



SIAS GROUP

Half-yearly Financial Report

as at 30 June 2008

Contents

	<i>page</i>
Foreword	5
<hr/>	
CONSOLIDATED HALF-YEARLY FINANCIAL REPORT AS AT 30 JUNE 2008	
Interim Management Report	6
Significant events of the first half of 2008	6
Group economic performance	7
Group financial results	8
Analysis of the results for the first half of 2008 – main investee companies	10
Segment information	29
Other disclosures required by current legislation	29
Significant subsequent events	29
Business outlook	30
Abridged Half-Yearly Report	
· Balance Sheet	32
· Income Statement	33
· Cash Flow Statement	34
· Statement of changes in shareholders' equity	35
· General information	37
· Principles of consolidation and valuation criteria	39
· Notes - Scope of consolidation	49
· Notes - Segment reporting	52
· Notes - Information on the balance sheet	53
· Notes - Information on the income statement	71
· Other information	82
<hr/>	
CERTIFICATION PURSUANT TO ART. 154-BIS OF LEGISLATIVE DECREE NO. 58/98	88
<hr/>	
AUDITORS' REPORT	90
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**SOCIETA' INIZIATIVE
AUTOSTRADALI E SERVIZI**

Società per Azioni (public limited company)
Share capital EUR 113,750,000 fully paid-up
Tax code and registration number at the Register of Companies of Turin: 08381620015
Registered Office in Turin - Via Bonzanigo 22
Web site: www.grupposias.it
Direction and coordination: Argo Finanziaria S.p.A.

MEMBERS OF THE BOARD OF DIRECTORS

Chairman
Bruno Binasco

Managing Directors
Enrico Arona
Paolo Pierantoni

Directors
Giovanni Angioni
Giulio Antonello (1)
Gianfranco Boschetti (1)
Alessandro Braja (2)
Ernesto Maria Cattaneo (2)
Sergio Corbello
Beniamino Gavio
Daniela Gavio
Vincenzo Macchia (2)
Ferruccio Piantini (1)
Alberto Sacchi

Secretary
Cristina Volpe

- (1) Members of the "Remuneration Committee"
(2) Members of the "Internal Auditing Committee"

BOARD OF STATUTORY AUDITORS

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Luca Galassi

Standing Auditors
Giorgio Cavalitto
Alfredo Cavanenghi

Substitute Auditors
Pietro Mandirola
Nazareno Tiburzi

INDEPENDENT AUDITORS

Deloitte & Touche S.p.A.

TERM OF OFFICE

The Board of Directors and the Board of Statutory Auditors were appointed for three financial years by the Shareholders' Meeting on 12 May 2008 and their term of office will expire with the approval by the Shareholders' Meeting of the 2010 Financial Statements.

The Independent Auditors were appointed by the above-mentioned Shareholders' Meeting and are in office for nine financial years. Their term of office will expire with the approval by the Shareholders' Meeting of the 2016 Financial Statements.

POWERS OF COMPANY OFFICERS

The Chairman – who was appointed on 12 May 2008 – legally represents the Company, pursuant to art. 24 of the Articles of Association.

On 15 May 2008, the Board of Directors appointed two Managing Directors, who were assigned all powers for the management of the Company, except for those which the law expressly reserves to the Board of Directors.

HALF-YEARLY FINANCIAL REPORT
AS AT 30 JUNE 2008

Foreword

This interim management report of the SIAS 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 SIAS Group – which was determined according to the income statement – amounted to EUR 48 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 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 (with the corresponding “pro-forma”⁽¹⁾ 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 pro forma	Changes
Motorway sector revenue	350,567	345,680	4,887
Construction and engineering sector revenue	1,003	6,507	(5,504)
Technology sector revenue	7,172	15,467	(8,295)
Other revenues	27,414	30,086	(2,672)
Operating costs	(190,157)	(200,174)	10,017
Capitalised costs on fixed assets	26,630	39,526	(12,896)
Gross operating margin	222,629	237,092	(14,463)
Significant “non-recurring” items	4,325	3,426	899
Adjusted gross operating margin	226,954	240,518	(13,564)
Net amortisation/depreciation and provisions	(98,526)	(92,338)	(6,188)
Operating income	128,428	148,180	(19,752)
Financial income	11,752	14,654	(2,902)
Financial charges	(54,485)	(45,495)	(8,990)
Capitalised financial charges	17,135	13,827	3,308
Profit (loss) of companies accounted for by the equity method	(13,789)	6,606	(20,395)
Net financial income	(39,387)	(10,408)	(28,979)
Profit before tax	89,041	137,772	(48,731)
Income taxes (current and deferred)	(32,734)	(54,166)	21,432
Profit (loss) for the period	56,307	83,606	(27,299)
▪ Minority interests’ share	8,520	11,017	(2,497)
▪ Group’s share	47,787	72,589	(24,802)

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.

⁽¹⁾ Readers will already be aware that the corporate reorganisation of the SIAS and ASTM Groups – completed in July 2007 – led to the takeover, by the SIAS Group, of the motorway companies SATAP S.p.A., SAV S.p.A., ATIVA S.p.A. and their respective 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.

Due to the reasons set forth above, the “*construction and engineering*” sector saw a decrease in both the work carried out for third parties and in the activities for Group companies, as highlighted by the decrease in the item “*capitalised costs on fixed assets*”: this resulted in a decrease in the “works portfolio” of the companies operating in this sector.

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 222.6 million. The decrease compared to the corresponding “pro-forma” figure for the first half of 2007, amounting to EUR 14.4 million, is attributable to the “motorway sector” for EUR 8.7 million, to the “technology sector” for EUR 3.2 million, and to the “construction/engineering sector” for EUR 2.5 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 47.8 million (EUR 72.6 million in the first half of 2007). Net of the one-off costs incurred for the repurchase of the aforementioned option, this figure would amount to EUR 59.2 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	3,143,516	3,088,628	54,888

Equity investments	424,152	445,963	(21,811)
Working capital	132,417	83,434	48,983
Invested capital	3,700,085	3,618,025	82,060
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	(41,521)	(43,150)	1,629
Invested capital less provisions for medium- and long-term risks and charges	3,503,259	3,429,077	74,182
Shareholders' equity and profit (loss) (including minority interests)	1,474,645	1,478,382	(3,737)
Net financial indebtedness	1,400,528	1,322,609	77,919
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	3,503,259	3,429,077	74,182

(*) 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	269,708	240,687	29,021
B) Securities held for trading	-	100,000	(100,000)
C) Liquidity (A) + (B)	269,708	340,687	(70,979)
D) Financial receivables (*)	21,380	20,520	860
E) Short-term borrowings	(77,628)	(81,432)	3,804
F) Current portion of medium/long-term borrowings	(215,891)	(179,659)	(36,232)
G) Other financial liabilities	(5,247)	(9,700)	4,453
H) Short-term borrowings (E) + (F) + (G)	(298,766)	(270,791)	(27,975)
I) Current net cash (indebtedness) (C) + (D) + (H)	(7,678)	90,416	(98,094)
J) Long-term borrowings	(1,100,580)	(1,122,551)	21,971
K) Bonds issued	(291,449)	(289,475)	(1,974)
L) Other long-term payables	(821)	(999)	178
M) Long-term borrowings (J) + (K) + (L)	(1,392,850)	(1,413,025)	20,175
N) Net cash (indebtedness) (I) + (M)	(1,400,528)	(1,322,609)	(77,919)

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

The Group's net financial position as at 30 June 2008 revealed net borrowings amounting to EUR 1,400.5 million (EUR 1,322.6 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 1,768.4 million (EUR 1,739.8 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 8.4 million, were used 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 17.6 million.

Dividends were paid both by the parent company, amounting to EUR 36.4 million, and by its subsidiaries (to third-party shareholders) for a total of EUR 7.9 million.

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

Motorway sector

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

- **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. (13.55% 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.

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..

Autocamionale della Cisa 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 2.5 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 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 to the Central Insurance Fund and ANAS” - 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.



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 borrowings totalled 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 20% 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).

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 approximately 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).

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.

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 impugnement 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

The Company does not hold own shares.

As at 30 June 2008, the subsidiary ATIVA S.p.A. held 21,500 shares (par value EUR 10,750) of the parent company Autostrada Torino-Milano S.p.A..

During the year, neither own shares, nor shares or stakes of parent companies (neither through a trust company or third party) were purchased or sold.

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, section “Other information”.

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 “**technology**” and “**construction and engineering**” 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 SIAS 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 Chairman
(Mr Bruno Binasco)

Abridged Half-Yearly
Report

Balance Sheet

30 June 2007	(amounts in thousands of EUR)	30 June 2008	31 December 2007
Assets			
Non-current assets			
39,774	1. Intangible assets (Note 1)	63,598	74,712
39,774	Total intangible assets	63,598	74,712
2. Tangible assets (Note 2)			
1,109,096	a. assets subject to reversion free of charge in operation	2,108,192	2,157,472
316,213	b. assets subject to reversion free of charge under construction	910,507	793,170
41,397	c. property, plant, machinery and other assets	58,171	60,106
2,870	d. financial lease assets	3,048	3,168
1,469,576	Total tangible assets	3,079,918	3,013,916
3. Non-current financial assets (Note 3)			
a. equity investments accounted for by the equity			
57,402	method	157,676	175,842
287,543	3. b. unconsolidated investments	223,732	227,634
31,300	c. receivables	36,201	36,069
82,620	d. other	27,923	26,938
458,865	Total non-current financial assets	445,532	466,483
3,246	4. Deferred tax credits (Note 4)	8,815	7,222
1,971,461	Total non-current assets	3,597,863	3,562,333
Current assets			
30,294	5. Inventories (Note 5)	22,707	36,855
24,361	6. Trade receivables (Note 6)	41,067	60,419
6,090	7. Current tax credits (Note 7)	55,281	41,380
124,501	8. Other receivables (Note 8)	277,932	244,596
-	9. Assets held for trading	-	-
-	10. Assets available for sale (Note 9)	-	100,000
-	11. Financial receivables	-	-
185,246	Total current assets	396,987	483,250
616,417	12. Cash and cash equivalents (Note 10)	269,708	240,687
801,663	Total current assets	666,695	723,937
2,773,124	Total assets	4,264,558	4,286,270
Shareholders' equity and liabilities			
Shareholders' equity (Note 11)			
1. Group shareholders' equity			
63,750	a. share capital	113,750	113,750
682,433	b. reserves and retained earnings	1,110,460	1,113,820
746,183	Total	1,224,210	1,227,570
211,729	2. Minority interests	250,435	250,812
957,912	Total shareholders' equity	1,474,645	1,478,382
Liabilities			
Non-current liabilities			
112,458	3. Provisions for risks and charges and severance indemnities (Note 12)	196,826	188,948
-	4. Trade payables	9	9
372,769	5. Other payables (Note 13)	605,921	583,522
400,280	6. Bank overdrafts and borrowing (Note 14)	1,100,581	1,122,551
288,297	7. Other financial liabilities (Note 15)	292,270	290,474
26,970	8. Deferred tax liabilities (Note 16)	19,198	26,725
1,200,774	Total non-current liabilities	2,214,805	2,212,229
Current liabilities			
73,975	9. Trade payables (Note 17)	124,018	148,464
75,955	10. Other payables (Note 18)	124,705	159,611
447,855	11. Bank debt (Note 19)	293,519	261,091
5,039	12. Other financial liabilities (Note 20)	5,247	9,700
11,614	13. Current tax liabilities (Note 21)	27,619	16,793
614,438	Total current liabilities	575,108	595,659
1,815,212	Total liabilities	2,789,913	2,807,888
2,773,124	Total shareholders' equity and liabilities	4,264,558	4,286,270

Income statement

2007	(amounts in thousands of EUR)	1 st Half 2008	1 st Half 2007
Revenues (Note 22)			
553,382	1. from the motorway sector (Note 22.1)	350,567	185,440
9,679	2. from the construction sector (Note 22.2)	1,003	5,324
35,498	3. from the technology sector (Note 22.3)	7,172	23,655
42,852	4. other (Note 22.4)	31,739	12,677
641,411	Total Revenues	390,481	227,096
(100,740)	6. Payroll costs (Note 23)	(64,693)	(38,576)
(165,887)	7. Services (Note 24)	(88,335)	(56,610)
(51,658)	8. Costs for raw materials (Note 25)	(19,928)	(24,478)
(28,478)	9. Other costs (Note 26)	(17,201)	(10,258)
78,723	10. Capitalised costs on fixed assets (Note 27)	26,630	35,882
(143,457)	11. Amortisation, depreciation and write-downs (Note 28)	(88,943)	(60,238)
	12. Update of the provision for restoration, replacement and maintenance of assets subject to reversion free of charge (Note 29)	(9,506)	2,088
(856)	13. Other provisions for risks and charges (Note 30)	(77)	(77)
	14. Financial income: (Note 31)		
20,020	a. from unconsolidated investments	3,206	4,467
22,254	b. other	8,546	8,204
	15. Financial charges: (Note 31)		
(56,445)	a. interest expense	(36,301)	(21,704)
(1,661)	b. other	(1,049)	(937)
4,721	16. Profit (loss) of companies accounted for by the equity method (Note 32)	(13,789)	3,052
230,138	Profit (loss) before taxes	89,041	67,911
	17. Taxes (Note 33)		
(83,987)	a. Current taxes	(33,674)	(26,170)
8,121	b. Deferred taxes	940	351
154,272	Profit (loss) for the year	56,307	42,092
27,763	minority interests' share	8,520	10,552
126,509	Group share	47,787	31,540
Earnings per share (Note 34)			
0.711	Profit (euro per share)	0.210	0.247
0.643	Earnings per share, diluted (euro per share)	0.202	0.224

Cash flow statement

2007 (amounts in thousands of EUR)		1 st Half 2008	1 st Half 2007
240,575	Beginning cash and cash equivalents	240,687	240,575
(*) (186,211)	Change in the scope of consolidation	-	-
54,364	Beginning cash and cash equivalents, adjusted (a)	240,687	240,575
Operating activity:			
154,272	Profit (loss)	56,307	42,092
Adjustments			
143,313	Depreciation and amortisation	88,889	60,238
(12,191)	Update of the provision for restoration, replacement and maintenance of assets subject to reversion free of charge	9,506	(2,088)
3,161	Update provisions for severance indemnities	3,470	(1,045)
856	Provisions for risks	77	77
(4,721)	Profit (loss) of companies accounted for by the equity method		
		13,789	(3,052)
772	(Revaluations) write-downs of financial assets	59	191
(11,521)	Net change in deferred tax credits and liabilities	(7,441)	(2,916)
18,330	Change in net working capital (Note 35.1)	(39,437)	(4,521)
(9,218)	Other changes from operating activity (Note 35.2)	(5,175)	(1,998)
283,053	Cash generated (absorbed) by operating activity (b)	120,044	86,978
Investment activity:			
(9,716)	Investments in property, plant, machinery and other assets	(1,345)	(1,862)
(250,212)	Investments in assets subject to reversion free of charge	(155,956)	(***) (58,115)
(3,066)	Investments in intangible assets	(255)	(429)
(47,839)	Investments in non-current financial assets	(16,938)	(26,190)
1,026	Net divestiture of property, plant, machinery and other assets		
		302	187
3,309	Divestiture of assets subject to reversion free of charge	-	-
3	Net divestiture of intangible assets	-	-
96,226	Divestiture of non-current financial assets	7,471	18,281
(210,269)	Cash generated (absorbed) by investment activity (c)	(166,721)	(68,128)
Financial activity:			
161,193	Net change in medium-/long-term financial liabilities	20,447	313,401
75,941	Change in current financial assets	100,000	73,662
(47,048)	Change in other financial liabilities (including FCG)	(414)	(7,499)
-	Changes in shareholders' equity, minority interest	-	-
(1,445)	Changes in shareholders' equity, Group share	-	-
(56,663)	Dividends (and interim dividends) distributed by the Parent Company	(36,400)	(19,125)
(18,439)	Dividends (and interim dividends) distributed by Subsidiaries of Minority Shareholders	(7,935)	(3,447)
113,539	Cash generated (absorbed) by financial activity (d)	75,698	356,992
240,687	Ending cash and cash equivalents (a+b+c+d)	269,708	616,417

Additional information:

71,469	Taxes paid during the period	51,065	(***)	20,027
69,908	Financial charges paid during the period	44,931		20,435

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

(*) This involves the cost of investments acquired, net of their liquidity at 30 June 2007:

• cash-out from the purchase of SAV S.p.A., ATIVA S.p.A., SITAF S.p.A. and the SITAF S.p.A. bond loan.	(347,459)	}	(222,135)
• cash-in from the transfer of SINECO S.p.A., SINA S.p.A. and the SIAS S.p.A. convertible bond loan	125,324		
• cash from the acquired/contributed investments	35,924		
	<u>(186,211)</u>		

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

(***) The increase compared to the first half of 2007 was mainly due to the "change in the scope of consolidation"

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	63,750	670,045	733,795	204,349	938,144
Distribution of 2006 balance dividend (EUR 0.15 per share)		(19,125)	(19,125)	(3,447)	(22,572)
Contribution and other effects of the Corporate Reorganisation operation	50,000	386,058	436,058	40,029	476,087
Other changes (purchase of minority shares)		-	-	(742)	(742)
Distribution of 2007 interim dividend (EUR 0.165 per share)	-	(37,538)	(37,538)	(14,992)	(52,530)
Update financial assets to fair value:					
- Financial assets	-	(9,994)	(9,994)	(2,004)	(11,998)
- Interest Rate Swap	-	(342)	(342)	(144)	(486)
Update provisions for foreign exchange differences	-	(2,092)	(2,092)	-	(2,092)
Other changes	-	299	299	-	299
Profit for the period	-	126,509	126,509	27,763	154,272
31 December 2007	113,750	1,113,820	1,227,570	250,812	1,478,382
Distribution of 2007 dividend (EUR 0.16 per share)		(36,400)	(36,400)	(7,935)	(44,335)
Update financial assets to fair value		(9,580)	(9,580)	(476)	(10,056)
Update provisions for foreign exchange differences		(5,167)	(5,167)	-	(5,167)
Other changes (change in the scope of consolidation)		-	-	(486)	(486)
Profit for the period		47,787	47,787	8,520	56,307
30 June 2008	113,750	1,110,460	1,224,210	250,435	1,474,645

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

Amounts in thousands of EUR	Share premium reserve	Revaluat. reserves	Legal reserve	Reserves for revaluation to fair value	Capital reserves	Profit reserves	Provis. for foreign exchange differ.	Retained earnings (losses)	Profit (loss) for the period	Total
31 December 2006	178,619	5,434	12,750	87,210	34,590	88,580	(2,703)	208,887	56,678	670,045
Allocation of 2006 profits								37,553	(37,553)	-
Distribution of 2006 balance dividend (EUR 0.15 per share)									(19,125)	(19,125)
Contributions/acquisition of investments related to the Corporate Reorganisation	520,567							(134,509)		386,058
Reconstitution of reserves by the fair value of the companies entering the scope of consolidation following the Corporate Reorganisation				3,681				(3,681)		-
Distribution of 2007 interim dividend (EUR 0.165 per share)									(37,538)	(37,538)
Update financial assets to fair value:										
- Financial assets				(9,994)						(9,994)
- Interest Rate Swap				(342)						(342)
Update provisions for foreign exchange differences							(2,092)			(2,092)
Other changes								299		299
Profit for the period									126,509	126,509
31 December 2007	699,186	5,434	12,750	80,555	34,590	88,580	(4,795)	108,549	88,971	1,113,820
Reclassification of reserves	(10,000)		10,000							-
Allocation of 2007 profits								52,571	(52,571)	-
Distribution of 2007 dividend (EUR 0.16 per share)									(36,400)	(36,400)
Update financial assets to fair value:										
- Financial assets				(10,355)						(10,355)
- Interest Rate Swap				775						775
- Other				82				(82)		-
Update provisions for foreign exchange differences							(5,167)			(5,167)
Profit for the period									47,787	47,787
30 June 2008	689,186	5,434	22,750	71,057	34,590	88,580	(9,962)	161,038	47,787	1,110,460

General information

Società Iniziative Autostradali e Servizi S.p.A. (SIAS S.p.A.) is organised according to the laws of the Italian Republic.

SIAS 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 via Bonzanigo 22 - Turin, Italy.

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

On 5 August 2008, the Board of Directors of SIAS S.p.A. examined and recommended the “Half-Yearly Financial Report” of the SIAS Group as at 30 June 2008.

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, Società Iniziative Autostradali e Servizi S.p.A., these consolidated financial statements include the financial statements of the companies over which it exercises control. Control exists when the parent company 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. and Tangenziale Est s.r.l. were evaluated with the equity method, because they are small. Consolidating them would not have produced any significant effect on the consolidated financial statements.

In the paragraph “Scope of consolidation” below, consolidated investments and changes to them 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. 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 because these margins are not significant.

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 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. If significant, 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

These 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% - 4%
Plant, machinery and vehicles	4% - 5% - 8% - 10% - 20%
Technical equipment	12% - 15% - 25%
Facilities and light structures	10% - 12% - 25%
Automobiles and motor vehicles	20% - 25%
Office furniture and machines	12% - 20%

“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 SIAS 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 SIAS 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 SIAS 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, when 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 settlement date of the transaction. Profits and losses from later changes in fair value are accounted for by 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 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 at the closing date of the accounting period. 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.

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 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 consolidated 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 half-yearly report and on the information related to potential assets and liabilities as at the date of the half-yearly 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.

Generally, some valuation processes – in particular the most complex ones, such as the assessment of any loss in value of long-term assets – are completely carried out only upon drawing up of the financial statements, when all necessary information is available. However, in case there is evidence of potential losses in value, an impairment test is carried out and the potential loss is reflected in each single book value.

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 SIAS 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
SIAS S.p.A.	Turin – Via Bonzanigo 22

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	100.000
Logistica Tirrenica S.p.A.	Lido di Camaiore (LU) – Via Don Tazzoli 9	120,000	100.000	
Strade Co.Ge. S.p.A.	Tortona (AL) – Via Balustra 15	500,000	100.000	
SATAP S.p.A.	Turin – Via Bonzanigo 22	158,400,000	99.874	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	36,750,000	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	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	84.357
SAV S.p.A.	Châtillon (AO) – Strada Barat 13	24,000,000	67.634	
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	49.000
Collegamenti Integrati Veloci S.p.A.	Tortona (AL) – S.S. 211 Loc. San Guglielmo 3/13	15,000,000	59.146	
Tibre s.c.a r.l.	Ponte Taro (PR) – Via Camboara 26/A	10,000	55.000	

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 %
RITES 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	
CON.SILL.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	45.000
SISTEMI E SERVIZI S.c.a.r.l.	Tortona (AL) S.S.211 Loc. San Guglielmo 3/13	100,000	44.000	14.000
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	
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	
INPAR S.p.A. (in liquidation)	Turin - Via M. Schina 5	6,196,800	33.333	
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	5,000,000	30.000	
VESIMA S.c.a.r.l. (in liquidation)	Tortona (AL) - Via Balustra 15	25,500	30.000	
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	
C.I.M. S.p.A.	Novara - Via Carlo Panseri 100	21,200,000	21.230	
Società Autostrada Broni-Mortara S.p.A.	Milan – Via F. Casati 1/A	2,500,000	20.000	
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	
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	13.546	10.655
P I S T A S.p.A. (in liquidation)	Turin - Galleria S.Federico 54	2,464,499	13.055	
SOCIETA' TRAFORO CIRIEGIA S.p.A.	Cuneo - C.so Nizza 36	3,167,100	12.657	
EURETE S.c.a.r.l.	Genoa-Via Cairoli 11/3c	65,232	12.290	
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 Conservatorio, 22	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 TIRRENICA S.p.A.	Rome-Via Bergamini 50	24,460,200	5.579	
CO.C.I.V.	Genoa (GE) - Via De Marini 1- Palazzo WTC	516,457	5.000	
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	0.215
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	
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	
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	117,656,695	0.659	
ALERION INDUSTRIES S.p.A.	Milan- Via Durini n. 16/18	148,041,690	0.622	0.622
SINA S.p.A.	Milan- Via F. Casati 1/A	2,028,125	0.500	0.500
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	0.038	
Assicurazioni Generali S.p.A.	Trieste – Piazza Duca degli Abruzzi 2	1,406,113,907	0.032	0.032
ASSOSERVIZI INDUSTRIE S.r.l.	Carrara (MS)-Viale XX Settembre 118	443,700	0.055	
C.A.A.F. IND. E.C. S.p.A.	Bologna- Via Massarenti 190	375,200	0.014	
Autostrada Torino-Milano S.p.A.	Turin - Corso Regina Margherita 165	44,000,000	0.010	
VALTREBBIA S.c.a r.l.	Genoa - Via Porta degli Archi 10/16	10,200	0.005	

Changes in the scope of consolidation

With regard to the **changes in the scope of consolidation**, it should be underlined that – 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 20%). As a result, the company was consolidated using the equity method as from 1 January 2008.

Notes - Segment reporting

The companies included in the scope of consolidation of the SIAS Group carry out their 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 four principal sectors:

- Motorway sector
- Technology sector
- Construction and engineering sector
- 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		Technology		Construction and engineering		Services		2008	2007	2008	2007
	2008	2007	2008	2007	2008	2007	2008	2007				
Revenues, minority interests:												
Motorway (tolls)	332,218	176,975									332,218	176,975
Other motorway revenues	18,349	8,465									18,349	8,465
Construction and engineering Services					1,003	5,324					1,003	5,324
Technology			7,172	23,655							7,172	23,655
Other	17,445	12,021	232	263	9,682	393	54				27,413	12,677
Total revenues, minority interests	368,012	197,461	7,404	23,918	10,685	5,717	54				386,155	227,096
Intersegment Revenues	3,588	2,823	18,762	13,905	34,190	41,722	33	25	(56,573)	(58,475)	-	-
Total Revenues	371,600	200,284	26,166	37,823	44,875	47,439	87	25	(56,573)	(58,475)	386,155	227,096
Operating costs	(155,941)	(81,740)	(21,291)	(29,692)	(41,147)	(41,661)	(1,720)	(1,385)	56,573	58,475	(163,526)	(96,003)
Sector GOM	215,659	118,544	4,875	8,131	3,728	5,778	(1,633)	(1,360)	-	-	222,629	131,093
Non-recurring items (*)	4,325	1,823		25		115					4,325	1,963
Depreciation, amortisation and provisions	(97,101)	(56,788)	(688)	(750)	(663)	(689)	(74)	-	-	-	(98,526)	(58,227)
Operating profit											128,428	74,829
Financial charges											(37,350)	(22,641)
Financial income											11,752	12,671
Net income, associated companies portion	(13,933)	3,042	5	10	-	-	139				(13,789)	3,052
Income taxes											(32,734)	(25,819)
Net income, including minority interests											56,307	42,092

	Activity sector								Eliminations		Consolidated	
	Motorway		Technology		Construction and engineering		Services		2008	2007	2008	2007
	2008	2007	2008	2007	2008	2007	2008	2007				
Sector activity	4,265,496	4,588,812	50,865	54,491	77,900	96,553	2,372,437	2,052,319	(2,659,816)	(2,681,747)	4,106,882	4,110,428
Investments in associated companies	42,784	41,680	1,675	1,677	380	381	112,837	132,104	-	-	157,676	175,842
Assets not attributed to the sectors											-	-
Total assets											4,264,558	4,286,270
Sector liabilities	4,308,280	4,630,492	52,540	56,168	78,280	96,934	2,485,274	2,184,423	(4,132,155)	(4,160,129)	2,792,219	2,807,888
Liabilities not attributed to the sectors											-	-
Shareholders' equity											1,474,645	1,478,382
Liabilities											4,264,558	4,286,270
Investments in tangible assets	156,528	259,027	139	3,021	328	1,057	307	1,786			157,302	264,891

(*) 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	35,126	13,576	141	48,843	
Change in the scope of consolidation	23,831	2,062	9,726	35,619	
Investments	-	1,957	1,109	3,066	
Restatements	-	10	(10)	-	
Write-downs	(851)	-	-	(851)	
Divestitures	-	(1,666)	(131)	(1,797)	
Other	-	-	-	-	
at 31 December 2007	58,106	15,939	10,835	84,880	
Accumulated amortisation:					
at 1 January 2007	-	(8,921)	-	(8,921)	
Change in the scope of consolidation	-	(1,564)	-	(1,564)	
2007 amortisation	-	(1,346)	-	(1,346)	
Restatements	-	-	-	-	
Drawdowns	-	1,663	-	1,663	
Other	-	-	-	-	
at 31 December 2007	-	(10,168)	-	(10,168)	
Net book value:					
at 1 January 2007	35,126	4,655	141	39,922	
at 31 December 2007	58,106	5,771	10,835	74,712	

	Goodwill		Other intangible assets		Total
			In operation	In process	
Cost:					
at 1 January 2008	58,106	15,939	10,835	84,880	
Investments	-	255	-	255	
Restatements	-	-	-	-	
Write-downs	-	-	-	-	
Change in the scope of consolidation	-	-	(10,807)	(10,807)	
Divestitures	-	(192)	-	(192)	
at 30 June 2008	58,106	16,002	28	74,136	
Accumulated amortisation:					
at 1 January 2008	-	(10,168)	-	(10,168)	
2008 half-year amortisation	-	(562)	-	(562)	
Restatements	-	-	-	-	
Change in the scope of consolidation	-	-	-	-	
Reversals	-	192	-	192	
at 30 June 2008	-	(10,538)	-	(10,538)	
Net book value:					
at 1 January 2008	58,106	5,771	10,835	74,712	
at 30 June 2008	58,106	5,464	28	63,598	

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

SALT S.p.A.	7,282
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.	<u>267</u>
Total	<u>58,106</u>

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	2,706,434	271,494	2,977,928
Change in the scope of consolidation	1,854,781	609,079	2,463,860
Investments	59,753	195,416	255,169
Restatements	231,578	(231,578)	-
Divestitures	(1,051)	(2,258)	(3,309)
at 31 December 2007	4,851,495	842,153	5,693,648
Capital grants:			
at 1 January 2007	(185,190)	-	(185,190)
Change in the scope of consolidation	(156,983)	(44,025)	(201,008)
Increases	-	(4,958)	(4,958)
at 31 December 2007	(342,173)	(48,983)	(391,156)
Accumulated depreciation:			
at 1 January 2007	(1,368,229)	-	(1,368,229)
Change in the scope of consolidation	(847,769)	-	(847,769)
2007 depreciation	(135,852)	-	(135,852)
Restatements	-	-	-
Drawdowns	-	-	-
at 31 December 2007	(2,351,850)	-	(2,351,850)
Net book value:			
at 1 January 2007	1,153,015	271,494	1,424,509
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 5,850 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	30,800	12,148	9,391	21,399	6,506	2,629	82,873
Change in the scope of consolidation	5,474	10,149	4,280	12,192	6,039	3,621	41,755
Investments	5,759	364	1,082	1,238	849	431	9,723
Restatements	1,290	(31)	31	2	-	(1,299)	(7)
Write-downs	-	-	-	-	-	-	-
Divestitures	(383)	(193)	(793)	(1,136)	(877)	-	(3,382)
at 31 December 2007	42,940	22,437	13,991	33,695	12,517	5,382	130,962
Accumulated depreciation:							
at 1 January 2007	(7,317)	(3,712)	(7,097)	(16,595)	(3,214)	-	(37,935)
Change in the scope of consolidation	(1,464)	(5,773)	(3,732)	(9,850)	(6,035)	-	(26,854)
2006 depreciation	(833)	(1,031)	(926)	(1,825)	(650)	-	(5,265)
Restatements	-	28	(28)	-	-	-	-
Drawdowns	69	161	607	865	664	-	2,366
at 31 December 2007	(9,545)	(10,327)	(11,176)	(27,405)	(9,235)	-	(67,688)
Net book value:							
at 1 January 2007	23,483	8,436	2,294	4,804	3,292	2,629	44,938
at 31 December 2007	33,395	12,110	2,815	6,290	3,282	5,382	63,274

	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	42,940	22,437	13,991	33,695	12,517	5,382	130,962
Investments	7	55	217	500	231	335	1,345
Restatements	(24)	-	(24)	(11)	-	24	(35)
Change in the scope of consolidation	-	-	-	-	-	-	-
Divestitures	-	(90)	(230)	(570)	(311)	-	(1,201)
at 30 June 2008	42,923	22,402	13,954	33,614	12,437	5,741	131,071
Accumulated depreciation:							
at 1 January 2008	(9,545)	(10,327)	(11,176)	(27,405)	(9,235)	-	(67,688)
2008 half-year depreciation	(530)	(615)	(517)	(1,070)	(366)	-	(3,098)
Restatements	-	-	-	-	-	-	-
Change in the scope of consolidation	-	-	-	-	-	-	-
Reversals	-	67	131	524	212	-	933
at 30 June 2008	(10,075)	(10,875)	(11,562)	(27,951)	(9,389)	-	(69,852)
Net book value:							
at 1 January 2008	33,395	12,110	2,815	6,290	3,282	5,382	63,274
at 30 June 2008	32,848	11,527	2,392	5,663	3,048	5,741	61,219

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

Changes during the period to investments in businesses accounted for by the equity method were as follows:

	31 December 2007	Changes during the period				30 June 2008
		Purchases/ Subscriptions	Restmt.	Change in the scope of consolidation	Update “sh. eq.” Other	
Equity investments:						
a) in unconsolidated subsidiaries:						
Rites S.c.a r.l.	9					9
Tangenziale Est	64					64
b) in associated companies						
Albenga Garessio Ceva S.p.A.	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			(22,068)		24,957
Autopista do Pacifico S.A.	2					2
Beinasco S.c.a r.l.	7					7
CIM S.p.A.	3,442			(42)		3,400
CO.LA.CI. S.c.a r.l.	3					3
CONSILFER	3					3
Corso Marche s.r.l.	-					-
FIMPRE s.r.l.	6,222			(385)		5,837
Fondo Valle S.c.a r.l. (in liquidation)	4					4
INPAR S.p.A. (in liquidation)	655					655
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			197		3,362
SABROM S.p.A.	-			461	(18)	443
S.A.C. s.r.l. Consortile (in liquidation)	-					-
S.A.C.S. s.r.l. Consortile (in liquidation)	-					-
Sistemi e Servizi S.c.a.r.l.	44					44
SITAF S.p.A.	76,612			2,595		79,207
SITRASB S.p.A.	7,976			71		8,047
VA Bitumi s.r.l.	351					351
Vesima S.c.a r.l.	-					-
Total	175,842	988	-	461	(19,615)	157,676

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.;
- 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	Purchases	Sales and rest.	Change in scope	Updates to fair value	Other/write-downs	Original value	Updates to fair value	Total
Equity investments:											
ACI s.c.p.a.	2		2						2		2
Aeroporto Pavia Rivanazzano s.r.l.	56		56						56		56
Agenzia di Pollenzo S.p.A.	1,500		1,500						1,500		1,500
Alerion Industries S.p.A.	972	802	1,774				(133)		972	669	1,641
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
ASTM S.p.A.	45	88	133				(37)		45	51	96
Atlantia S.p.A.	-		-						-		-
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
Milano Serravalle-Milano Tangenziali S.p.A.	89,123	76,464	165,587	19			17		89,142	76,481	165,623
Società per Autostrada Tirrenica S.p.A.	2,028		2,028						2,028		2,028
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
C.R.S. S.p.A.	-		-						-		-
Società Confederazione Autostrade S.p.A.	985		985					(15)	970		970
Consorzio Autostrade Energia	13		13						13		13
Consorzio COCIV	1,177		1,177						1,177		1,177
Eurete s.c.a.r.l.	8		8						8		8
Fiumicino Pista 3 s.c.a.r.l.	2		2						2		2
FNM S.p.A.	10,772	(4,152)	6,620	66	(548)		2,007		10,290	(2,145)	8,145
Interporto Toscano A. Vespucci S.p.A.	77		77						77		77
Mediobanca S.p.A.	4,528	(151)	4,377				(1,029)		4,528		3,348
Nuovo Mondo s.c.a.r.l.	1		1						1		1
PISTA S.p.A.	322		322						322		322
SINA S.p.A.	202	227	429						202	227	429
SITRACI S.p.A.	473		473					(44)	429		429
SO.GE.A.P. S.p.A.	569		569						569		569
SPEDIA S.p.A.	656		656						656		656
Tangenziali Esterne Milano S.p.A.	419		419	168					587		587
Terminal Container Civitavecchia scarl	4		4						4		4
Total	146,251	81,383	227,634	16,623	(7,471)	-	(12,995)	(59)	155,344	68,388	223,732

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

- 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 – 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 68.4 million (EUR 81.4 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	1,189	1,169
Receivables:		
• from INA	12,472	13,787
• as collateral on fidejussory policies	18,000	18,000
• from suppliers as security deposits	433	431
• on account for taxes on Employee Severance Indemnities Reserve	19	54
• from others	4,088	2,628
Total	36,201	36,069

“*Loans to subsidiaries*” refer to the loan of EUR 925 thousand from 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

This item consists of:

	30 June 2008	31 December 2007
• SITAF convertible bond loan	6,418	6,418
• Other financial assets	21,505	20,520
Total	27,923	26,938

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).

Note 4 – Deferred tax credits

This item totalled EUR 8,815 thousand (EUR 7,222 thousand at 31 December 2007). For the breakdown of this item, please refer to Note 33 – 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 41,067 thousand (EUR 60,419 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 55,281 thousand (EUR 41,380 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	-	1
from associated companies	578	776
from parent companies	16	12
from connected companies	164,306	141,666
from ANAS for arbitration award to Autostrade dei Parchi	23,456	23,456
from ANAS for capital grants	60,486	57,816
from others	21,785	14,737
prepaid expenses	7,305	6,132
Total	277,932	244,596

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

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 ANAS for capital grants*” referred 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)

This item zeroed in the first half of the year (EUR 100,000 thousand at 31 December 2007), since commercial papers and credit linked notes underwritten by SALT S.p.A. expired.

The Group owns 917,112 shares of Sitech S.p.A. (9.185% 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	264,089	234,445
Cheques	81	66
Cash and cash equivalents on hand	5,538	6,176
Total	269,708	240,687

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 227,500,000 ordinary shares at a nominal value of EUR 0.50 each, for a total value of EUR 113,750 thousand (unchanged compared to the corresponding figures at 31 December 2007), entirely subscribed and paid in.

11.2 – Reserves

11.2.1 – Share premium reserve

This item totalled EUR 689,186 thousand (EUR 699,186 thousand at 31 December 2007). This item (EUR 178.6 million) refers to the share premium on 39,500,000 shares for EUR 4.522 each, established at the same time as the share capital increase, reserved to SATAP S.p.A., which took place during 2002. The remaining EUR 510.6 million refers to the share premium related to the share capital increase reserved to ASTM S.p.A. against their contribution of investments during 2007 under the corporate reorganisation of the ASTM and SIAS Groups. This item decreased by EUR 10 million following the reclassification to the item “Legal reserve”, as approved by the Shareholders' Meeting on 12 May 2008.

11.2.2 – Revaluation reserves

These totalled EUR 5,434 thousand (EUR 5,434 thousand at 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.

11.2.3 – Legal reserve

It totalled EUR 22,750 thousand (EUR 12,750 thousand at 31 December 2007). As approved by the Shareholders' Meeting on 12 May 2008, this item increased following the reclassification of EUR 10 million from the item “Share premium reserve” to “Legal reserve”.

11.2.4 – Reserves for revaluation to fair value

This item was established and moves as a direct contra entry at fair value of the financial assets classified as “available for sale”. At 30 June 2008, this totalled EUR 71,057 thousand, net of the related deferred tax effect (EUR 80,555 thousand at 31 December 2007).

11.2.5 – Available reserves

Capital reserves

This item totalled EUR 34,590 thousand and is unchanged from 31 December 2007.

Profit reserves

This item totalled EUR 88,580 thousand and is unchanged from 31 December 2007.

11.2.6 – Provisions for foreign exchange differences

This item totalled -EUR 9,962 thousand (-EUR 4,795 thousand at 31 December 2007). It received the differences on foreign exchange related to the shareholders' equities of associated companies.

11.2.7 – Retained earnings (losses)

This item totalled EUR 161,038 thousand (EUR 108,549 thousand at 31 December 2007). It collects the prior-year profits/losses of the subsidiaries and also includes 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 item was increased by the allocation of the quota of profits from 2007.

11.3 – Profit (loss) for the period

This item gathers the profits/losses for the first half of 2008 totalling EUR 47,787 thousand (EUR 31,540 thousand in the first half of 2007).

11.4 – Minority interests

At 30 June 2008, this item totalled EUR 250,435 thousand (EUR 250,812 thousand at 31 December 2007). It includes the minority interest share of the period profit/loss totalling EUR 8,520 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	3,658	149,459
Provisions	62,250	-	77	62,327
Drawdowns	(52,743)	-	(113)	(52,856)
30 June 2008	155,305	3	3,622	158,930

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 3,658 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 609 thousand set aside by ABC Costruzioni S.p.A. for expenses of disputes in progress.

12.2 – Employee benefits (Employee Severance Indemnity)

As at 30 June 2008, this item totalled EUR 37,897 thousand (EUR 39,489 thousand at 31 December 2007). Changes during the period were as follows:

1 January 2008	39,489
Period contributions	2,543
Financial component from discounting of Employee Severance Indemnity	927
Transfers to other companies	(240)
Indemnities advanced/liquidated during the period	(4,822)
30 June 2008	37,897

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 2.0% to 4%
Turnover	From 1% to 10.0%

Note 13 – 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 14 – 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 June 2008	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)								1,100,581	

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 15 – Other financial liabilities (non-current)

These consist of:

	30 June 2008	31 December 2007
Liabilities to bondholders ("liability component")	291,449	289,475
Other liabilities	821	999
Total	292,270	290,474

"Liabilities to bondholders" relate to the "liability component" 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.

As reported above, 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 16 – Deferred tax liabilities

This item totalled EUR 19,198 thousand (EUR 26,725 thousand at 31 December 2007). For a breakdown of this item, see Note 33 - Income taxes.

Note 17 – Trade payables (current)

This item totalled EUR 124,018 thousand (EUR 148,464 thousand at 31 December 2007).

Note 18 – Other payables (current)

These consist of:

	30 June 2008	31 December 2007
Advance payments	8,247	9,674
Payable to unconsolidated subsidiaries	108	69
Payable to associated companies	13,990	16,977
Payable to parent companies	2,004	1,786
Payable to welfare organizations	7,900	7,350
Payable to connected companies	15,658	10,179
Payable to ANAS-Central Insurance Fund	26,347	46,503
Deferred income	18,113	18,276
Other payables	32,338	48,797
Total	124,705	159,611

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 essentially to the managerial assistance and other services provided to the companies of the Group by the parent companies ASTM S.p.A. and Argo Finanziaria S.p.A..

“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 19 – Bank debt (current)

These consist of:

	30 June 2008	31 December 2007
Short-term loans and advances	77,628	81,432
Maturing portion of medium-and long-term loans	215,891	179,659
Total	293,519	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 14.

Note 20 – Other financial liabilities (current)

This item totalled EUR 5,247 thousand (EUR 9,700 thousand at 31 December 2007). EUR 4,369 thousand is payable to bondholders for accrued interest at 30 June 2008, while EUR 875 thousand refers to the short- term portion of loans for the lease-purchase of assets.

With regard to the total debt (short-, medium- and long-term) for assets in lease-purchase, we show below the reconciliation at 30 June 2008 between total future payments for leased assets and their present value 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 21 – Current tax liabilities

Current tax liabilities totalled EUR 27,619 thousand (EUR 16,793 thousand at 31 December 2007). They refer to liabilities for IRES, IRAP 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 SAV S.p.A. and SATAP S.p.A. and their subsidiaries using the line-by-line method and data for the ATIVA Group using the proportional method.)

Note 22 – Revenues

22.1 – Motorway sector revenue

This item breaks down as follows:

	1st Half 2008	1st Half 2007
Tolls	348,349	182,208
Conveyance to the State (Art. 15 (b) Law No. 531/82)	(16,131)	(5,233)
Net toll payments	332,218	176,975
Other accessory revenues - rental income	18,349	8,465
Total	350,567	185,440

“*Net toll payments*” totalled EUR 332.2 million (EUR 177 million in the first half of 2007). The increase over the first half of 2007 equal to EUR 155.2 million was due for EUR 153.2 million to the cited changes in the scope of consolidation and for EUR 2 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.

22.2 – Construction and engineering sector revenues

These break down as follows:

	1st Half 2008	1st Half 2007
Revenues for work and planning and changes in contract work in process	617	3,950
Other revenues	386	1,374
Total	1,003	5,324

This involves the total “production”, net of change orders, carried out by the subsidiaries ABC Costruzioni S.p.A., Strade Co.Ge S.p.A., Sicogen s.r.l. Ativa Engineering S.p.A., Cisa Engineering S.p.A., LAS s.c.a r.l. and Tibre 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..

These revenues show a decrease in both the work carried out for third parties and – as highlighted by the change in the item “capitalised costs on fixed assets” – in the production carried out for the companies of the SIAS Group.

22.3 – Technology sector revenue

These break down as follows:

	1st Half 2008	1st Half 2007
Revenues	3,154	26,231
Changes in contract work in process	4,193	(3,749)
Change in work in progress, semi-finished products, finished goods and other revenues	(175)	1,173
Total	7,172	23,655

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.

The significant decrease in production of the technology sector compared to the same period last year was due to both major intercompany eliminations (related to the change in the scope of consolidation) and to the fact that previous year’s figures benefited from the completion of an important work order on behalf of the CAV.TO.MI. Consortium by SSAT S.p.A..

22.4 – Other revenues

These break down as follows:

	1st Half 2008	1st Half 2007
Indemnification of damages	2,965	1,366
Recovery of expenses and other income	19,157	3,708
Share of income resulting from the discounting of the payable due to ANAS-FCG	9,463	7,536
Operating grants	154	67
Total	31,739	12,677

“*Recovery of expenses and other income*” includes income (EUR 8.7 million) from services performed by SATAP S.p.A. on behalf of the CAV.TO.MI. Consortium for the construction of the High Capacity railway between Turin and Milan. The increase in this item (EUR 1.6 million) was due – in addition to the change in the scope of consolidation – to an extraordinary income resulting from the transaction carried out with the said 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 CAV.TO.MI. 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 23 – Payroll costs

This item can be detailed as follows:

	1 st Half 2008	1 st Half 2007
Salaries and wages	45,719	29,526
Social security contributions	14,541	9,751
Actuarial updating of Employee Severance Indemnity	2,543	(1,045)
Other costs	1,890	344
Total	64,693	38,576

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	50	37
Middle managers	57	47
Staff	1,798	1,018
Workers	423	301
Total	2,328	1,403

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

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

Note 24 – Services

This expense item breaks down as follows:

	1 st Half 2008	1 st Half 2007
Maintenance of assets subject to reversion free of charge	25,119	13,093
Other costs related to assets subject to reversion free of charge	12,011	1,644
Other costs for services	51,205	41,873
Total	88,335	56,610

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 “technology” sectors in favour of motorway companies. The total amount of **maintenance operations** carried out in the period under review totalled **EUR 46 million** (EUR 28 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 25 – Costs for raw materials

This expense item breaks down as follows:

	1 st Half 2008	1 st Half 2007
Raw materials	16,825	17,158
Production supplies	3,220	2,192
Merchandise	1,466	5,060
Changes in inventories of raw materials, production supplies and merchandise	(1,583)	68
Total	19,928	24,478

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 decrease compared to the first half of 2007 – despite the change in the scope of consolidation – was due to lower levels of activities carried out by the Companies operating in the “construction and engineering” and “technology” sectors.

Note 26 – Other operating costs

This expense item breaks down as follows:

	1 st Half 2008	1 st Half 2007
License fee	8,396	4,451
Lease and rental expenses	3,553	3,754
Other operating expenses	5,252	2,053
Total	17,201	10,258

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 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 27 – Costs for capitalised internal work

In the first half of 2008, this item totalled EUR 26,630 thousand (EUR 35,882 thousand in the first half of 2007). It relates mainly to the capitalisation of internal work within the Group, capitalised as an increase to “assets subject to reversion free of charge”.

Despite the change in the scope of consolidation, the significant decrease was due to the reduction of the activities carried out in favour of the Group by the companies operating in the “construction and engineering” and “technology” sectors, as a consequence of the delay in the updating procedure of agreements and related investment plans.

Note 28 – Depreciation and amortisation

This item breaks down as follows:

	1 st Half 2008	1 st Half 2007
Intangible assets:		
• Other intangible assets	562	577
Tangible assets:		
• Buildings	530	367
• Plant and machinery	615	426
• Manufacturing and commercial equipment	517	417
• Other assets	1,070	742
• Assets in financial lease	366	394
• Assets subject to reversion free of charge	85,229	57,315
Total depreciation and amortisation	88,889	60,238

Write-downs	54	-
Total depreciation and amortisation	88,943	60,238

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

Note 29 – 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)	(29,179)
Set-aside to provision for restoration, replacement and maintenance of assets subject to reversion free of charge	62,249	27,091
Net update of the provision for restoration, replacement and maintenance of assets subject to reversion free of charge	9,506	(2,088)

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 30 – Provisions for risks and charges

These break down as follows:

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

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

Note 31 – Financial income and charges

31.1 – Financial income

This item breaks down as follows:

	1st Half 2008	1st Half 2007
Income from investments:		
• dividends from other businesses	3,060	3,484
• capital gains from the disposal of investments	146	983

Interest income and other financial income

• from credit institutions	5,544	2,569
• from financial assets	2,228	5,222
• others	776	413
Total	11,754	12,671

The item “*dividends from other businesses*” refers to the dividends collected from the subsidiaries Milano Serravalle - Milano Tangenziali S.p.A. (EUR 1,194 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), SINA S.p.A. (EUR 6 thousand) and Autostrada Torino-Milano S.p.A. (EUR 2 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) and FNM S.p.A. (EUR 24 thousand) shares.

31.2 – Financial charges

This item breaks down as follows:

	1st Half 2008	1st Half 2007
Interest expense to credit institutions:		
• on loans	34,859	10,564
• on current accounts at banks	1,816	1,470
Miscellaneous interest expense:		
• from financial discounting	10,390	8,139
• from convertible bond loan	6,285	6,188
• from financial lease contracts	41	37
Other financial charges:		
• Other financial charges	1,094	545
Total	54,485	26,943
Capitalised financial charges (1)	(17,135)	(4,302)
Total	37,350	22,641

(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 0.9 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 0.7 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 subsidiary SATAP S.p.A..

Note 32 – Profit (loss) of companies accounted for by the equity method

This item is detailed as follows:

	1 st Half 2008	1 st Half 2007
Revaluations (write-downs) of equity investments:		
• Albenga Garessio Ceva s.r.l.	28	-
• Autostrade Sud America - ASA s.r.l.	(16,987)	3,042
• CIM S.p.A.	(42)	-
• FIMPRE s.r.l.	265	-
• Microlux s.r.l.	5	-
• OMT S.p.A.	2	10
• Road Link Holdings Ltd.	682	-
• SABROM S.p.A.	(18)	-
• SITAF S.p.A.	2,205	-
• SITRASB S.p.A.	71	-
Total	(13,789)	3,052

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 33 – Income taxes

This item can be detailed as follows:

	1 st Half 2008	1 st Half 2007
Current taxes:		
• IRES	25,306	21,128
• IRAP	8,463	5,042
	33,769	26,170
Taxes (prepaid)/deferred:		
• IRES	(417)	(404)
• IRAP	(523)	53
	(940)	(351)
Taxes related to prior years:		
• IRES	(159)	-
• IRAP	64	-
	(95)	-
Total	32,734	25,819

Furthermore, during the first half of the year advance tax payments for EUR 0.9 million, 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	89,041		67,911	
Effective income taxes (from half-yearly report)	24,889	27.95%	20,724	30.52%
Lower taxes (compared to the theoretical rate):				
• lower taxes on dividends and tax-exempt capital gains	837	0.88%	1,166	1.72%
• Update of investments accounted for by the equity method	879	0.99%	1,004	1.48%
Higher taxes (compared to the theoretical rate):				
• Taxes on intercompany dividends, non-deductible write-downs and other changes	(2,119)	-2.32%	(483)	-0.72%
Theoretical income taxes	24,486	27.50%	22,411	33.00%

Reconciliation between effective and theoretical rates (IRAP):

	1 st Half 2008		1 st Half 2007	
Value added (IRAP taxable base)	210,333		113,482	
Effective income taxes (from half-yearly report)	7,940	3.78%	5,095	4.49%
Lower taxes (compared to the theoretical rate):				
• Net miscellaneous deductible expenses	263	0.12%	(272)	0.24%
Theoretical income taxes	8,203	3.90%	4,823	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: (*)		
• maintenance costs exceeding deductible share in the period	11	41
• valuation of work in progress	-	189
• actuarial recalculation of the Employee Severance Indemnities Reserve	37	66
• “repayment” of deferred taxes on the “shareholders’ equity component” of the Convertible Bond Loan	622	604
• provisions to tax deferral reserves	51	29
• repayment of deferred taxes on capital gains	176	-
• others	1,026	966
Total (A)	1,923	1,895
Deferred tax expenses related to: (*)		
• “repayment” of provisions to tax deferral reserves and maintenance costs exceeding deductible share	86	129
• valuation of work in progress	603	-
• actuarial recalculation of the Employee Severance Indemnities Reserve	13	683
• assets in financial lease	-	1
• others	281	731
Total (B)	983	1,544
Total (B) – (A)	(940)	(351)

(*) 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	426	434
• provisions to tax deferral reserves	3,015	3,017
• maintenance costs exceeding deductible share	253	328
• valuation of financial assets at fair value	642	47
• other	4,479	3,396
Total deferred tax credits	8,815	7,222
Deferred tax liabilities related to: (*)		
• shareholders' equity component of the convertible bond loan	(13,579)	(14,195)
• off-book deductions	-	(7,872)
• assets in financial lease	(392)	(391)
• valuation of work in progress	(2,501)	(1,937)
• valuation of financial assets at fair value	(1,106)	(1,416)
• actuarial appraisal of the Employee Severance Indemnities Reserve	(661)	(554)
• other	(959)	(360)
Total deferred tax liabilities	(19,198)	(26,725)

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

Note 34 – 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 (it should be noted that there are no shares of this kind in the period under review).

	1 st Half 2008	1 st Half 2007
Net profit, Group share (<i>in thousands of EUR</i>)	47,786	31,540
Average number of ordinary shares in circulation during the period	227,500,000	127,500,000
Earnings per share (<i>euro per share</i>)	0.210	0.247

To calculate the “*diluted earnings per share*”, the weighted average of shares in circulation is modified (compared to that shown above) by assuming conversion of all shares resulting from the bond issue. The net income (loss) for the Group is consequently adjusted. More specifically:

	1 st Half 2008	1 st Half 2007
Adjusted net profit, Group share (<i>in thousands of EUR</i>)	52,343 (1)	35,686
“Modified” average number of ordinary shares in circulation during the period	259,375,000 (2)	159,375,000
Earnings per share, diluted (<i>euro per share</i>)	0.202	0.224

(1) - Net profit - Group share	47,786
- Financial charges on convertible bond loan	6,285
- Tax effect on financial charges	(1,728)
	<u>52,343</u>

(2) - Average number of ordinary shares in circulation	227,500,000
- Maximum number of shares from conversion of the bond loan	31,875,000
	<u>259,375,000</u>

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

Note 35 – Information on the cash flow statement

35.1 – Change in net working capital

	1st Half 2008	1st Half 2007
Inventories	14,148	(1,683)
Trade receivables	19,352	7,593
Current tax assets	(13,901)	7,817
Receivables from others	(30,666)	(19,720)
Current trade accounts payable	(24,446)	(8,699)
Other payables	(14,750)	3,782
Current tax liabilities	10,826	6,389
Total	(39,437)	(4,521)

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.

35.2 – Other changes from operating activity

	1st Half 2008	1st Half 2007
Drawdown on provisions for Employee Severance Indemnities and other provisions	(5,175)	(1,998)
Total	(5,175)	(1,998)

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 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).

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”):	296	298
• issue value (“liabilities component” + “shareholders’ equity component”):	339	343
• fair value (official market listing):	297	347

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 SIAS 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 SIAS 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, SIAS Group financial indebtedness at 30 June 2008 consisted of 21.3% 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 78.7%.

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 SIAS 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	1.9	390.5	0.5%
Operating costs	47.0	190.2	24.7%
Tangible/intangible assets	45.4	3,079.9	1.5%

With regard to the amount of "operating costs" due to transactions with related parties, EUR 23.3 million out of a total of EUR 43.2 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. SINA S.p.A. and ASTM S.p.A. totalling EUR 0.3 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 1.2 million; ⁽¹⁾
- professional services rendered by SINECO S.p.A. to SALT S.p.A., Autostrada dei Fiori S.p.A., Autocamionale della Cisa S.p.A., SATAP S.p.A., SAV S.p.A., ATIVA S.p.A., Autostrada Asti-Cuneo S.p.A. and ABC Costruzioni S.p.A. totalling EUR 3.2 million; ⁽²⁾
- studies and professional services carried out by SINA S.p.A. to SALT S.p.A., Autostrada dei Fiori S.p.A., Autocamionale della Cisa S.p.A., SATAP S.p.A., SAV S.p.A., ATIVA S.p.A., Autostrada Asti-Cuneo S.p.A. and Ti.Bre. s.c.a.r.l. totalling EUR 2 million; ⁽²⁾
- 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⁾
- managerial assistance and services provided by ASTM S.p.A. to the Companies of the Group, totalling EUR 2.1 million; ^{(1) (2)}
- 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; ⁽²⁾
- 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⁾

⁽¹⁾ Relationships with parent companies

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

⁽³⁾ Relationships with other related parties

Increases in tangible/intangible assets

- professional services performed by SINECO S.p.A. and SINA S.p.A. for SALT S.p.A., Autostrada dei Fiori S.p.A., Autocamionale della Cisa S.p.A., SATAP S.p.A., SAV S.p.A., ATIVA S.p.A., Autostrada Asti-Cuneo S.p.A. and ABC Costruzioni S.p.A., capitalised into the motorway infrastructure for a total of EUR 15.8 million; ⁽²⁾
- 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.

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.

⁽¹⁾ Relationships with parent companies

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

⁽³⁾ Relationships with other related parties

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 Enrico Arona and Paolo Pierantoni as Managing Directors and Sergio Prati as Manager in charge of drawing up the corporate accounting documents of SIAS 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 Directors

Enrico Arona

Paolo Pierantoni

the Manager in charge of drawing up
the corporate accounting documents

Sergio Prati

Auditors' Report

AUDITORS' REVIEW REPORT ON THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of SOCIETÀ INIZIATIVE AUTOSTRADALI E SERVIZI S.p.A.

1. We have reviewed the half-yearly condensed consolidated financial statements of Società Iniziative Autostradali e Servizi S.p.A. and subsidiaries (the "SIAS Group"), which comprise the balance sheet as of June 30, 2008, and the income statement, cash flow statement and statement of changes in shareholders' equity for the six-month period then ended, and the related explanatory notes. The Company's directors are responsible for the preparation and presentation of this interim financial information in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to issue a report on these half-yearly condensed consolidated financial statements based on our review.
2. We conducted our review in accordance with the standards recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly interim financial statements under Resolution n° 10867 of July 31, 1997. Our review consisted principally of applying analytical procedures to the underlying financial data, assessing whether accounting policies have been consistently applied and making enquiries of management responsible for financial and accounting matters. The review excluded audit procedures such as tests of controls and substantive procedures of the assets and liabilities and was therefore substantially less in scope than an audit performed in accordance with established auditing standards. Accordingly, unlike our report on the year-end consolidated financial statements, we do not express an audit opinion on the half-yearly condensed consolidated financial statements.

As far as comparative figures related to the year ended December 31, 2008 and the six-month period ended June 30, 2007 are concerned, reference should be made to auditors' report issued by other auditors on April 11, 2008 and other auditors' review report dated September 12, 2007, respectively.

3. Based on our review, nothing has come to our attention that causes us to believe that the half-yearly condensed consolidated financial statements of SIAS Group as of June 30, 2008 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.
4. For a better understanding of the half-yearly condensed consolidated financial statements, we draw your attention to the fact that, as reported in the paragraph “Notes – Information on the income statement”, as a consequence of the Group reorganization that, during the financial year 2007 involved the SIAS Group and the group held by its parent company Autostrada Torino - Milano S.p.A., the comparative income statement figures related to the six-month period ended June 30, 2008 are not strictly comparable with those of the same period of the preceding year.

DELOITTE & TOUCHE S.p.A.

Signed by
Giorgio Barbieri
Partner

Turin, Italy
August 28, 2008

This report has been translated into the English language solely for the convenience of international readers.