net (I) + (M)	(87,076)	(96,222)	9,146

The net financial position on 30 September 2007 was better than on 30 June 2007, showing a negative balance of €7.1 million (€6.2 million on 30 June 2007); this amount, inclusive of the present value of debt toward the “Fondo Centrale di Garanzia”, would be €62.2 million (€70.3 million on 30 June 2007). Some €10.9 million of the bank debt is guaranteed by the State.

The higher cash flow for the quarter is due to liquidity generated by operations and to the cash proceeds of the sale to ASTM S.p.A. of the holding in SINECO S.p.A. (€2.5m).



The key income and expenditure figures for the third quarter of 2007 and for the nine months to 30 September 2007 are given below, together with their 2006 equivalents for comparison (€000s):

01/01 - 30/09/2007	01/01 - 30/09/2006	Change		Q3 2007	Q3 2006	Change
82,561	76,717	5,844	Motorway Sector revenue	28,113	25,345	2,768
4,455	4,197	258	Other revenues	1,145	1,861	(716)
87,016	80,914	6,102	Total revenues (A)	29,258	27,206	2,052
(35,738)	(38,816)	3,078	Operating costs (B)	(11,875)	(12,694)	819
51,278	42,098	9,180	Gross Operating Margin (A-B)	17,383	14,512	2,871
592	-	592	Significant non-recurring items	-	-	-
51,870	42,098	9,772	Gross Operating Margin, adjusted	17,383	14,512	2,871

“Motorway Sector revenue” increased by €2.8 million (+10.9%) in the **third quarter of 2007**; this change is due to the increase in rental income from motorway service areas (+€1.3m, partly as a result of lease renegotiations last year), and also to a rise in “Toll Revenue” (+€1.5m, or 6.25%), the latter due in turn to a 0.74% rise in toll rates from 15 March 2007 and an increase in paying traffic.

“Operating costs” in the third quarter of 2007 came to €1.9 million (€2.7 million in the same period of the previous year); the decrease is mainly due to lower costs incurred for services bought in.

As a result the “Gross Operating Margin” was up €2.9m, at €7.4 million (+19.8%).

In the period **1 January – 30 September 2007**, “Motorway Sector revenues” increased €5.8 million (+7.6%), boosted, as already explained, by the increase in rental income from motorway service areas and by rises in motorway toll receipts mainly due to higher traffic levels (+4.92%).

“Operating costs” in the first nine months of 2007 came to €5.7 million (€8.8 million for the nine months to 30 September 2006); the lower figure is due, as explained above, to lower costs incurred for services bought in.

As a result, “Gross Operating Margin” for the period 1 January – 30 September 2007 was €1.3m, up about €0.2 million compared with the corresponding period last year (+21.8%).

“Significant non-recurring items” refers to the positive effect of *compliance with the amendments made in the legislation on employees leaving entitlements (TFR)* by Law No. 296 of 27 December 2006 and implementing decrees.

(*) This company has been consolidated within the SIAS group since 1 July 2007 following the ASTM/SIAS company reorganization

(**) This company and its subsidiaries have been consolidated by the proportional method (holding of 41.17%)

The net financial position as at 30 September 2007 can be summarised as follows:

<i>(€000s)</i>	30/9/2007	30/6/2007	Change
A) Cash and cash equivalents	21,930	7,952	13,978
B) Securities held for trading	-	-	-
C) Cash (A) + (B)	21,930	7,952	13,978
D) Financial receivables	-	-	-
E) Current bank debt	-	-	-
F) Current portion of non-current debt	(11,098)	(11,098)	-
G) Other current financial payables	-	-	-
H) Total current financial payables	(11,098)	(11,098)	-
I) Current financial cash (debt), net) (C) + (D) + (H)	10,832	(3,146)	13,978
J) Non-current bank debt	(92,902)	(92,895)	(7)
K) Bonds outstanding	-	-	-
L) Other non-current payables	-	-	-
M) Non-current financial debt (J) + (K) + (L)	(92,902)	(92,895)	(7)
N) Financial (debt)/cash, net	(82,070)	(96,041)	13,971

The net financial position on 30 September 2007 was better than on 30 June 2007, showing a negative balance of €2.1 million (€6 million on 30 June 2007); this amount, inclusive of the present value of debt toward the “Fondo Centrale di Garanzia”, would be €127.6 million (€141.1 million on 30 June 2007).

The improvement here is due to higher takings during the period.

Autostrada Asti-Cuneo S.p.A.

This company is still awaiting completion of the process for official approval of the agreement with ANAS, and is therefore not fully operational yet.

Trading in the **third quarter of 2007** and in the period **1 January - 30 September 2007** resulted in a negative Gross Operating Margin of €0.3 million and €0.6 million respectively (compared with losses of €0.4 million and €0.5 million in the corresponding periods last year). These results are essentially due to the costs incurred in launching the main basic business functions in the company's Technical, Operating, Maintenance and Administrative/Financial departments.

The net financial position on 30 September 2007 showed a net positive balance of some €49.1m, as company members' paid in 25% of the authorized share capital.

Technology Sector

SSAT S.p.A.

This company's is mainly engaged in the leasing of fibre optic cables and sites for transmission apparatus to mobile phone companies.

Turnover (Total Sales) in the **third quarter of 2007** was €2.7 million (€2.2 million in Q3 2006).

Actual operating costs in the third quarter of 2007 came to €1.8 million (€1.5 million in Q3 2006).

As a result, Gross Operating Margin was €0.9 million (€0.7 million in Q3 2006).

Total Sales for the period **1 January – 30 September 2007** came to €2.6m, up €5.1 million compared with the same period of last year; this change is almost entirely due to the completion of a major contract for work on behalf of the CAV.TO.MI. Consortium.

Operating costs of €8.2 million were incurred in the nine months to 30 September 2007 (€4.8 million in the first nine months of 2006).

Gross Operating Margin was accordingly €4.4m, up €2.7 million compared with the definitive figure for the first nine months of 2006.

The net financial position on 30 September 2007 showed a positive balance of €4.7 million (+€1.8 million on 30 June 2007).

SINELEC S.p.A.

The company's business is that of a operational subcontractor and supplier of integrated IT systems for motorway concession companies; turnover (Total Sales) in the **third quarter of 2007** came to €6.1 million (€7.9 million in the third quarter of 2006).

Operating costs for the third quarter of 2007 came to €4.6 million (€6.2 million in the third quarter of 2006).

As a result, the Gross Operating Margin in the third quarter of 2007 was €1.5 million (€1.7 million in the third quarter of 2006).

Total Sales for the period **1 January – 30 September 2007** were €20.7 million (€22.2 million for the nine months to 30 September 2006).

Operating costs for the period came to €16.5 million (€17.7 million for the nine months to 30 September 2006). As a result, Gross Operating Margin for the period 1 January – 30 September 2007 was €4.2 million (€4.5 million for the nine months to 30 September 2006).

The net financial position on 30 September 2007 showed a positive balance of €4.8 million (€2.4 million on 30 June 2007).

EUROIMPIANTI ELECTRONIC S.p.A.

This company's business is the design, manufacture and installation of electrical, electronic and telephone equipment for companies working in the Motorway Sector; in the **third quarter of 2007** it made Total Sales of €4.1 million (€3.4 million in the third quarter of 2006); Operating costs were €3.3 million (€2.7 million in the third quarter of 2006): the Gross Operating Margin for the period was accordingly €0.8 million (€0.7 million in the third quarter of 2006).

Total Sales for the period **1 January – 30 September 2007** came to €3.1 million (€9 million in the first nine months of 2006); Operating costs were €1.1 million (€7.3 million in the first nine months of 2006): the Gross Operating Margin for the period was accordingly €2 million (€1.7 million in the period 1 January – 30 September 2006).

The net financial position on 30 September 2007 showed a positive balance of €0.8 million (€0.6 million on 30 June 2007).

Construction Sector

ABC Costruzioni S.p.A.

The company's main business is the construction and maintenance of motorway assets for SALT S.p.A., Autostrada dei Fiori S.p.A. and Autocamionale della Cisa S.p.A.; in the **third quarter of 2007** it had a turnover of €4.3m, up some €6 million on the corresponding figure for 2006, mainly because Autocamionale della Cisa S.p.A. paid out an early completion premium of about €3.2 million (the amount has been eliminated in the consolidated accounts).

Operating costs came to €17.4 million (€16.8 million in the third quarter of 2006); the Gross Operating Margin was accordingly €6.8 million (compared with €1.5 million relating to the third quarter of 2006).

Turnover for the period **1 January – 30 September 2007**, boosted by the early completion premium earned in the third quarter, came to €69.3 million (€65.4 million in the same period last year); Operating costs for the period were €7.1 million (€8.8 million in the first nine months of 2006). Gross Operating Margin was accordingly €12.2 million (€6.6 million in the first nine months of 2006).

The net financial position on 30 September 2007 showed a positive balance of €10.6 million (€5.5 million on 30 June 2007).

3. FURTHER SIGNIFICANT EVENTS AFTER THE QUARTER'S END

The Board of Directors of SIAS S.p.A. will today be considering a proposal to distribute an interim dividend for 2007 of €0.165 for each of the 227,500,000 ordinary shares representing the share capital for a total value of €37,537,500.

4. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The company reorganisation project has meant concentrating the motorway concession companies within the SIAS Group, bringing significant benefits in terms of size, not least through an enhanced capacity to handle debt and, consequently, to allocate financial resources efficiently within the Group.

So far as the **Motorway Sector** is concerned, toll income in the fourth quarter of 2007 should, depending on traffic levels, confirm the positive trend recorded in the first nine months of this year.

As for the **Technology Sector**, the fourth quarter of 2007 should show a continuation of the profitability growth achieved so far; while the **Construction and Engineering Sector** will make only a marginal contribution to the Group's results.

The expectation, then, for the full financial year 2007 is an improvement in operating profits of the SIAS Group as a result both of the positive trend in toll income and of the contribution made by the technology sectors.

CONSOLIDATED FINANCIAL STATEMENT

SIAS GROUP
QUARTERLY REPORT CONSOLIDATED A THE 30 SEPTEMBER 2007

As explained above, the company reorganisation project of the ASTM and SIAS Groups which was completed in July 2007 has meant that the SIAS Group has taken control of the motorway operating companies SATAP S.p.A., SAV S.p.A., ATIVA S.p.A. and their subsidiaries; figures for these companies have accordingly been consolidated from this quarter onwards. In order to provide comparable data despite this change, proforma figures have been prepared for the third quarter of 2006 and for the first nine months of each of the two years 2006 and 2007, reflecting the situation as it would have been if the reorganization had taken place on 1 January 2006. The interim accounts set out below give both the actual and the proforma figures.

CONSOLIDATED INTERIM ACCOUNTS – CONSOLIDATED TURNOVER AND OPERATING PROFIT FIGURES (PROFORMA)

01/01 - 30/09/2007 proforma	01/01 - 30/09/2006 proforma	Change	(€000s)		Q3 2007	Q3 2006 proforma	Change
(A) Total sales							
548,175	528,659	19,516	1)	Motorway Sector revenue	202,495	194,701	7,794
9,565	5,482	4,083	2)	Construction Sector revenue	3,058	3,082	(24)
20,329	11,195	9,134	3)	Technology Sector revenue	4,862	2,679	2,183
<u>43,789</u>	<u>40,882</u>	<u>2,907</u>	4)	Other revenues	<u>13,703</u>	<u>13,729</u>	<u>(26)</u>
621,858	586,218	35,640	T o t a l		224,118	214,191	9,927
(B) Operating costs							
(94,564)	(94,200)	(364)	5)	Labour costs	(30,207)	(29,935)	(272)
(142,370)	(140,364)	(2,006)	6)	Cost of services bought in	(49,236)	(44,030)	(5,206)
(38,942)	(40,011)	1,069	7)	Raw material costs	(12,337)	(13,227)	890
(23,942)	(17,880)	(6,062)	8)	Other costs	(7,853)	(5,252)	(2,601)
<u>57,008</u>	<u>67,569</u>	<u>(10,561)</u>	9)	Capitalized costs on fixed assets	<u>17,482</u>	<u>21,084</u>	<u>(3,602)</u>
(242,810)	(224,886)	(17,924)	T o t a l		(82,151)	(71,360)	(10,791)
379,048	361,332	17,716	GROSS OPERATING PROFIT (A) + (B)		141,967	142,831	(864)
3,426	-	3,426	10)	Significant non-recurring items	-	-	-
382,474	361,332	21,142	Gross Operating Profit, adjusted		141,967	142,831	(864)

CONSOLIDATED INTERIM ACCOUNTS – CONSOLIDATED TURNOVER AND OPERATING PROFIT FIGURES (ACTUAL)

01/01 - 30/09/2007	01/01 - 30/09/2006	Change	(€000s)		Q3 2007	Q3 2006	Change
(A) Total sales							
387,935	293,941	93,994	1)	Motorway Sector revenue	202,495	114,176	88,319
8,382	4,372	4,010	2)	Construction Sector revenue	3,058	2,734	324
28,517	23,599	4,918	3)	Technology Sector revenue	4,862	7,895	(3,033)
<u>26,380</u>	<u>19,188</u>	<u>7,192</u>	4)	Other revenues	<u>13,703</u>	<u>6,042</u>	<u>7,661</u>
451,214	341,100	110,114	T o t a l		224,118	130,847	93,271
(B) Operating costs							
(70,746)	(57,199)	(13,547)	5)	Labour costs	(30,207)	(18,119)	(12,088)
(105,846)	(76,012)	(29,834)	6)	Cost of services bought in	(49,236)	(21,415)	(27,821)
(36,815)	(33,450)	(3,365)	7)	Raw material costs	(12,337)	(10,959)	(1,378)
(18,111)	(11,749)	(6,362)	8)	Other costs	(7,853)	(3,446)	(4,407)
<u>53,364</u>	<u>54,033</u>	<u>(669)</u>	9)	Capitalized costs on fixed assets	<u>17,482</u>	<u>14,167</u>	<u>3,315</u>
(178,154)	(124,377)	(53,777)	T o t a l		(82,151)	(39,772)	(42,379)
273,060	216,723	56,337	GROSS OPERATING PROFIT (A) + (B)		141,967	91,075	50,892
1,963	-	1,963	10)	Significant non-recurring items	-	-	-
275,023	216,723	58,300	Gross Operating Profit, adjusted		141,967	91,075	50,892

SIAS GROUP
CONSOLIDATED QUARTERLY REPORT, 30 SEPTEMBER 2007

CONSOLIDATED NET FINANCIAL POSITION (ACTUAL)

(€000s)	30/9/2007	30/6/2007	31/12/2006
A) Cash and cash equivalents	564,316	616,417	240,575
B) Securities held for trading	-	-	-
C) Cash (A) + (B)	564,316	616,417	240,575
D) Financial receivables (*)	20,150	82,620	154,193
E) Current bank debt	(335,610)	(373,044)	(96,024)
F) Current portion of non-current debt	(107,521)	(74,811)	(21,697)
G) Other current financial payables	(7,305)	(5,039)	(9,601)
H) Total current financial debt (E) + (F) + (G)	(450,436)	(452,894)	(127,322)
I) Current financial cash (debt), net) (C) + (D) + (H)	134,030	246,143	267,446
J) Non-current bank debt	(1,027,697)	(400,280)	(417,013)
K) Bonds outstanding	(288,519)	(287,557)	(285,667)
L) Other non-current payables	(601)	(740)	(959)
M) Non-current financial debt (J) + (K) + (L)	(1,316,817)	(688,577)	(703,639)
N) Financial (debt)/cash, net (I) + (M)	(1,182,787)	(442,434)	(436,193)

(*) This item, at 30 September 2007 is related to guaranteed capital indexed financial instruments and bonds that, though multi-year in nature, can be converted into cash short term, if required.

CONSOLIDATED NET FINANCIAL POSITION (PROFORMA)

(€000s)	30/9/2007	30/6/2007	31/12/2006
		proforma	proforma
A) Cash and cash equivalents	564,316	430,205	72,593
B) Securities held for trading	-	-	1,623-
C) Cash (A) + (B)	564,316	430,205	74,216
D) Financial receivables (*)	20,150	129,572	204,914
E) Current bank debt	(335,610)	(403,295)	(119,658)
F) Current portion of non-current debt	(107,521)	(137,905)	(77,412)
G) Other current financial payables	(7,305)	(5,042)	(9,604)
H) Total current financial debt (E) + (F) + (G)	(450,436)	(546,242)	(206,674)
I) Current financial cash (debt), net) (C) + (D) + (H)	134,030	13,535	72,456
J) Non-current bank debt	(1,027,697)	(994,650)	(956,470)
K) Bonds outstanding	(288,519)	(287,557)	(285,667)
L) Other non-current payables	(601)	(740)	(959)
M) Non-current financial debt (J) + (K) + (L)	(1,316,817)	(1,282,947)	(1,243,096)
N) Financial (debt)/cash, net (I) + (M)	(1,182,787)	(1,269,412)	(1,170,640)

(*) This item, at 30 September 2007 is related to guaranteed capital indexed financial instruments and bonds that, though multi-year in nature, can be converted into cash short term, if required.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

CONTENTS OF THE QUARTERLY REPORT

The present quarterly report has been drawn up in accordance with IAS/IFRS International Accounting Standards; comparative figures for the same periods last year accordingly also comply with those standards. The Report also complies with the provisions of Article 82 of CONSOB Resolution No. 11971 of 14 May 1999, as amended (the Implementing Regulations for the Consolidated Listed Companies Act, Legislative Order No. 58 of 24 February 1998).

Any estimating procedures which differ from those normally used in drawing up the annual accounts nevertheless provide reliable information. The Notes to the Accounts give details of any such estimating procedures used.

As permitted under CONSOB Resolution No. 11661 of 20/10/98, the company has elected to express all figures, both in the Accounts themselves and in the Notes, in thousands of euros.

TURNOVER AND OPERATING PROFIT

Introduction

For the sake of a clearer understanding of the levels and trends of the various components of turnover and operating profit, the following notes show changes compared with last year's proforma figures.

Motorway Sector revenue

This was made up as follows:

01/01 - 30/09/2007 proforma	01/01 - 30/09/2006 proforma	Change	(€000s)	Q3 2007	Q3 2006 proforma	Change
538,479	515,761	22,718	- Toll receipts	198,842	189,764	9,078
<u>(19,909)</u>	<u>(14,998)</u>	<u>(4,911)</u>	- Less: State royalties	<u>(7,131)</u>	<u>(5,389)</u>	<u>(1,742)</u>
518,570	500,763	17,807	Net toll receipts (a)	191,711	184,375	7,336
<u>29,605</u>	<u>27,896</u>	<u>1,709</u>	Ancillary revenues – rental income (b)	<u>10,784</u>	<u>10,326</u>	<u>458</u>
548,175	528,659	19,516	Motorway Sector revenue (a + b)	202,495	194,701	7,794

“Net toll receipts” for the third quarter of 2007 have been calculated on the basis of the figures recorded up to 31 August 2007 with an estimate for September based on the traffic levels reported by the individual toll stations.

Net toll receipts for the third quarter of 2007 come to €191.7 million (€184.4 million proforma for the third quarter of 2006); the increase over the figure for the same period in 2006 (€7.3m, or 3.98%) is due to the rise in traffic volumes and the toll tariff adjustments effective 15 March 2007 awarded to Autostrada dei Fiori S.p.A. (1.54%), Autocamionale della Cisa S.p.A. (0.88%), SATAP S.p.A. (section A21: 0.36%), ATIVA S.p.A. (0.74%) and SAV S.p.A. (10.41%).

For the nine months 1 January – 30 September 2007 (proforma) net toll receipts came to €18.6 million (€18.0 million proforma for the period 1 January – 30 September 2006); the increase over the figure for the same period in 2006 (€0.6m, or 3.56%) was due to the reasons given above.

Ancillary revenues consisted mainly of rental income on service areas.

“Construction and Engineering Sector revenues”

These revenues were made up as follows:

01/01 - 30/09/2007 proforma	01/01 - 30/09/2006 proforma	Change	(€000s)	Q3 2007	Q3 2006 proforma	Change
7,232	3,551	3,681	- Revenues for design and construction work and progress on orders received	2,183	2,325	(142)
<u>2,333</u>	<u>1,931</u>	<u>402</u>	- Other revenues	<u>875</u>	<u>757</u>	<u>118</u>
9,565	5,482	4,083	Total	3,058	3,082	(24)

This heading includes the entire turnover of the controlled subsidiaries ABC Costruzioni S.p.A., LAS S.c.a r.l.,

Strade CoGe S.p.A. and Sicogen S.r.l. The amount has been entered net of intercompany maintenance and improvement charges invoiced to motorway operating companies within the Group.

These revenues – **in the third quarter of 2007** – show little change so far as work performed for third parties is concerned; considerably less work was done for SIAS Group companies, as reflected in the fall in “*capitalised costs on fixed assets*”.

The proforma revenues of the Construction and Engineering Sector for the period **1 January – 30 September 2007** reflect an increase in work performed for third parties, while much less work was done for SIAS Group companies, as already noted.

Technology Sector revenue

These revenues were made up as follows:

01/01 - 30/09/2007 proforma	01/01 - 30/09/2006 proforma	Change	(€000s)	Q3 2007	Q3 2006 proforma	Change
21,816	12,395	9,421	- Revenues for work done	3,075	7,421	(4,346)
(1,783)	(1,182)	(601)	- Changes in work in progress on orders received	1,966	(4,588)	6,554
296	(18)	314	- Changes in product under preparation, semi-finished and finished goods	(179)	(154)	(25)
20,329	11,195	9,134	Total	4,862	2,679	2,183

This revenue is the entire production of the controlled subsidiaries Sinelec S.p.A., SSAT S.p.A., Infosystem S.p.A. and Euroimpianti Electronic S.p.A. The amount has been entered net of motorway maintenance and improvement sales invoiced by these firms to the Group’s motorway operating companies.

The increase in the **third quarter of 2007** compared with the same period last year is due to more work being done for outside companies: that carried out for Group companies decreased.

The increase of about €1.1 million for **the first nine months** of 2007 is due to greater activity on behalf of outside companies (in particular the completion by SSAT S.p.A. of an important contract for the CAV.TO.MI. Consortium: +€5.5m).

Other revenues

Details are as follows:

01/01 - 30/09/2007 proforma	01/01 - 30/09/2006 proforma	Change	(€000s)	Q3 2007	Q3 2006 proforma	Change
3,065	4,016	(951)	- Compensation for damages	375	1,031	(656)
12,248	11,975	273	- Recovery of expenses and similar receipts	3,828	2,939	889
16,491	16,606	(115)	- Benefit during the period from the discounting of the sum due to the Central Guarantee Fund and ANAS	5,497	5,532	(35)
11,647	7,910	3,737	- Work on behalf of CAV.TO.MI	3,882	4,013	(131)
<u>338</u>	<u>375</u>	<u>(37)</u>	- Operating subsidies	<u>121</u>	<u>214</u>	<u>(93)</u>
43,789	40,882	2,907	Total	13,703	13,729	(26)

“Benefit during the period from the discounting of the sum due to the Central Guarantee Fund and ANAS” refers to the portion of the difference between the original amount of the debt and its present value, formerly entered as “deferred income”.

“Work on behalf of CAV.TO.MI” refers to the income for services rendered by SATAP S.p.A. to the CAV.TO.MI. Consortium relating to the construction of the High Capacity Turin – Milan railway line. The increase over the figure for the same period last year is due to the greater amount of work done for the Consortium, and there is a corresponding increase in Other Costs: Services Bought In because of services from sub-contractors.

OPERATING COSTS

Labour costs

Details of this item are as follows:

01/01 - 30/09/2007 proforma	01/01 - 30/09/2006 proforma	Change	(€000s)	Q3 2007	Q3 2006 proforma	Change
67,877	67,476	401	- Wages and salaries	21,316	21,515	(199)
21,415	21,889	(474)	- Social sec. & pension costs	6,187	7,017	(830)
3,110	3,898	(788)	- Severance Pay Fund (TFR)	1,425	1,121	304
<u>2,162</u>	<u>937</u>	<u>1,225</u>	- Other costs	<u>1,279</u>	<u>282</u>	<u>997</u>
94,564	94,200	364	Total	30,207	29,935	272

Labour costs were broadly in line with the proforma figures for the corresponding periods of last year.

Cost of services bought in

Details of this item are as follows:

01/01 - 30/09/2007 proforma	01/01 - 30/09/2006 proforma	Change	(€000s)	Q3 2007	Q3 2006 proforma	Change
40,060	46,819	(6,759)	Maintenance of non-compensated reversionary assets	14,234	15,131	(897)
11,314	12,522	(1,208)	Other costs relating to non-compensated reversionary assets	4,083	2,155	1,928
<u>90,996</u>	<u>81,023</u>	<u>9,973</u>	Other costs for services bought in	<u>30,919</u>	<u>26,744</u>	<u>4,175</u>
142,370	140,364	2,006	Total	49,236	44,030	5,206

Maintenance of Non-compensated Reversionary Assets is booked net of amounts invoiced within the Group by its Construction, Engineering and Technology Sector companies to its motorway concession operating companies. The total amount of maintenance carried out in this period came to **€69.4 million** (€76.2 million proforma in the first nine months of 2006).

The item “*Other costs for services*” essentially comprises charges for professional services, legal advice and support, the remuneration of the Board of Directors and the Board of Statutory Auditors, and also the subcontractor services provided to the subsidiaries ABC Costruzioni S.p.A., Sicogen S.r.l. and Euroimpianti Electronic S.p.A. The increase in this item is due to the greater amount of work done by the companies belonging to the Engineering and Technology sectors and to the work carried out on behalf of the CAV.TO.MI. Consortium in relation to the building of the High Capacity Turin – Milan railway line.

Raw material costs

This expenditure item breaks down as follows:

01/01 - 30/09/2007 proforma	01/01 - 30/09/2006 proforma	Change	(€000s)	Q3 2007	Q3 2006 proforma	Change
39,062	39,930	(868)	Raw materials, consumables and goods	12,313	13,836	(1,523)
			Change in stocks of raw materials,			
<u>(120)</u>	<u>81</u>	<u>(201)</u>	consumables and goods	<u>24</u>	<u>(609)</u>	<u>633</u>
38,942	40,011	(1,069)	Total	12,337	13,227	(890)

This item refers to materials required for production, spare parts and consumables, and refers mainly to the subsidiaries ABC Costruzioni S.p.A., Euroimpianti Electronic S.p.A., Infosystem S.p.A. and SINELEC S.p.A.

Other Operating costs

This expenditure item breaks down as follows:

01/01 - 30/09/2007 proforma	01/01 - 30/09/2006 proforma	Change	(€000s)	Q3 2007	Q3 2006 proforma	Change
6,834	7,386	(552)	Rental and hire costs	2,088	2,060	28
13,101	5,630	7,471	Concession charges	4,838	2,075	2,763
<u>4,007</u>	<u>4,864</u>	<u>(857)</u>	Other operating expenses	<u>927</u>	<u>1,117</u>	<u>(190)</u>
23,942	17,880	6,062	Total	7,853	5,252	2,601

“*Rental and Hire Costs*” mainly refers to operating leases on cars and other motor vehicles, computers, printers, and premises used by Group companies.

The significant increase in *concession charges* reflects the rise in these payments (from 1% to 2.4% of total net toll receipts) which was imposed with effect from 1 January 2007.

Capitalized costs on fixed assets

This item, amounting to €17.5 million for the **third quarter of 2007** (€27.3 million proforma in the third quarter of 2006) and to €7 million for the period **1 January – 30 September 2007** (€67.6 million proforma for the first nine months 2006), refers to in-house work carried out within the Group and capitalised as an increase in “*Non-Compensated Reversionary Assets*”.

The reduction compared with the same periods last year is attributable – as explained above – to the lesser amount of work carried out by the construction companies for other Group firms.

Significant non-recurring items

This item (€3.4m) refers to the positive effect of *compliance with the amendments made in the legislation on employees leaving entitlements (TFR)* by Law No. 296 of 27 December 2006 and implementing decrees.

In particular, since TFR contribution quotas due after 1 January 2007 will be going to supplementary pension schemes or the national social security fund INPS, steps have been taken, on the basis of actuarial calculations, to re-calculate the total liability of the Superannuation Benefit fund (TRF) on 31 December 2006 by excluding the element relating to future pay increases.

CONSOLIDATED NET FINANCIAL POSITION

The net financial position as at 30 September 2007 can be summarised as follows:

(€000s)	30/9/2007	30/6/2007	Change
A) Cash and cash equivalents	564,316	616,417	(52,101)
B) Securities held for trading	-	-	-
C) Cash (A) + (B)	564,316	616,417	(52,101)
D) Financial receivables (*)	20,150	82,620	(62,470)
E) Current bank debt	(335,610)	(373,044)	37,434
F) Current portion of non-current debt	(107,521)	(74,811)	(32,710)
G) Other current financial payables	(7,305)	(5,039)	(2,266)
H) Total current financial debt (E) + (F) + (G)	(450,436)	(452,894)	2,458
I) Current financial cash (debt), net (C) + (D) + (H)	134,030	246,143	(112,113)
J) Non-current bank debt	(1,027,697)	(400,280)	(627,417)
K) Bonds outstanding	(288,519)	(287,557)	(962)
L) Other non-current payables	(601)	(740)	139
M) Non-current financial debt (J) + (K) + (L)	(1,316,817)	(688,577)	(628,240)
N) Financial (debt)/cash, net (I) + (M)	(1,182,787)	(442,434)	(740,353)

(*) This item, at 30 September 2007 is related to guaranteed capital indexed financial instruments and bonds that, though multi-year in nature, can be converted into cash short term, if required.

The Net financial position of the Group as at 30 September 2007 showed a negative balance of €1,183 million (€442 million on 30 June 2007); this amount, inclusive of the present value of debt toward the “Fondo Centrale di Garanzia and ANAS”, would be €1,631 million (€756 million on 30 June 2007). Some €33.9 million of the bank debt is guaranteed by the State.

Of the increased debt by comparison with 30 June 2007, €327 million is attributable to the effects of the **corporate reorganisation**, in particular: (i) €604.8 million relate to the consolidation in this quarter of the net financial positions of SATAP S.p.A., SAV S.p.A., ATIVA S.p.A. and their respective subsidiaries, (ii) €347.5 million is due to the purchase by the controlled subsidiary HPVdA S.p.A. from the parent company Autostrada Torino-Milano S.p.A. of its holdings in the motorway operators SITAF S.p.A., ATIVA S.p.A. and SAV S.p.A., as well as 228,273 SITAF S.p.A. bonds convertible into ordinary shares. The increased indebtedness related to the reorganisation is reduced by €125.3 million cash flow from the sale to Autostrada Torino-Milano S.p.A. of the shareholdings in SINECO S.p.A. and SINA S.p.A. and of the SIAS 2.625% 2005-2017 convertible bonds.

In addition to these changes, some of the shares in Assicurazioni Generali S.p.A. were sold during the quarter (for a total of €51 million) while incremental work on the motorway infrastructures of the Group were made at a total cost of €4 million.

Turin, 12 November 2007

Dr. Bruno Binasco, Chairman
for the Board of Directors

DECLARATION OF THE MANAGER APPOINTED TO PREPARE THE COMPANY ACCOUNTING DOCUMENTS UNDER ART. 154-bis(ii) OF THE CONSOLIDATED LAW ON FINANCE, LEGISLATIVE ORDER NO. 58 OF 24 FEBRUARY 1998

I, the undersigned Sergio Prati, the company officer appointed to draw up the corporate accounts of SIAS S.p.A., hereby

DECLARE

that I have analysed and checked this Consolidated Quarterly Report for 30 September 2007 issued on 12 November 2007 to the extent judged necessary for the issuing of this certificate.

On the basis of the information I have procured, the checks I have made, and my assessment of the exposure to risk and of the internal control system, I hereby

CERTIFY

in accordance with the provisions of Art. 154bis (ii), part IV, Heading III, Chapter II, Section V-bis of the Consolidated Law on Finance, Legislative Order No. 58 of 24 February 1998, that to the best of my knowledge the Consolidated Quarterly Report for 30 September 2007 corresponds to the facts and figures appearing in the company's ledgers and books of account.

Turin, 12 November 2007

Sergio Prati,
Manager appointed to prepare
the company's accounting documents