Six-month report as of June 30, 2010

Aeroporti di Roma Società per Azioni
Registered office in Fiumicino (Rome) - Via dell'Aeroporto di Fiumicino, 320
Fully paid-in share capital €62,309,801
A company managed and coordinated by Gemina SpA

www.adr.it

Aeroporti di Roma SpA

after the General Meeting and Board meeting of April 15, 2010

Board of Directors *(2010-2012)*

Chairman	Fabrizio Palenzona
Deputy Chairman	Massimo Pini
Managing Director	Giulio Maleci
Directors	Guido Angiolini Valerio Bellamoli Stefano Cao Beng Huat Ho Enzo Mei Aldo Minucci Piergiorgio Peluso Clemente Rebecchini Paolo Roverato Marco Troncone
Secretary	Antonio Abbate

Board of Statutory Auditors *(2010-2012)*

Chairman	Maria Laura Prislei
Statutory Auditors	Luca Aurelio Guarna Silvano Montaldo Enrico Proia Mario Tonucci
Alternate Auditors	Piero Alonzo Cristiano Proserpio

General Manager	Franco Candido Giudice

Independent Auditors	Deloitte & Touche SpA *(2007-2012)*

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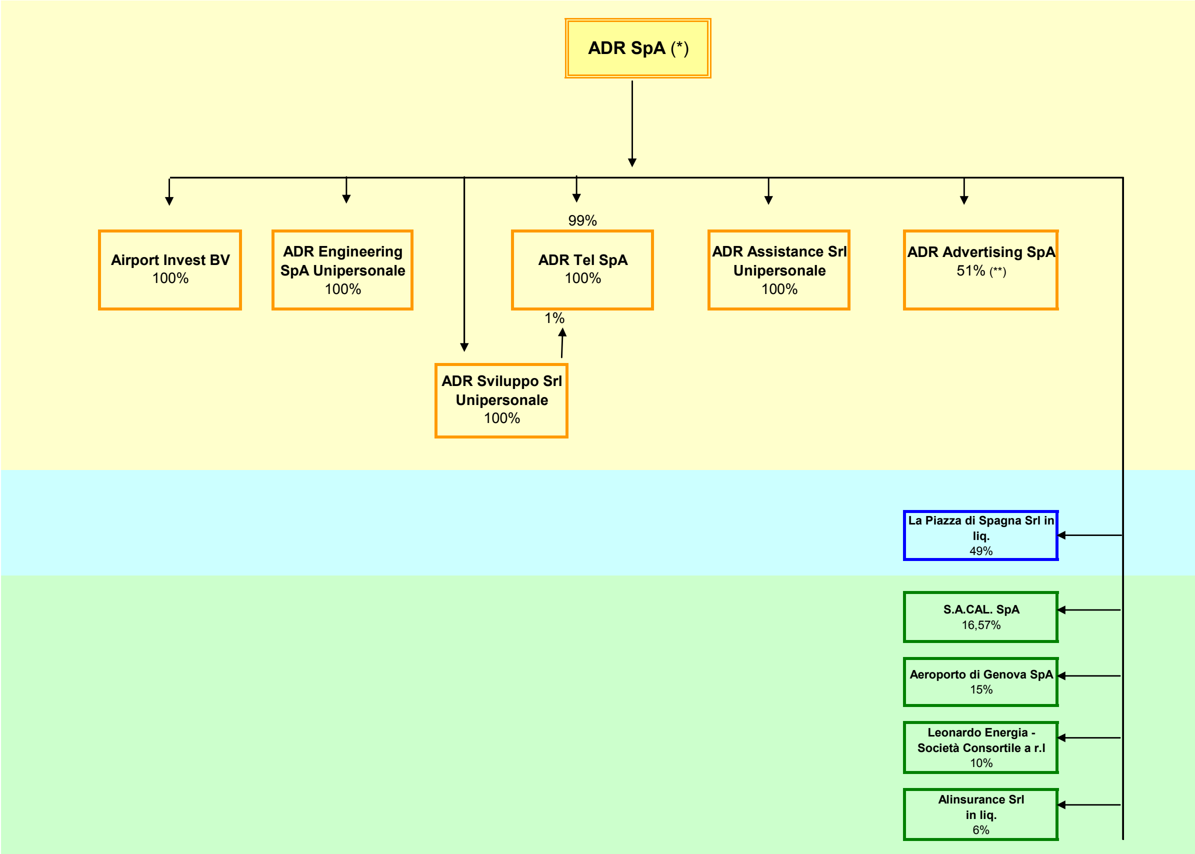
THE ADR GROUP AS OF JUNE 30, 2010



SUBSIDIARY UNDERTAKINGS

ASSOCIATED UNDERTAKINGS

INVESTMENTS IN OTHER COMPANIES

(*) ADR SpA also a 25% holding in the E.T.L. - European Transport Law Consortium
(**) of ordinary share capital

HIGHLIGHTS

The following table summarizes main traffic data for the first half of the year for Rome's airport system and shows changes with respect to the first half of 2009.

TRAFFIC PERFORMANCE

Traffic component	SYSTEM (°)	% change
Movements (no.)	184,757	(2.1%)
Aircraft tonnage (tons)	14,348,063	+1.2%
Total passengers (no.)	18,853,097	+4.3%
Total cargo (kg)	83,780,838	+28.3%

(°) Fiumicino + Ciampino

The following table summarizes key economic, financial and operational data for the ADR Group for the first half of 2010.

ADR GROUP

Consolidated financial and operational highlights (€000)			
	H1 2010	*2009*	*H1 2009*
Revenues	281,607	561,814	263,054
EBITDA	127,076	254,397	111,178
EBIT	65,469	133,618	44,244
Net income/(loss):			
minority interest	(103)	(731)	(611)
Group share	*610*	5,164	*(15,056)*
Investments	61,049	69,754	23,562
	June 30, 2010	*Dec 31, 2009*	*June 30, 2009*
Invested capital	2,007,334	2,048,992	2,048,657
Shareholders' equity (including minority interest)	729,284	728,777	708,678
Group shareholders' equity	728,571	727,961	707,741
Net debt	1,278,050	1,320,215	1,339,979
Headcount at end of period	2,752	2,541	2,623

Ratios	*H1 2010*	2009	*H1 2009*
EBITDA/Revenues	45.1%	45.3%	42.3%
ROS	23.2%	23.8%	16.8%
ROI	3.2%	6.5%	2.2%
ROE	0.1%	0.7%	(2.1%)
Net earnings per share (€)	0.0	0.1	(0.2)
Group shareholders' equity per share (€)	11.7	11.7	11.4
Net debt/Equity	1.8	1.8	1.9
Net financial expense/Revenues	12.8%	12.2%	13.7%
Equity/Fixed assets	34%	34%	33%

Ratios	H1 2010	2009	H1 2009
Accounts receivable turnover (accounts receivable at end of period/revenues *365 days)	126	132	127
Accounts payable turnover (accounts payable at end of period/costs and investments *365 days)	195	197	191
Average revenue per passenger (€)	15	15	15
Average revenue per employee (€000)	123	239	113
No. of passengers/ average headcount	8,249	16,415	7,754

The following table summarizes key economic, financial and operational data for the first half of 2010 for ADR SpA.

ADR SPA

Financial and operational highlights (€000)			
	H1 2010	***2009***	***H1 2009***
Revenues	280,014	557,979	260,857
EBITDA	125,780	251,839	109,443
EBIT	65,081	131,886	44,444
Net income/(loss)	419	5,094	(14,228)
Investments	62,270	69,644	24,050
	June 30, 2010	***Dec 31, 2009***	***June 30, 2009***
Invested capital	2,046,117	2,087,470	2,088,405
Shareholders' equity	764,857	764,438	745,116
Net debt	1,281,260	1,323,032	1,343,289
Headcount at end of period	2,379	2,229	2,279

Ratios	H1 2010	2009	H1 2009
EBITDA/Revenues	44.9%	45.1%	42.0%
ROS	23.2%	23.6%	17.0%
ROI	3.1%	6.3%	2.1%
ROE	0.1%	0.7%	(1.9%)
Net earnings per share (€)	0.0	0.1	(0.2)
Shareholders' equity per share (€)	12.3	12.3	12.0
Net debt/Equity	1.7	1.7	1.8
Net financial expense/Revenues	12.9%	12.3%	13.8%
Equity/Fixed assets	35%	35%	34%
Accounts receivable turnover (accounts receivable at end of period/revenues *365 days)	126	132	128
Accounts payable turnover (accounts payable at end of period/costs and investments *365 days)	196	195	198
Average revenue per passenger (€)	15	14	14
Average revenue per employee (€000)	140	272	127
No. of passengers/ average headcount	9,407	18,832	8,813

MANAGEMENT REPORT ON OPERATIONS

Group operating review

Introduction

Traffic growth at the Roman airport system during the first half of 2010 outperformed the European benchmark, with passenger numbers up 4.3%. A reduction in movements (down 2.1%), associated with a slight increase in tonnage (up 1.2%), resulted in an improvement in the load factor of more than 3 percentage points compared with the first half of 2009.

Revenues of 281.6 million euros are up 7.1%, thanks to growth in both the aviation segment (up 6.8%) and the non-aviation segment (up 7.3%), where the adoption of a new marketing strategy led to a 10.6% rise in car parking revenue.

The various margins have also improved, with gross operating income of 127.1 million euros rising 14.3%, accompanied by an even more significant increase in operating income (up 48%) as a result of lower provisions for doubtful accounts and for risks and charges.
Operating income also grew thanks to the Group's ongoing commitment to keeping costs under control. Payroll costs, for example, are down 1.6%, despite the increase in traffic handled.

The Group has substantially broken even in the first half of the year, despite further provisions for taxation of 14 million euros being recognized in extraordinary expenses. These provisions, which have been made on an entirely prudential basis, are intended to cover all estimated charges that may arise from litigation with the Customs Office. The additional provisions were made necessary following the failure of the appeal, for which sentence was filed in May.

The Group has continued to carry out its investment program, investing a total of approximately 61 million euros in the first half the year, compared with 23.6 million euros in the first half of 2009. The Group is awaiting application of the transitional advance fee payment regime introduced by the 2010 Finance Act, which has yet to be authorized by the relevant bodies.

Despite the increase in investment, net debt is down with respect to both June 30, 2009 and December 31, 2009 at 1,278.1 million euros (1,340.0 million euros at June 30, 2009 and 1,320.2 million euros at December 31 of last year).

The primary objective of the Parent Company, ADR, remains the execution of a new concession agreement with the Grantor, allowing the Group to invest heavily in order to increase the capacity of the Roman airport system and boost quality standards. A revised tariff system, combined with new concession terms and conditions, would enable us to raise the significant financial resources needed to achieve the above aims.

Background

Analysis of economic trends

According to estimates[1] made by the International Monetary Fund (IMF), global GDP should grow by around 4% this year compared with the decline of 0.5% registered in 2009. Therefore, in general economic recovery should be stronger than forecast at the end of last year, with emerging economies continuing to drive the rally. However, economies with more advanced financial systems, which have been more seriously affected by the crisis, will be up against greater difficulties.

[1] Source: Centro Studi Confindustria; BCE (European Central Bank); IMF (International Monetary Fund); Bank of Italy.

The most encouraging signs have come from the United States, Japan and Germany, where the acceleration in GDP growth registered in the last quarter of 2009 has continued in the early months of 2010. The performances of these economies, which were the drivers of world growth before the crisis, have boosted confidence in the global marketplace.

Compared with the previous year, IMF forecasts for 2010 predict GDP growth of 2.7% in the USA, 1.7% in Japan and 1.0% in the euro area. However, the swiftest rallies were registered by the emerging economies, especially in Asia. The Chinese and Indian economies are set to grow by 10% and 5.5%, respectively, in 2010. Such highly export-driven economies should benefit from the recovery in international trade, which should return to register annual growth of around 6%.

In March, the price of oil, which had remained stable at around 75 dollars a barrel, rose to 85 dollars a barrel. 2010 world demand projections drawn up by the International Energy Agency were revised up slightly, from an estimated 86.3 million barrels per day last December to 86.6 million in March, reflecting the growing consumption in emerging economies in Asia, especially in China.

In Europe too the beginning of 2010 saw accelerating economic growth, primarily linked to the rally in world trade. This was positively impacted by the depreciation of the euro, which resulted in a revival of exports. In June the euro weakened significantly against the dollar, falling below an exchange rate of 1.20 dollars to 1 euro for the first time since March 2006.

However, the euro area continued to experience a high level of uncertainty due to the instability of certain economies at risk of default (such as Greece and Portugal). Nevertheless, it should be pointed out that the overall system managed to weather the Greek crisis quite well, and confidence in economic recovery was largely unscathed.

Another critical factor was falling stock market values in the second quarter of the year. Here too, the measures implemented by the ECB proved to be effective, enabling recovery of around 50% of the losses incurred thanks to rallies on the major European bourses.

Inflation forecasts for 2010 made by the ECB in May predict a figure ranging from 1.4% to 1.6% in the euro area.

In Italy GDP registered an increase of 0.5% in the first quarter of 2010 compared with the fourth quarter of 2009, and the second quarter of the year also opened on a positive note thanks to a 4.0% surge in industrial output (estimate by the Italian Institute for Economic Studies and Analyses). Italy is expected to lag slightly behind other European countries in returning to pre-crisis levels of production.
Inflation has started rising, but the fundamentals do not point towards a substantial upswing. The 1.5% increase in the consumer price index in April is due to higher raw material prices (up 37.4%). Inflation is expected to be less than 2.0% at the end of the year.

Legal and regulatory context

- Revised airport fees

On February 27, 2010, Law no. 25 of February 26, 2010 to convert with amendments Legislative Decree no. 194 of December 30, 2009, the so-called "Thousand-Extensions Decree", was published in the Official Gazette. No changes were made to the regulations regarding revision of airport fees (paragraphs 6 and 7 of article 5), thereby confirming extension of the Ministry of Infrastructure and Transport's power to intervene in revising airport fees to bring them into line with the target inflation rate until December 31, 2010.

- Advanced payment of airport fees

On January 15, 2010, ADR submitted an application to the Civil Aviation Authority in order to benefit from the advanced fee payment procedure pursuant to paragraphs 200 and 201 of article 2 of the 2010 Finance Act, which provides for advance payment of passenger boarding fees, up to a maximum of 3 euros per outbound passenger, to airport operators as of 2010. This advance payment is conditional on the execution of self-financing of urgent infrastructure investments subject to validation by the Civil Aviation Authority.

On March 5, 2010 the Civil Aviation Authority notified ADR SpA of its acceptance of advanced fee payment for the urgent and high-priority works listed by the Company in the above-mentioned application, and also reported that it had submitted the relevant advanced fee payment proposal to the Ministry of Infrastructure and Transport.

- EU Law 2009 – Delegated legislation regarding implementation of Directive 2009/12/EC on airport fees

Law no. 96 of June 4, 2010 was published in Official Gazette no. 138 of June 25, 2010 (the so-called "EU Law 2009"). Amongst other things, this law authorizes the government to implement Directive 2009/12/EC regarding airport fees within one year of the law coming into force, namely by July 10, 2011, in compliance with the principles and criteria set out in art. 39 of the Directive.
The implementing Legislative Decree should thus define the scope of application of EU standards regarding airports with passenger traffic amounting to more than 5 million (thereby revising Law no. 248/05), including a specific regime for airports with less than 5 million passengers. At the same time, the law should regulate allocation to the Civil Aviation Authority of domestic supervisory powers regarding the correct application of EU legislation and financial regulation, as ratified by art. 39 of the above law.

- New administrative surcharge on boarding fees

On May 31, 2010 Legislative Decree no. 78 of May 31, 2010 relating to "Urgent measures regarding financial stability and economic competitiveness" was published. Subsequent to a request from the Commissioner responsible for administrative management and the Mayor of Rome, Article 14, paragraph 14 provides for an administrative surcharge on boarding fees for passengers departing from Rome's airports - up to a maximum of 1 euro per passenger – with a view to contributing up to 200 million euros to cover the costs incurred in rescheduling the Municipality of Rome's debt. This Legislative Decree should be converted into law by July 30, 2010, and may be subject to amendment during this phase.

- Special planning agreement

On March 9, 2010 ADR SpA formally submitted a first draft of the "special planning agreement" to the Civil Aviation Authority pursuant to article 17, paragraph 34 *bis*, of Legislative Decree no. 78 of July 1, 2009, converted into Law no. 102 of August 3, 2009. This legal instrument (Law no. 102 of August 3, 2009), which was recently introduced for the benefit of the Civil Aviation Authority and major Italian airports with more than 10 million passengers per annum, waives the current legislative framework and outlines a new model for long-term fee regulation.
This single act governs legal and administrative aspects regarding the operation of Rome's airports, as well as regulatory aspects relating to fees, thereby defining ADR SpA's obligations in this regard.
A planning agreement along these lines significantly simplifies the regulatory framework introduced by CIPE Resolution and the Civil Aviation Authority's implementing guidelines, and sets out a clear and specific framework of reference until expiry of ADR's operating concession on June 30, 2044. At the same time it enables a close correlation to be maintained between investment planning and the related financing, by regulating the drawing up of the airport development plan and the financial and business plan.
On May 21, 2010 the Civil Aviation Authority (ENAC) submitted its own proposed tariff scheme to ADR SpA – in response to the one put forward by the Company – which, in the Authority's opinion, whilst remaining within the scope of the special agreements, complies with the spirit of the regulations introduced by Law no. 102/09. ADR SpA is analysing the various aspects of the proposal before submitting its opinion to the Civil Aviation Authority.

- Application of the new legislative framework regarding civil aviation security

On April 29, 2010 the framework of fundamental common rules and general and detailed provisions (Regulation (EC) no. 300/2008 of the European Parliament and Council of March 11, 2008 which lays down common rules in the field of civil aviation security) came into force at European airports. This Regulation replaces the previous legislative framework laid down by Regulation (EC) no. 2320/2002 and subsequent regulations.
Consequently, on April 29, 2010 and May 6, 2010 the Civil Aviation Authority issued Directives 36012/ENAC/DG and 40792/ENAC/DG containing the new security measures, to be applied in addition to and amendment of the current National Security Program measures.

- Policy guidelines on the Lazio airport system

On June 7, 2010 the Ministry of Infrastructure and Transport issued policy guidelines that were addressed to the Civil Aviation Authority and subsequently forwarded to ADR SpA. Ahead of completion and formalization of the study on the national airport network. This document is aimed at providing strategic guidelines for the Lazio airport system, including a coherent and organized assessment of its future development.
The document identifies priority infrastructure works to be carried out at Fiumicino and Ciampino, and in connection with the construction of Viterbo airport.

- Data Protection Code – Security Planning Document

On March 31, 2010 the Security Planning Document was updated pursuant to Legislative Decree no. 196/2003.

- New video surveillance ruling

A ruling by the Data Protection Authority on video surveillance of April 8, 2010 was published in Official Gazette no. 99 of April 29, 2010. This replaces the ruling issued by this Authority in April 2004 and introduces innovations regarding the use of CCTV systems.
The new provisions must be complied with by October 30, 2010 and ADR SpA has already begun analysing actions that may need to be taken with respect to the security cameras currently installed at Fiumicino and Ciampino and its policy regarding video surveillance.

- Redundancy schemes at Aeroporti di Roma SpA, ADR Tel SpA and ADR Engineering SpA

The Ministerial Decrees of January 12, 2010 regarding redundancy schemes in effect from December 1, 2009 until May 31, 2010, concerning 99 staff at ADR SpA, 2 at ADR Tel SpA and 2 at ADR Engineering SpA, were published in the Official Gazette on February 3 and 4, 2010.

- Decentralized management of public land

On June 11, 2010 Legislative Decree no. 85 of May 28, 2010 was published in Official Gazette no. 114. This measure regards the "Allocation of public property to municipal, provincial, metropolitan and regional authorities", in implementation of art. 19 of Law no. 42/2009. The ruling, which is also known as the “Legislative Decree on the decentralized management of public land”, regulates the process of allocating government assets free of charge to local authorities.
Under art. 5, paragraph 1c), these assets include regional and local airports and the related appurtenances. These differ from national airports as defined under art. 698 of the Navigation Code, which still form part of government land used for civil aviation and therefore subject to the regime laid down in the Italian Civil Code, as well as the protection and conservation regulations of the Navigation Code (art. 4, paragraph 1). However, art. 5, paragraph 2, prohibits the transfer of airports of national and international economic importance pursuant to airport operating regulations.

- Second phase of the Open Skies Agreement

On June 24, 2010 the second phase of the Open Skies Agreement between the EU and the USA, based on the benefits brought by the Open Skies Agreement signed between the EU and the USA in 2007, was signed in Luxembourg. The agreement creates new commercial opportunities and strengthens cooperation in such regulatory areas as the environment, social protection, security and competition.

- Public tenders

a) On March 20, 2010, Legislative Decree no. 53 (the new public tender procedure) introduced shorter periods to art. 245 of Legislative Decree no. 163/2006 (30 days compared with the previous 60 days from the date of receipt of the documents to be contested), for appeals regarding public tenders. Moreover, the regulations regarding the notifications clients are obliged to send to the competing and winning bidders pursuant to art. 79 of Legislative Decree no. 163/2006 have been revised. Furthermore, art. 11, paragraph 10 of Legislative Decree no. 163/2006 introduces an additional period for signing the contract commencing from final notification relating to the final award of the contract pursuant to art. 79 of Legislative Decree no. 163/2006. This period lasts at least 35 days, which means that the client may only sign the final contract with the contractor when at least 35 days have passed since the above-mentioned final notification. Legislative Decree no. 53 of March 20, 2010 n. 53 introduces the new art. 243 *bis*, paragraphs 1 and 5, of Legislative Decree no. 163/2006 which stipulates that plaintiffs wishing to lodge a judicial appeal against a call for tender, awarding of a

b) contract, etc. are obliged to notify the client of their intention to do so, including brief notification of the details of the alleged infringement.
This notification must be addressed to the person in charge of the procedure. Any intention to lodge an appeal may also be stated orally during a public meeting of the bid committee, and included in the minutes of the meeting and immediately notified by the committee to the person in charge of the procedure. Moreover, in paragraph 4, the legislation states that the client must reply to the above-mentioned notification within 15 days. Failure to do so will result in denial of the right to appeal and rejection of the request.
c) The Decree of the Ministry of Infrastructure and Transport of June 14, 2010, published in Official Gazette no. 143 of June 22, 2010, revised the interest rate to be applied pursuant to art. 30 of the Public Works Contract General Specifications, setting it at 4.28% for the period from January 1 to 31 December 2010.
d) With sentence no. 01885/2010 of March 30, 2010, the Council of State confirmed that: "[…] clients may not on their own initiative add clauses to calls for tender that provide for payment within a longer period than the term set by art. 4 of Legislative Decree no. 231 of October 9, 2002, or a rate of interest that deviates from the one prescribed under art. 5 of the Decree, from which no exemptions may be made via the unilateral and peremptory actions of clients, but only subsequent to an agreement, or in any event free acceptance by the parties concerned […]". It should be borne in mind that art. 4 of Legislative Decree no. 231 of October 9, 2002, in implementation of Directive (EC) 2000/35, stipulates that bills must be paid no later than 30 days after the date of their receipt.

ACTIVITIES

Aviation activities

Air traffic

At global level, in the first five months of 2010 the air transport industry reported an improvement in passenger traffic of 5.5%. In the same period, the European market reported a 1.3% rise in the number of passengers, despite the 12.9% fall registered in April due to a volcanic eruption in Iceland that closed the majority of European air space for several days.

In Italy, in the same period, a 4.5% increase in traffic was reported, which is better than the overall European performance.

Passenger traffic - monthly percentage increases compared with the previous year

	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010 (*)	June 2010
WORLD (a)	5.1%	6.2%	7.4%	-0.9%	7.9%	
Europe (a)	3.6%	4.2%	7.1%	-12.9%	5.2%	
Italy (b)	11.6%	7.8%	8.4%	-7.9%	6.3%	
FCO + CIA	**12.0%**	**6.0%**	**5.1%**	**-4.9%**	**3.2%**	**7.2%**

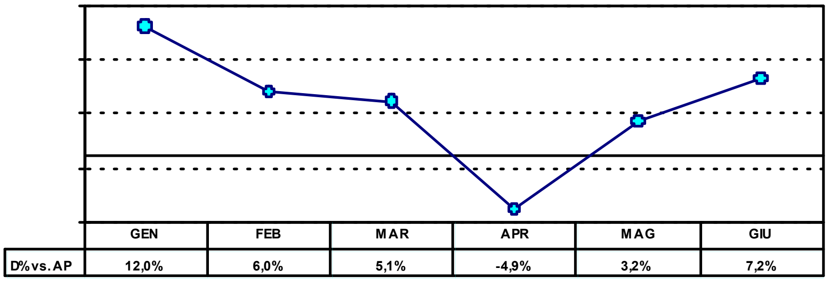
SOURCE: (a)ACI World Traffic Monthly Report(*) ACI Pax Flash Report
(b)ASSAEROPORTI

The Roman airport system

During the first six months of 2010 the main European airports[2] achieved the following passenger traffic results: Madrid (up 3%), Frankfurt (up 0.1%), Amsterdam (down 0.1%), Paris (down 3.1%) and London (down 5.2%). During the same period the Roman airport system recorded an increase of 3.6%, thus registering a more marked increase than Europe's other main airports.

Monthly performances are shown in the following graph:

THE ROMAN AIRPORT SYSTEM
Total Passengers – Monthly percentage changes compared with the previous year



Information regarding trends in traffic components is provided below.

Data up to June 30, 2010

	ROME SYSTEM	Fiumicino	Ciampino	Domestic	International
Movements	184.757	158.130	26.627	76.733	108.024
D% vs PY	-2,1%	-1,5%	-5,6%	-8,5%	+3,0%
Mtow	14.348.063	13.054.616	1.293.447	4.752.361	9.595.702
D% vs PY	+1,2%	+2,0%	-5,6%	-6,4%	+5,5%
Total Pax	18.853.097	16.704.734	2.148.363	6.393.672	12.459.425
D% vs PY	+4,3%	+5,9%	-6,7%	-2,9%	+8,4%
Freight (Kg)	83.780.838	75.198.742	8.582.096	2.797.190	80.983.648
D% vs PY	+28,3%	+31,8%	+4,5%	-5,5%	+29,9%

International traffic breaks down into EU and non-EU traffic as follows.

[2] Source: Airport Council International; Rapid Data Exchange Program.

	International	Intl' EU	Intl' Extra EU
Movements	108.024	72.311	35.713
D% vs PY	+3,0%	+1,0%	+7,3%
Mtow	9.595.702	5.066.738	4.528.964
D% vs PY	+5,5%	+2,9%	+8,6%
Total Pax	12.459.425	7.865.674	4.593.751
D% vs PY	+8,4%	+3,9%	+17,0%
Freight (Kg)	80.983.648	15.007.492	65.976.156
D% vs PY	+29,9%	+4,1%	+37,7%

At **Fiumicino** traffic registered a 5.9% increase in passengers, with a decrease in capacity in terms of movements (down 1.5%) and an increase in aircraft tonnage (up 2.0%); the load factor (65.3%) registered a rise of 3.1 percentage points compared with the first half of the previous year.

Significant events in the first half of 2010 include the strong impact of the Icelandic volcanic eruption in April which, whilst not entailing closure of Fiumicino or Ciampino, had detrimental repercussions on European traffic. This event hit particularly hard in the week of 15 to 21 April with the closure of many European airports including in northern Italy, resulting in a reduction in the number of passengers and a decline in the load factor also in the following days and until early May. Overall, the Roman Airport System is estimated to have lost around 300,000 passengers and more than 2,000 movements.

Breakdowns for the different areas are as follows:

Domestic traffic: This segment saw an overall reduction in passengers of 1.9%, whilst capacity also registered a decrease (movements down 8.8% and aircraft tonnage down 6.1%). This segment, representing 35.9% of total passenger traffic, reported the following:

- Alitalia (74.8% of passenger market share): the carrier reported a reduction in passengers (down 4.5%) as well as in capacity in terms of movements (down 9.8%) and aircraft tonnage (down 8.5%);
- Other carriers (25.2% of passenger market share): other carriers reported growth in passengers (up 6.6%) and capacity (movements down 6.2% and aircraft tonnage up 0.9%).

International European Union traffic: This segment registered a 5.3% increase in passengers, whilst capacity was up 2.1% in terms of movements and 3.7% in terms of aircraft tonnage.
This segment, representing 36.7% of total passenger traffic, reported the following:

- Alitalia (26.0% of passenger market share): the carrier reported an increase in passengers (up 4.1%) and capacity in terms of aircraft tonnage (up 1.7%), whilst movements were down 2.0%;
- Other carriers (74.0% of passenger market share): the other carriers also reported increases in passenger traffic, amounting to 5.7%, and in capacity (movements up 3.7% and aircraft tonnage up 4.5%).

International traffic outside the European Union: This segment registered passenger growth of 19.1%, whilst capacity was up 9.4% in terms of movements and 9.6% in terms of aircraft tonnage.

This segment, representing 27.4% of total passenger traffic, reported the following:

- Alitalia (37.9% of passenger market share): the carrier reported an increase in passenger traffic (up 18.7%) and a more modest rise in capacity (movements up 2.1% and aircraft tonnage up 4.4%);
- Other carriers (62.1% of passenger market share): other carriers registered increases of 19.4% in passengers, 14.3% in movements and 12.9% in aircraft tonnage.

In the first half of 2010 Fiumicino continued to develop its network, with a series of new routes and destinations.

In the Domestic segment, Air Italy started up new flights to Turin, Meridiana to Tortolì and Darwin Airlines to Rimini.

In the European Union segment, Alitalia operated new routes to Malaga and Vienna, Air Baltic to Vilnius, easyJet to Dusseldorf, Malta and Nice, XL Airways France to Paris and Toulouse, City Airline to Gothenburg, Norwegian to Bergen, Germanwings to Hanover, Carpatair to Craiova and finally Blu-Express to Rhodes. In addition to these new routes the frequencies of existing flights were stepped up, including Croatia Airlines to Zagreb, Wizz Air to Warsaw, Jet2.com to Manchester and Cimber Sterling to Copenhagen.

In the non-European segment, new routes included Los Angeles and Amman operated by Alitalia, Charlotte by US Airways, Chicago by United Airlines, Ekaterinburg by Ural Airlines and Donetsk by Ukraine International Airlines. Existing flights were also stepped up, including Alitalia to Sao Paolo, Tel Aviv, Tripoli, Algiers, Tokyo and New York, Air Transat to Montreal, Emirates to Dubai, Qatar Airways to Doha, Blu-Express to Istanbul, Air Seychelles to Mahe and finally Armavia to Yerevan.

At **Ciampino**, as the limitation of 100 commercial movements per day imposed by the authorities on the airport's operating capacity remained in force, passenger traffic in the first six months of 2009 fell by 6.7% compared with the same period of 2009. This result was compounded by the volcanic eruption in Iceland and the transfer of certain flights to Fiumicino airport that were not immediately replaced by other flights.

Airport fees

In the first six months of 2010 revenues from airport fees amounted to 81.4 million euros, representing an increase of 6.5% with respect to the same period in 2009.

The two principal components, “landing, take-off and parking fees” and “passenger boarding fees”, reported the following performances:

- landing, take-off and parking fees: the 3.9% increase registered compared with the first half of 2009 is due to a combination of the 2.1% reduction in the number of movements, offset by the operation of aircraft with higher average capacity/tonnage, and the fee adjustment applied on January 21, 2010 in line with the target inflation rate (up 1.5%);
- passenger boarding fees: total revenues increased by 6.9% on the back of a rise in the number of passengers boarded (up 4.3%), with a higher percentage contribution from non-EU routes (higher unit fee), and also in this case application of the fee adjustment (up 1.5%).

Management of centralized infrastructures

The management of centralized infrastructures, which is carried out directly by the Parent Company, ADR SpA, reported revenues of 16.6 million euros, substantially in line with the first half of the previous year (down 0.4%).

This performance was due essentially to two factors:

- a 3.4% reduction in loading bridge revenues, primarily due to the permanent closure – in connection with airport expansion – of two aprons served by loading bridges (numbers 622 and 623), a reduction in aircraft movements and the penalization of certain facilities resulting from works (an average of one apron closed per day), partly offset by more efficient management of the facilities;
- a 3.5% increase in revenues from the baggage handling system due to a rise in incoming and outbound passenger traffic.

Security

During the first half of 2010, the security activities carried out by the Parent Company, ADR SpA (security checks on passengers and carry-on baggage, 100% screening of checked baggage, explosive detection checks, other security checks requested and surveillance of the airport system) generated revenues of 31.4 million euros, an increase of 8.1% on the same period of 2009. This rise derives from increases in the number of passengers and checked baggage, as well as significant growth in revenues from other security services requested at Fiumicino airport.

Assistance to passengers with reduced mobility (PRM)

These services, provided by the Parent Company, ADR SpA, via a service contract with the subsidiary undertaking, ADR Assistance Srl, generated revenues of 6.0 million euros in the first half of 2010, up 31.5% on the previous year, due to the higher number of passengers, and a difference in the fees applied during the two six-month periods under comparison.

Operational safety

Within the Roman airport system operational safety was carried out according to procedure (ISO 9001/2000 certificate), responding to the increase in traffic and the rising number of infrastructures and construction sites to be checked. In addition, the monitoring of compliance with the requirements of Civil Aviation Authority certification and the correct use of airside infrastructure by handlers continued, including notification of any infringements and actions aimed at helping to modify and improve procedures for runway use.

Real estate management

Revenues from retail sub-concessions, deriving from fees and utilities at Fiumicino and Ciampino airports, amount to 21.3 million euros, registering an increase of 4.6% compared with the first six months of 2009. This increase is largely due to the "up-and-running" effect of spaces under sub-concession agreements at Office Tower 2 which were delivered at various times during the first quarter of 2009, and new contractual conditions defined with Alitalia AZ-CAI regarding sub-concession of the group of assets in the so-called "Technical Area" until December 31, 2010.

Revenues calculated for sub-concessions on the basis of the volume of activity carried out amount to 7.1 million euros, registering a 3.3% increase compared with the same period of the previous year. This performance, whilst affected by a contraction in the hotel business, is largely due to revision of the fees charged to the oil companies that supply jet fuel for aircraft, in compliance with the Civil Aviation Authority's memorandum no. 27438 of April 24, 2009. This provision, which made adjustments to amounts payable and receivable, modified the revenues generated by airport operators based on the different volumes of fuel supplied, thereby ensuring compliance with the need to link charges to the costs incurred.

Non-aviation activities

Revenues from direct sales and outlets managed by sub-concessionaires increased in the first half of 2010 (up 9.0% in absolute terms, up 4.7% per passenger), primarily due to the growth of the outbound international traffic component (non-EU up 7.8%; EU up 8.4%), as well a partial recovery in consumption.

During the first half of the year the average passenger spend in ADR shops and outlets managed by sub-concessionaires rose 7.6% on the same period of 2009, registering an overall positive monthly performance as of February. In particular, the average spend (up 18.7%) spiked sharply in April due to an increase in the amount of time passengers spent at airports following the eruption of the Eyjafjjoell volcano, which spewed clouds of ash and created problems for air traffic for several days, a factor that offset the decline in outbound passengers (down 6.4%).

Most likely due to the depreciation of their respective currencies, a downturn was registered in the spend of high-spending passengers from China, the US and the UK. Bucking the trend were passengers bound for Russia – whose spend during the first half of the year remained largely stable – and passengers bound for Japan, who registered an upturn in the last two months of the period.

Direct sales

Revenues from direct sales in the first half of 2010, amounting to 38.8 million euros, rose 7.1% on the same period of 2009 (up 2.6 million euros). This increase was greater than the 4.1% growth in outgoing traffic, with a consequent rise in the average passenger spend compared with the previous year (up 2.9%).

Fiumicino registered higher turnover than in the first half of 2009 (up 8.7%), with an increase in average passenger spend of 2.8%. The best results were registered by the “Spirits” (up 13.7%), “Wine” (up 13.0%) and “Fragrances” (up 12.1%) segments.

Ciampino registered decreases in revenue (down 11.8%) and average spend (down 5.3%) compared with the first half of 2009, despite the latter starting to pick up as of May.

As of the beginning of the year, marketing actions were implemented entailing review of the spaces allocated to specific brands, review and extension of the product mix and improvement of promotional initiatives.
The efficiency drive regarding logistics and re-ordering processes launched in 2009 is producing the results expected in terms of resources employed, stock reduction and improved operations at retail outlets. Further improvements are expected in the coming months.

Outlets managed by sub-concessionaires

Revenues from outlets managed by sub-concessionaires totaled 24.7 million euros in the first half of 2010, an increase of 12.1% (up 2.7 million euros) compared with 2009. This was partly thanks to a 7.7% rise in average revenue per passenger, primarily due to the above-mentioned growth in international traffic component, as well as the restructuring and relaunching of the ″Food & Beverage″ segment.

Revenues from outlets managed by sub-concessionaires at Fiumicino airport registered a 12.8% increase (up 6.7% in terms of average revenue per passenger).
Specialist Retail revenues registered a 10.0% increase (up 4.0% in terms of average passenger spend). The "Luxury" segment reported the strongest growth (equal to 30% of total Specialist Retail revenues) with a 14% rise (up 7.9% in terms of average passenger spend), whilst the "Clothing" segment also posted an excellent performance with a 24% increase (up 17.5% in terms of average passenger spend).

Since the beginning of the year some poorly performing businesses have been replaced with the following new retail outlets: Gentilini in the “Fine Food” segment; Quore in the “Children's Clothing” segment; Discover in the “Souvenirs” segment; and Geox in the "Shoes" segment. Extension of the Feltrinelli Village in the Terminal 1 departures area, restructuring of the Dixon electronic goods outlets at the Satellite and the land-side area of Terminal 3 and restructuring of the Tre telephony outlet at Pier B were completed.
The excellent performance registered by the "Food & Beverage" segment (revenues up 20.1%, equivalent to a rise of 1.4 million euros) is essentially due to the relaunch of services and restructuring of the former Cisim refreshment outlets, which has been completed (including the opening of a new McDonald's in the Terminal T3 departure area, a sushi bar called "Osaka Sushi" in the T3 transit lounge and an Autogrill “Sky” lounge on the T1 mezzanine floor).
The "Other Royalties" segment registered revenues of 2.4 million euros, up 4.5% on the same period of 2009.
Two new foreign exchange desks (Travelex and Maccorp) were also opened in the land-side area of Terminal 3 in March.

The activities of retail sub-concessionaires at Ciampino registered a slight decrease of 0.6%, with a total of 1.2 million euros, compared with a 6.9% reduction in outgoing traffic, resulting in a 6.8% increase in average revenue per passenger.

Advertising

Despite the first signs of recovery in the advertising market, revenues from advertising amounted to 10.8 million euros in the first half of 2010, down 7.5% on the same period of 2009, deriving from a decline in earnings from third parties registered by the subsidiary undertaking, ADR Advertising SpA. This performance is primarily due to rising competitive pressure from alternative forms of advertising (such as the internet), and a shift in the traffic mix towards low-cost traffic, resulting in a need to redefine the advertising services on offer.

Management of car parks

Management of parking systems registered revenues of 14.8 million euros, up 10.6% on the same period of the previous year. The rise is greater than the increase in the potential market represented by outbound passengers (up 3.1%).

In the first half of 2010 revenues from the management of passenger parking systems (thus excluding car parks allocated to airport operators) at both airports registered an 8.8% increase (up 5.7% per passenger) compared with the first six months of 2009. This result was achieved partly due to a new fees policy which, as of early January, brought the prices charged at Fiumicino's multi-story car parks into line with market rates, including an overall simplification of the pricing structure and a reduction in fees for "tourist traffic". Ongoing development of distribution channels (online booking, travel agencies and business travel agencies) is also managing to ward off competition and tackle the overall slowdown in consumption.

In terms of marketing, promotional and communication activities, the graphics for the online booking system (BOL) for Easy Parking were revamped, and initiatives are underway to improve the user-friendliness of the system, as well as the communication of products and services. Web marketing initiatives focusing on search engine optimization (SEO) and social media optimization (SMO), as well as regular online advertising, continued.

Marketing activities

In terms of marketing and support for ADR's retail brands, an above-the-line and online media plan to promote Easy Parking is being implemented to promote products for various targets (travel agencies, companies). Regarding the online booking service, actions have targeted the trade (travel agencies), including participation in the Mediterranean Tourism Exchange (BMT) trade fair, incentive evenings to promote the online booking system (BOL) and the launch of the "Park and Win" competition. In addition, airport communication graphics have been restyled, and all rent-a-car signage within tunnels and multistory car parks has been renewed to bring it into line with the new road sign graphics and car rental firms' brands.

A new "retail navigation" map was created for the Rome Airport Shopping Gallery located at the Satellite, and advertising panel graphics were updated with new sub-concessionaires' brands.

The project designed to restyle and standardize the graphics at Good Buy Roma shops, in order to help identify the food, spirits and wine, perfume and jewelry areas, was completed.

Finally, the “Shop & Fly” loyalty scheme was launched with the “Instant Win” competition dealt with by sub-concessionaires' cashiers, in order to encourage them to ask for loyalty cards to add points.

Technical and IT services

Information Technology

During the first half of 2010 activities aimed at upgrading and ensuring the reliability of company application systems and ICT infrastructures were completed, continued and launched.

In particular, works completed during the first half of 2010 include the following:

- re-engineering of GTI-CAD: the technical upgrade of the GTI-CAD system was completed, and training courses were launched for around 120 users;
- upgrade of real estate system: the project to migrate from SAP RE Classic to SAP RE-FX was completed;
- air-side vehicle permits: a system to manage air-side vehicle permits was introduced;
- optimization of the management of infrastructure breakdown reporting: the project that enables commencement and conclusion of infrastructure breakdown procedures via palmtop devices was completed;
- upgrade of Fiumicino's taxi system: the upgrade of Fiumicino's taxi system, which enables the use of tags rather than transponders, was completed;
- BHS-NET: data feed interfaces (BagMessage and ADBM) were implemented;
- baggage tracking: the IT infrastructure (network, equipment and tag readers) for the new baggage tracking system for the entire airport (BRS-ADR) was completed.

Important activities that were launched and will be continued in the rest of 2010, include the following:

- review of ICT “operations”: an "operations" transformation program is in progress, which saw the launch of incident management procedures supported by the new outsourced front end department, and the launch of request fulfillment procedures supported by the ICT back end department. Implementation will be gradually rolled out over the next few years;
- makeover of the intranet site: a makeover of the Group’s intranet site, based on new and modern corporate communication and cooperation tools, is underway;
- integrated HRO reporting: implementation is in progress;
- Oracle upgrade: a project to upgrade the Oracle release of the Company's database was launched;
- ADR shops: all equipment is currently being replaced (cash registers and peripherals);
- car parks system: an upgrade of the infrastructure (server) of the fee collection system and implementation of a new operators' car parking area in the hangar area (entry point 5) are underway;
- risk matrix management (231): preparations are underway ahead of the implementation phase;
- workflow authorization: preparations are underway ahead of the implementation phase;
- optimization of operations management for security personnel: preparations are underway ahead of the implementation phase.

Environmental protection

During the first half of 2010 the program regarding development of the sorting of recyclable waste at Fiumicino airport, relating to the portion comprising paper, cardboard, wood and plastic – with collection areas set up near terminals, ADR's administrative offices and Company canteens – proceeded.

Enrollment in SISTRI (a waste traceability monitoring system), which was established by a Ministerial Decree from the Ministry of the Environment and Protection of Land and Marine Resources was carried out, and the annual declaration of the waste produced by ADR SpA in 2009 (Environmental Declaration Form 2010) was completed and submitted to the Rome Chamber of Commerce.

The new ADR Environmental Report was prepared, and maintenance and development of the ISO 14001 Environmental Management System (EMS) at Fiumicino and Ciampino continued according to plan.

During the period under consideration, the gathering of data to quantify CO^2 (carbon dioxide) emissions at Fiumicino airport began, including the definition of calculation methods.

Air quality monitoring and measurement of electromagnetic fields at Fiumicino and Ciampino airports were also launched.

Within the scope of training initiatives, scheduled courses were provided for the departments concerned by EMS. In particular, an awareness-raising course regarding environmental issues was given to senior and middle managers in May.

In June, the certifying body, Bureau Veritas Italy, carried out checks to renew ISO 14001 Environmental Management System certification at Fiumicino and Ciampino airports, and confirmed their full legislative compliance.

Regarding noise abatement issues, a meeting of Services Conference established on February 12, 2010 was called for July 1, 2010 to determine definition of acoustic zoning for the area surrounding Ciampino airport, pursuant to Law no. 447/95 and relative implementing decrees, at which two different zoning proposals will be voted for on a majority basis.
Once zoning has been defined for the "airport surroundings" and the current "acoustic environment" has been checked, ADR SpA will launch any acoustic impact mitigation procedures deemed necessary.

Quality

During the first half of 2010, monitoring of the level of service provided at Fiumicino and Ciampino airports was ensured, in accordance with the 2010 Quality Plan, by means of approximately 27,000 objective controls, based on daily monitoring of the level of quality provided for the main passenger services (baggage claim, check-in, carry-on baggage security checks, punctuality of outgoing flights).

An analysis of quality trends at Fiumicino shows that:

- as in the first half of 2009, 94% of passengers waited no more than 12 minutes for carry-on baggage security checks, 4 percentage points above the service standard published in the Service Charter (90% of passengers);
- the percentage of flights with baggage reclaim times within the set limits was 81% for the first (down 3 percentage points on the same period of the previous year) and 89% for the last piece of baggage compared with 89% in 2009 (the standard is 90%);
- the percentage of outgoing flights with delays of more than 15 minutes was 28% (the standard is 25%), a marked improvement with respect to 2009 (37%). The percentage of outgoing flights with delays caused by the airport operator was 0.1% (0.2% in 2009) compared with the set standard of 0.3%;
- 88% of passengers traveling on domestic flights (an improvement of around 3 percentage points compared with the previous year), and 91% of passengers traveling on international flights (substantially in line with the 91% registered in 2009), completed check-in operations within the times set by the Service Charter (10 minutes and 20 minutes, respectively).

An analysis of quality trends at Ciampino shows that:

- 94% of passengers waited less than 15 minutes for carry-on baggage security checks, compared with the set standard of 90% published in the Service Charter, a reduction of 5 percentage points compared with the 2009;
- the percentage of outgoing flights with delays of more than 15 minutes was 22% (17% in 2009), whilst the percentage of incoming flights with delays of more than 15 minutes was 18% (15% in 2009). The airport did not respect the defined standard as regards both delays for outgoing flights (17%) and recovery of airport transit times (1%);
- the percentage of flights with baggage reclaim times within the set limits was 94% for the first piece of baggage (only 1% less than the previous year) and 96% for the last piece of baggage, the same as in 2009 (the standard is 90%);
- 60% of passengers completed check-in operations within 20 minutes, a 10-point decline with respect to the previous year (the standard is 90%).

GROUP INVESTMENT

During the period under review, the ADR Group carried out investment totaling 61,049 thousand euros – an increase compared with the 23,562 thousand euros registered in the first half of 2009 – primarily regarding departure area E/F and the new transit baggage handling system.

(in millions of euros)	First Half 2010	First Half 2009	Change
North Fiumicino: plan for long-term development	11,7	4,3	7,4
Baggage HBS transiting AZ	16,6		16,6
Interventions on runways and aprons	4,3	0,8	3,5
Maintenance works and optimization of terminals	4,4	2,3	2,1
Fiumicino - Maintenance works on plant electromechanical	3,6		3,6
Fiumicino - Maintenance works on electrical network and air	3,7	1,6	2,1
Acquisition of Plant and machinary	1,4		1,4
Works on Luggage plants and new machinery RX	4,6	1,7	2,9
Upgrade of "Satellite" for A380	0,9		0,9
HBS/BHS ex Cargo Alitalia	1,9	1,6	0,3
Fiumicino: Maintenance works on civil works	1,6	1,8	(0,2)
Urbanized area west / Aprons "W" 1st phase	0,5		0,5
Fiumicino - Maintenance works on water supply and drainage	0,7		0,7
Ciampino: infrastructural works	0,1	2,0	(1,9)
Maintenance works on building in subconcession	0,2	0,5	(0,3)
North Fiumicino: plan for long-term development	0,0	0,6	(0,6)
New Airport (flights low-cost)	0,0	0,8	(0,8)
Works on airport road network	0,0	0,8	(0,8)
Others	4,8	4,8	0,0
Total investments	**61,0**	**23,6**	**37,4**
including:			
- autofinancing	*56,0*	*21,8*	*34,2*
- state-funded	*5,0*	*1,8*	*3,2*

Terminals

Construction work continued on departure area F (former Pier C). Work continued on casting reinforced concrete and damp-proofing the foundations. Work continued on building the service tunnel regarding the section that goes from the existing “chamber 9.1” (service tunnels) to the new “chamber 3” located at the base of the new departure area.

At Terminal 3 work was completed on the fast track lane for first class and business class passengers; work on renovating false ceilings in the transit galleries and upgrading the equipment they house continued.
Work is in progress at “station E” of Terminal 3 regarding extension of the transit security checking area and upgrading of the BHS system. This is expected to be completed by October 2010.

As part of work on improving the image and functionality of terminals, installation of a new group of rest rooms in the arrivals hall at Terminal 1 was completed. Two groups of rest rooms were also restructured, one located in departure area B, gates B16/B23, and the other in the arrivals hall of departure area D.
These works also include restructuring of a group of rest rooms located at the air-side arrivals area of Terminal I, next to the exit for passengers with hand baggage only, which is still in progress.

Work began at departure area D on building a new air traffic coordination and control room.

As part of efforts to improve the image and functionality of terminals, works began in departure area C (formerly B11/B21) and in the area that connects departure area B (formerly Pier A) to departure area C.

Preliminary work is underway on apron 703 in departure area G to accommodate A380 aircraft; activities are expected to start in early September 2010.

Infrastructures and buildings

Restructuring of the postal building in the NET ramp services area is nearing completion. These works are aimed at installing a new handling and security checking system for transit baggage, which is expected to enter service on July 15, 2010, ahead of the roll-out of the new BHS in the former Alitalia cargo warehouse.

Regarding the above-mentioned automated baggage handling system at Terminal 1, restructuring work continued at the former Alitalia cargo warehouse.

Installation of solar panels at the long-stay car park, carried out by Acea, has been completed. A second installation will also be carried out on the workshop roof by the end of 2010.

Work is in progress on a new control room for firefighters at Fiumicino.

The new handlers' premises under the Satellite have been completed.

The car valet service was relocated to the ground level car park previously called PR8.

At Ciampino the new airport perimeter fence on Via Mameli was completed, including repositioning of the new customs entrance.

Runways and aprons

At Fiumicino airport resurfacing of the underpass for runway 07/25, and upgrading of the related road network, was completed. Work on upgrading taxiway and aircraft apron signs in line with Civil Aviation Authority regulations was completed.

Structural upgrading of the “Hotel” taxiway where it meets the NE taxiway, and of a part of the Charlie-Foxtrot taxiway, has been carried out.
Localized upgrading of runway “2”, the Bravo taxiway between the BA and BB connecting runways and part of the Delta taxiway has been completed.
Structural upgrading of the aircraft aprons in sector “300” and part of sector “400”, including replacement of steel storm drain grates with spheroidal cast iron ones, is nearing completion. In particular, the upgrade of aprons 311-314 in accordance with the new “open grade” technology, of aprons 301-312 and of the NE and NH taxiways has been completed. Work is expected to be completed by September 2010.
Work on the second phase of renovating aircraft apron pavements is nearing completion, which is expected in September 2010. Also with regard to the upgrade of aircraft aprons, procedures to award the contract for third phase works are underway.

At Ciampino airport extraordinary maintenance works began on the Alfa taxiway, which are expected to be completed by November 2010. A radical upgrade of the SB taxiway also began, which is expected to be completed by October 2010. Extraordinary maintenance of runway 15/33, and the upgrade of road signs for aircraft aprons in the area in front of the hangar, in accordance with Civil Aviation Authority directives, were completed. A procedure to award a contract for works to replace steel storm drain grates with spheroidal cast iron ones in the area including aircraft aprons 400, 500 and 600 is underway.

RESEARCH AND DEVELOPMENT

The ADR Group did not carry out any research and development activities in the first half of 2010.

GROUP PERSONNEL

Group headcount at June 30, 2010

The headcount as of December 31, 2009, compared with June 30, 2010, is broken down in the table below. The table include suspended staff who benefit from the Special Income Support Fund, amounting to 93 at the end of the period.

headcount	06.30.2010 (*)	12.31.2009 (**)	Δ
Managers	48	47	1
Supervisors	193	180	13
White-collar	1,830	1,716	114
Blue-collar	681	598	83
Total Group	**2,752**	**2,541**	**211**
including:			
on permanent contracts	1,922	1,891	31
on temporary contracts	830	650	180

(*) including CIGS: n° 90 for ADR SpA - n° 2 for ADR Engineering - n° 1 for ADR Tel

(**) including CIGS: n° 87 for ADR SpA - n° 1 for ADR Engineering

and broken down by company as follows:

	06.30.2010 (*)			12.31.2009 (**)			Δ		
headcount	Perm. Contract	Temp. Contract	Total	Perm. Contract	Temp. Contract	Total	Perm. Contract	Temp. Contract	Total
Adr SpA	1,685	694	2,379	1,658	571	2,229	27	123	150
Adr Engineering SpA	36	1	37	33	1	34	3		3
Adr Tel SpA	15	3	18	14	2	16	1	1	2
Adr Advertising SpA	7	2	9	6	2	8	1		1
Adr Assistance Srl	179	130	309	180	74	254	(1)	56	55
Total Group	**1,922**	**830**	**2,752**	**1,891**	**650**	**2,541**	**31**	**180**	**211**

(*) including CIGS: n° 90 for ADR SpA - n° 2 for ADR Engineering - n° 1 for ADR Tel

(**) including CIGS: n° 87 for ADR SpA - n° 1 for ADR Engineering

Analysis of the increase of 211 reveals that the comparison regards two diverse periods in terms of traffic volumes (flights and passengers). Indeed, the period under consideration registered an increase of 180 seasonal staff, who were primarily employed by ADR SpA and ADR Assistance Srl. The implementation of new programs to support infrastructure and improve service quality should also be borne in mind, including operational support initiatives such as the new automated transit baggage handling system.

Regarding the increase in the number of permanently employed staff (up 31), ADR SpA granted permanent contracts to graduates who were hired under placement contracts and as interns in operational departments, and the new organizational structure was implemented (Board of Directors' meeting of April 15, 2010).

Average Group headcount from January 1 to June 30, 2010

The average headcount between January 1 and June 30, 2010 is 2,285.4 full-time equivalents, broken down by category and type of contract as follows:

average Group headcount	First Half 2010	First Half 2009	Δ
Managers	44.9	56.4	(11.5)
Supervisors	165.3	210.8	(45.5)
White-collar	1,537.1	1,512.6	24.5
Blue-collar	538.1	552.2	(14.1)
Total Group	**2,285.4**	**2,332.0**	**(46.6)**
including:			
on permanent contracts	1,707.0	1,866.3	(159.3)
on temporary contracts	578.4	465.7	112.7

and broken down by company as follows:

average Group headcount	First Half 2010			First Half 2009			Δ		
	Perm. Contract	Temp. Contract	Total	Perm. Contract	Temp. Contract	Total	Perm. Contract	Temp. Contract	Total
Adr S.p.A.	1,484.3	519.9	2,004.2	1,635.0	416.7	2,051.7	(150.7)	103.2	(47.5)
Adr Engineering S.p.A.	32.5	0.6	33.1	42.4	2.0	44.4	(9.9)	(1.4)	(11.3)
Adr Tel S.p.A.	13.9	2.6	16.5	17.4	1.0	18.4	(3.5)	1.6	(1.9)
Adr Advertising S.p.A.	5.0	2.0	7.0	9.4	0.7	10.1	(4.4)	1.3	(3.1)
Adr Assistance S.r.l.	171.3	53.3	224.6	162.1	45.3	207.4	9.2	8.0	17.2
Total Group	**1,707.0**	**578.4**	**2,285.4**	**1,866.3**	**465.7**	**2,332.0**	**(159.3)**	**112.7**	**(46.6)**

For the Group, the average headcount fell by 46.6 full-time equivalents.

For ADR SpA, the reduction (down 47.5 full-time equivalents) derives from the effect of terminations of staff on permanent contracts arising from the restructuring plan as of June 2009 (down 150.7 full-time equivalents on permanent contracts), as well as the increased use of staff on fixed-term contracts (up 103.2 full-time equivalents on fixed-term contracts).

For ADR Assistance Srl, the increase in the number of staff on permanent contracts derives from the effect of applying the second phase of the agreement with the labor unions of June 5, 2008 (ADR Assistance Incorporation Agreement), which laid down terms for completion of the transfer of handlers' staff as of April 2009.

Organizational aspects

During the first half of the year ADR SpA's new organizational structure, which was approved by the Board of Directors on April 15, 2010, was formalized and implemented, in order to respond to the changed operating environment. In this regard, the Investment Committee and the Corporate Identity and Communication Committee were established.

Moreover, a project group was set up to bring the procedural framework into line with legal requirements regarding savings protection (pursuant to Law no. 262/05) and administrative responsibility (pursuant to Legislative Decree no. 231/01).

Industrial relations

On January 26, 2010, at Assaeroporti's headquarters, negotiations with the labor unions regarding renewal of the airport operators' National Collective Labor Contract, which expired on December 31, 2007, were completed.
It was agreed that this legislation should include a contractual framework relating to the entire air transport sector, broken down into a common part regarding airport operators, catering companies and handling companies, as well as specific parts to regulate the specific and particular interests of the three sectors concerned.

Signature of the new contract concluded a smooth process of dialog which began in 2008 and then slowed as a result of the delicate situation faced by the entire air transport industry. Negotiations resumed in the second half of 2009, with both sides determined to reach agreement.

This legislative framework includes and replaces all previous agreements, and thereby comprises a definitive version of the contract document.
Consequently, the elimination of long-standing overlaps between various agreements and amendments and additions to the last National Collective Labor Contract has resulted in more straightforward employment terms and conditions, as well as providing a clearer interpretation of the related laws for all parties.

The financial effects of the agreement amounted to a 6.5% increase in payroll costs.

The changes to pay and regulatory aspects introduced by the agreement were implemented in February 2010.

A round table was launched in May 2010 to revise the staff transport system. The steadily declining use of this service in recent years, partly due to the reduction in the workforce during 2009, calls for a radical review of the regulatory framework and/or identification of alternative solutions.
The labor unions' position on this issue, geared towards substantially maintaining the current system, was not conducive to the emergence of solutions that can be reconciled with the need to cut the cost of the service.

Also regarding labor union relations, an agreement was signed at ADR Assistance Srl that introduces partial changes to the previous work organization system. This enhanced professional positions relating to operational control in the central coordination room as well as in peripheral operating units. At the same time, it enabled introduction of more flexible organizational instruments in response to fluctuations in demand for assistance.

As was the case at ADR SpA last year, this reorganization process also provided for conversion of the contracts of 11 staff from part-time to full-time regarding positions that require a full-time presence.

Training and refresher courses

Specialized training and refresher courses during the first half of 2010 were provided to 656 staff, amounting to a total of approximately 1,500 hours.

Behavioral training included the following courses: Customer Care, Gearing Towards Internal Customers, Direct Retail and the start-up of Managing Operations. These events involved administrative and operational staff for whom internal and external customer relations are important. These programs are financed by Fondimpresa.

Regarding specialized training, using Fondimpresa funding it is planned to create nine training courses that respond to operating requirements connected with maintenance activities and the use of runway and operating area structures.

Health and safety at the workplace, data protection and corporate social responsibility

Risk assessment inspections were carried out at all of Fiumicino's workplaces in order to update the relative document (Fiumicino RAD).

The training course regarding preparation of the "*Document assessing interference risks*" (art. 26 of Legislative Decree no.81/08) for contract managers was completed. A training course for supervisors was also completed.

Instructions for ensuring compliance with health and safety at the workplace legislation were revised.

Participation in the Factor IV project *"Study of the psycho-social risk prevention and protection factors in private companies in order to promote organizational well-being"* was promoted in collaboration with La Sapienza university. This led to an initial phase entailing the administration of 210 questionnaires to assess the risk of work-related stress for ADR SpA's administrative staff.

The monitoring and control of all third parties operating in various capacities at Fiumicino and Ciampino was further implemented. Specific reference was made to the provisions of art. 26 of Legislative Decree no. 81/08 regarding technical and professional compliance with health and safety at the workplace regulations.

Emergency management saw a reorganization leading to the update of fire prevention plans and teams, including training of 25 emergency management staff. Security drills were carried out as usual.

Regarding the OHSAS 18001 certification that was awarded in December 2009, the external organization, Bureau Veritas, is carrying out the first maintenance check on the certification during which the corrective measures implemented following the certification check in December 2009 have been verified.

CORPORATE TRANSACTIONS

On June 8, 2010 an Straordinary General Meeting of the shareholders of La Piazza di Spagna Srl, which is 49% owned by ADR SpA and 51% owned by Airest Srl, approved the early winding up of the company, pursuant to art. 2484 n.6 of the Italian Civil Code, and decided to place the company into liquidation. This was to take effect as soon as the resolution has been registered with the Companies' Register (June 21, 2010).

Fabio Orrù was thus appointed as receiver and assigned legal representation of the company and granted powers of ordinary and extraordinary administration in accordance with the law, including express provision of the power to manage the company on a temporary basis.

ADR GROUP FINANCIAL REVIEW

Reclassified consolidated income statement[3]

(in thousand of euros)

2009		First Half 2010		First Half 2009		change	%
556.244	Revenues from sales and services	276.950		261.172		15.778	6,0%
5.570	Contract work in progress	4.657		1.882		2.775	147,4%
	Contributions and grants						
561.814	A.- REVENUES	281.607	100,0%	263.054	100,0%	18.553	7,1%
5.508	Capitalized costs and expenses	4.394		1.980		2.414	121,9%
567.322	B.- REVENUES FROM ORDINARY ACTIVITIES	286.001		265.034		20.967	7,9%
(191.024)	Cost of materials and external services	(98.106)	(34,8%)	(92.078)	(35,0%)	(6.028)	6,5%
376.298	C.- GROSS MARGIN	187.895	66,7%	172.956	65,7%	14.939	8,6%
(121.901)	Payroll costs	(60.819)	(21,6%)	(61.778)	(23,5%)	959	(1,6%)
254.397	D.- GROSS OPERATING INCOME	127.076	45,1%	111.178	42,3%	15.898	14,3%
(107.858)	Amortization and depreciation	(54.245)		(53.704)		(541)	1,0%
(5.935)	Other provisions	(699)		(3.937)		3.238	(82,2%)
(6.924)	Provisions for risks and charges	(5.459)		(7.872)		2.413	(30,7%)
(62)	Other income (expense), net	(1.204)		(1.421)		217	(15,3%)
133.618	E.- OPERATING INCOME	65.469	23,2%	44.244	16,8%	21.225	48,0%
(68.660)	Financial income (expense), net	(36.035)	(12,8%)	(36.063)	(13,7%)	28	(0,1%)
(43)	Adjustments to financial assests	(4)		0		(4)	ns
64.915	F.- INCOME BEFORE EXTRAORDINARY ITEMS AND TAXES	29.430		8.181		21.249	259,7%
(31.841)	Extraordinary income (expense), net	(14.728)		(18.516)		3.788	(20,5%)
33.074	G.- INCOME BEFORE TAXES	14.702		(10.335)		25.037	(242,3%)
(32.826)	Income taxes for the period	(14.585)		(13.032)		(1.553)	11,9%
4.185	Deferred tax assets	390		7.700		(7.310)	(94,9%)
4.433	H.- NET INCOME FOR THE PERIOD	507		(15.667)		16.174	(103,2%)
	including:						
(731)	- Minority interest	(103)		(611)		508	(83,1%)
5.164	**- Group interest**	**610**		**(15.056)**		**15.666**	**(104,1%)**

Traffic using the Roman airport system during the first half of 2010 continued to grow, despite the drop registered April as a result of the volcanic eruption in Iceland.

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Traffic growth, together with the effects of cost-cutting measures launched in 2009, had a positive impact on the first-half results.

These results appear even more rosy if compared with the first half of 2009 which, in addition to the economic downturn, was affected by the launch of the new Alitalia, which cut the number of flights operated. Given this situation, the ADR Group launched a restructuring program entailing recognition of extraordinary expense of approximately 20 million euros in the income statement.

Group revenues in the first half of 2010, amounting to 281.6 million euros, are up 7.1% on the same period of 2009, reflecting a 6.8% increase in aviation revenues and a 7.3% rise in non-aviation revenues.

[3] Reference should be made to the section entitled "Reconciliation between the reclassified statements used in the Management Report on Operations and those used in the statutory financial statements" for a reconciliation of the reclassified Income Statement with the statutory Income Statement.

The increase in traffic was reflected in higher aviation revenues, with airport fees rising 6.5%, partly due to being brought into line with inflation, and security service revenues were up 8.1%. Revenues from the provision of PRM assistance are up 31.5% due to both passenger growth and an increase in the related fees.

Non-aviation revenues, which are up 7.3%, were boosted by an additional grant of 2.8 million euros for state-funded works compared with the first half of 2009. Without this component, non-aviation revenues are up 5.3%, primarily due to the rise in direct sales (up 7.1%) and an increase in income from sub-concessions and utilities, driven by the relaunch of the "Food & Beverage" segment and higher real estate rentals (the new office building and the Alitalia technical area). Management of parking systems also registered a good performance, with car parking revenue up 10.6% thanks to traffic growth and a new pricing policy. However, advertising revenue continued to fall (down 7.5%).

Capitalized costs and expenses also grew, rising 2.4 million euros with respect to the same period of 2009, reflecting investment by the Group. “Revenues from ordinary activities” are therefore up 7.9%.

The cost of materials and external services increased by a total of 3.6%, which rises to 6.5% if "costs relating to financed works", regarding the portion of state-funded works at departure area F, are included. This performance is primarily due to a combination of:

- in terms of raw materials and goods for resale, an increase in the cost of goods for resale and a reduction in the cost of purchasing electricity and gas;
- in terms of service costs, a rise in cleaning costs as part of a drive to boost quality, partly offset by reduced maintenance expenses.

Payroll costs, on the other hand, are down 1.6%, due to a reduction in the average headcount (down 46.6) arising from the current restructuring plan and an improved mix of resources.

The increase in operating costs, amounting to 3.3% compared with 7.9% growth in revenues, thus results in gross operating income of 127.1 million euros, up 14.3% on the same period of the previous year. This results in an increase in the gross operating profit margin from 42.3% to 45.1%.
Thanks to lower provisions for doubtful accounts and for risks and charges, totaling 5.7 million euros, operating income of 65.5 million euros is up 48% on the first half of 2009.

Net financial expense are substantially in line with the first half of 2009 (down 0.1%), accounting for a lower proportion of revenues (down from 13.7% to 12.8%).

Pre-tax income was impacted by further provisions of 14 million euros being recognized in extraordinary expenses to cover charges arising from litigation with the Customs Office. The additional provisions were made following the Regional Tax Commission’s decision to turn down the appeal lodged by the Parent Company, ADR. For further information see the section on "Tax litigation" in the Notes.
Extraordinary items in the comparative period of 2009 included estimated restructuring charges of 19.5 million euros.

As a result of the above performance, the ADR Group has substantially broken even in the first half of 2010 (net income of 0.6 million euros), compared with a net loss of 15.1 million euros for the same period of the previous year.

Reclassified consolidated balance sheet[4]

(in thousand of euros)

06-30-2009		06-30-2010	12-31-2009	Change
	A. - NET FIXED ASSETS			
1,962,692	Intangible fixed assets *	1,932,010	1,948,422	(16,412)
166,967	Tangible fixed assets	186,288	168,907	17,381
3,415	Non - current financial assets	3,431	3,419	12
2,133,074		2,121,729	2,120,748	981
	B. - WORKING CAPITAL			
24,061	Inventory	22,580	21,464	1,116
196,121	Trade receivables	200,325	203,143	(2,818)
72,420	Other assets	56,330	48,179	8,151
(139,402)	Trade payables	(162,579)	(140,437)	(22,142)
(48,404)	Allowances for risks and charges	(71,159)	(54,763)	(16,396)
(156,549)	Other liabilities	(131,434)	(120,819)	(10,615)
(51,753)		(85,937)	(43,233)	(42,704)
	C. - INVESTED CAPITAL, minus			
2,081,321	short-term liabilities (A+B)	2,035,792	2,077,515	(41,723)
32,664	D. - EMPLOYEE SEVERANCE INDEMNITIES	28,458	28,523	(65)
	E. - INVESTED CAPITAL, minus short-term			
2,048,657	**liabilities and E.S.I. (C-D)**	**2,007,334**	**2,048,992**	**(41,658)**
	financed by:			
	F. - SHAREHOLDERS' EQUITY			
707,741	- Group interest	728,571	727,961	610
937	- Minority interest	713	816	(103)
708,678		729,284	728,777	507
1,490,611	G. - MEDIUM/LONG-TERM BORROWING	1,477,861	1,482,111	(4,250)
	H. - NET SHORT-TERM BORROWING			
	(NET CASH AND CASH EQUIVALENTS)			
3,513	.Short-term borrowing	11,509	25,458	(13,949)
(154,145)	.Cash and current receivables	(211,320)	(187,354)	(23,966)
(150,632)		(199,811)	(161,896)	(37,915)
1,339,979	(G+H)	1,278,050	1,320,215	(42,165)
2,048,657	**I. - TOTALE AS IN "E" (F+G+H)**	**2,007,334**	**2,048,992**	**(41,658)**
1,724,927	*(*) including the value of the concession totaling*	*1,675,643*	*1,700,285*	*(24,642)*

As of June 30, 2010 the Group's invested capital amounts to 2,007.3 million euros, representing a decrease of 41.7 million euros compared with the end of the previous year. This primarily reflects a significant reduction in working capital.

Net fixed assets are in line with the figure for December 31, 2009 (up 1.0 million euros), with capital expenditure during the first half substantially offset by amortization and depreciation.

Working capital is 42.7 million euros down overall on the figure for December 31, 2009, primarily due to:

- an increase of 22.1 million euros in trade payables as a result of investment carried out;
- an increase of 16.4 million euros in provisions for risks and charges, which include further provisions (14.0 million euros) for litigation with the Customs Office;
- an increase of 10.6 million euros in "other liabilities", primarily reflecting estimated tax expense for the period; and, to a lesser extent,
- a reduction of 2.8 million euros in trade receivables, due to improved collection times, although no payments were received from Alitalia under special administration, which has outstanding payables due to the Group amounting to around 27 million euros.

[4] Reference should be made to the section entitled "Reconciliation between the reclassified statements used in the Management Report on Operations and those used in the statutory financial statements" for a reconciliation of the reclassified Balance Sheet with the statutory Balance Sheet.

The reduction in working capital was in part offset by an increase in ”other assets”, totaling 8.2 million euros. This primarily reflects higher tax credits deriving from payment, during the period, of installments due as a result of the tax assessment relating to the current litigation with the Customs Office (up 3.1 million euros) and a rise in prepaid expenses (3.1 million euros).

In terms of funding, the reduction in invested capital was reflected in a 42.2 million euro decrease in net debt, which stands at 1,278.1 million euros as of June 30, 2010, whilst shareholders' equity is slightly up (507 thousand euros), as a result of net income for the first half.

Consolidated net debt

(in thousand of euros)

06-30-2009		06-30-2010	12-31-2009	change
(2,758)	Titles - Bonds	(2,758)	(2,758)	0
293,350	Due to banks	280,600	284,850	(4,250)
1,200,019	Due to other financial institutions:	1,200,019	1,200,019	0
1,490,611	**A- MEDIUM/LONG -TERM BORROWING**	**1,477,861**	**1,482,111**	**(4,250)**
2,529	Due to banks	10,025	11,541	(1,516)
984	Due to other financial institutions	1,484	13,917	(12,433)
3,513	**Short-Term Borrowing**	**11,509**	**25,458**	**(13,949)**
(51,814)	Receivables due from others	(56,330)	(51,616)	(4,714)
(102,331)	Cash on hand and in banks	(154,990)	(135,738)	(19,252)
(154,145)	**Cash and current receivables**	**(211,320)**	**(187,354)**	**(23,966)**
(150,632)	**B- NET SHORT-TERM BORROWING (NET CASH AND CASH EQUIVALENTS)**	**(199,811)**	**(161,896)**	**(37,915)**
1,339,979	**NET DEBT (A+B)**	**1,278,050**	**1,320,215**	**(42,165)**

A reduction in the medium/long-term component of net debt was reported, deriving from the reclassification to short-term debt of the 4.3 million euro portion of the Banca BIIS loan falling due in March 2011.

The reduction in the short-term component of debt is even more significant (down 37.9 million euros), reflecting:

- a 1.5 million euro reduction in amounts due to banks, essentially due to the lesser short-term exposure of the subsidiary undertaking, ADR Advertising SpA. The reclassification of the 4.3 million euro portion of the Banca BIIS loan falling due in March 2011 was offset by payment of a portion of the BIIS loan, of an equal amount, falling due in March 2010;
- a reduction in amounts due to other financial institutions, following the payment of interest in June;
- a 24.0 million euro rise in cash and current receivables, reflecting an increase in operating cash flow.

Consolidated statement of cash flows

(in thousand of euros)

2009		First Half 2010	First Half 2009
171,423	**A.- NET CASH AND CASH EQUIVALENTS - opening balance**	**161,896**	**171,423**
	B.- CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
4,433	Net income (loss) for the period	507	(15,667)
107,858	Amortization and depreciation	54,245	53,704
(23)	(Gains) losses on disposal of fixed assets	(3)	0
(3)	(Revaluations) write-downs of fixed assets	(2)	(2)
(38,230)	Net change in working capital	42,704	(29,710)
(8,869)	Net change in employee severance indemnities	(65)	(4,728)
65,166		97,386	3,597
	C.- CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
	Investment in fixed assets:		
(45,534)	.intagible	(27,948)	(15,305)
(18,563)	.tangible	(28,135)	(6,452)
(2,764)	.financial	(16)	(2,758)
675	Proceeds from disposal, or redemption value of fixed asset	878	133
(66,186)		(55,221)	(24,382)
	D.- CASH FLOW FROM (FOR) FINANCING ACTIVITIES		
(8,500)	Buy-back of shares	(4,250)	0
(8,500)		(4,250)	0
(7)	E.- DIVIDENDS PAID	0	(6)
(9,527)	F.- CASH FLOW FOR THE PERIOD (B+C+D+E)	37,915	(20,791)
161,896	**G.- NET CASH AND CASH EQUIVALENTS - closing balance (A+F)**	**199,811**	**150,632**

The Group's operating cash flow amounted to 97.4 million euros in the first half of 2010, after the servicing of debt falling due. This marks a significant improvement on the comparable period of 2009.

These internally generated resources enabled the Group to fully cover the growing cost of self-financed investment during the period, totaling 55.2 million euros.

Adjusted for the portion of medium-/long-term loans falling due in the short term, the Group recorded a net cash inflow of 37.9 million euros in the first half, increasing net cash and cash equivalents to 199.8 million euros as of June 30, 2010.

Analysis of consolidated net debt

(in thousand of euros)

2009		First Half 2010	First Half 2009
(1,321,946)	**A.- NET FINANCIAL BORROWING - opening balance**	(1,320,215)	(1,321,946)
254,397	EBITDA	127,076	111,178
(72,451)	Net change in operating working capital	23,140	(67,063)
(8,869)	Net change in employee severance indemnities	(65)	(4,728)
(85)	Other income (exp.), net	(1,202)	(1,421)
(23,719)	Extraordinary income (exp.), net	(13,970)	(18,516)
(40,201)	Current taxes paid	(1,838)	(363)
25,091	Other assets/liabilities (included allowances for risks and charges)	2,524	23,113
134,163	**B.- OPERATING CASH-FLOW**	135,665	42,200
(64,103)	Capex (tangibles, intangibles and financial)	(56,099)	(21,757)
675	Proceeds from disposal, or redemption value of fixed asset	878	133
70,735	**C.- FREE CASH-FLOW**	80,444	20,577
(68,997)	Financial income (exp.), net	(38,279)	(38,603)
(7)	Dividends paid	0	(6)
1,731	**D.- NET CASH-FLOW**	42,165	(18,033)
0	Exchange rate effect on reserves	0	0
1,731		42,165	(18,033)
(1,320,215)	**E.- NET BORROWING - closing balance (A+D)**	(1,278,050)	(1,339,979)

Reconciliation of the reclassified statements used in the Management Report on Operations and the financial statements

- Reclassified consolidated income statement

The income statement was reclassified on a “value-added” basis, which shows the contribution of the various areas of operation: ordinary, financial and extraordinary.
Reclassified income statement items may be directly deduced from the statutory statements, except for the items and their related sub-items shown below:

ITEM RECLASSIFIED INCOME STATEMENT	ITEM INCOME STATEMENT
REVENUES	Revenues from sales and services Changes in contract work in progress Other income and revenues: revenue grants
COSTS OF MATERIALS AND EXTERNAL SERVICES	Operating costs: raw, ancillary and consumable materials and goods for resale Operating costs: services Operating costs: leases Other income and revenues: other - expense recoveries (-) Changes in inventories of raw, ancillary and consumable materials and goods for resale Sundry operating costs: license fees
PAYROLL COSTS	Operating costs: payroll Other income and revenues: other - recoveries of personnel expenses
AMORTIZATION	Depreciation, amortization and write-downs: amortization of intangible fixed assets Depreciation, amortization and write-downs: depreciation of tangible fixed assets
OTHER PROVISIONS	Depreciation, amortization and write-downs: provisions for doubtful accounts
PROVISIONS FOR RISK AND CHARGES	Provisions for risks Other provisions
OTHER INCOME (EXPENSE), NET	Other income and revenues: profits on disposals Other income and revenues: others (except of expense recoveries and of recoveries of personnel expenses) Sundry operating costs: losses on disposals Sundry operating costs: other

The reclassified income statement is also used in the calculation of the profit ratios presented in the section “Highlights” in this Management Report on Operations.

- Reclassified consolidated balance sheet

The balance sheet was reclassified in accordance with “management criteria”, which shows the division between invested capital and fixed capital (“Fixed assets”) and working capital (“Working capital”), and also between the related sources of funding, represented by self-financing (“Shareholders’ equity”) and borrowing (“Medium/long-term borrowing” and “Net short-term borrowing”). Reclassified balance sheet items may be directly deduced from the statutory financial statements, except for the items and their related sub-items shown below:

ITEM RECLASSIFIED BALANCE SHEET	ITEM BALANCE SHEET
TRADE RECEIVABLES	Receivables: due from clients Receivables: due from associated undertakings Receivables: due from parent companies
OTHER ASSETS	Receivables due from Associated undertakings - other relations Receivables due from parent companies - other relations Receivables due from tax authorities Receivables deferred tax assets Receivables due from others - other relations Accrued income and prepaid expenses
TRADE PAYABLES	Advances Due to suppliers Due to associated undertakings - trading relations Due to parent companies - trading relations
OTHER LIABILITIES	Due to associated undertakings - other relations Due to parent companies - other relations Taxes due Due to social security agencies Other payables - other relations Accrued expenses and deferred income
MEDIUM/LONG - TERM BORROWING	Other securities: bonds - beyond 12 months Payables due to banks - beyond 12 months Payables due to other financial institutions - beyond 12 months
SHORT TERM BORROWING	Payables due to banks - within 12 months Payables due to other financial institutions - within 12 months
CASH AND CURRENT RECEIVABLES	Receivables due from others - financial relations Cash on hand and in banks

The reclassified balance sheet is also used in the calculation of ratios regarding profitability, strength of assets, solvency and liquidity, which are presented under “Highlights” in this Management Report on Operations.

MAIN GROUP COMPANIES

ADR Engineering SpA - Unipersonale

This Group company, which provides design, works supervision and technical consultancy services in the field of airport engineering, reported net profit of 1,021 thousand euros in the first half of 2010, compared with the net loss of 685 thousand euros registered in the same period of the previous year.

The growth in the volume of business (design and works supervision) commissioned by the Parent Company, ADR SpA, had a positive impact on revenues, which rose by 3,765 thousand euros to stand at 6,790 thousand euros.

The cost of materials and external services rose 2,227 thousand euros, whilst payroll costs fell 550 thousand euros.
Consequently, EBITDA is a positive 2,031 thousand euros, compared with the negative 57 thousand euros reported for the same period of the previous year.
EBIT which stood at 1,557 thousand euros, also improved substantially compared with the 1,445 thousand euros registered in the first half of 2009.

Pre-tax income was up 2,349 thousand euros on the same period of the previous year, which was influenced by provisions for restructuring charges, posted under extraordinary items, of 938 thousand euros connected to the redundancy plan launched by the company.

ADR Tel SpA

ADR Tel SpA, the company which builds and manages telecommunications systems at the Roman airport system, reports net profit of 171 thousand euros, compared with a net loss of 266 thousand euros in the first half of 2009.

The company posted revenues of 5,275 thousand euros, up 5.8% on the first half of 2009, primarily due to the increase in works commissioned by the Parent Company regarding the building of infrastructure.

EBITDA, amounting to 1,163 thousand euros, is up 7.5%, whilst EBIT of 240 thousand euros is up 17.6%.

Extraordinary income of 19 thousand euros was reported compared with net expense of 475 thousand euros in the same period of the previous year, during which charges regarding the restructuring program launched by the company were recognized.

ADR Assistance Srl - Unipersonale

This company, which provides airport ground assistance services to passengers with disabilities and reduced mobility, reported income of 86 thousand euros compared with substantial break-even registered in the same period of 2009 (down 9 thousand euros).

Revenues, deriving exclusively from the Parent Company ADR, amount to 6,526 thousand euros, up 6% on the first half of 2009, due to passenger growth and the increase in the fees paid by the Parent Company, ADR.

Regarding operating costs, payroll costs were up 9% due to the increase in the average headcount deriving from an 11% rise in assistance provided, and pay raises awarded under the new labor contract.

Thanks to lower provisions for risks and charges, EBIT stood at 421 thousand euros, up 30% on the same period of the previous year.

ADR Advertising SpA

This company, which manages advertising space at Rome's airports, reports a more modest net loss of 141 thousand euros for the first half of 2010, compared with the net loss of 816 thousand euros in the same period of the previous year.

Revenues, amounting to 9,619 thousand euros, are down 10.3%, due to rising competitive pressure from alternative forms of advertising (such as the internet), and the shift in traffic mix towards low-cost traffic, resulting in a need to redefine the advertising services on offer.

This sharp economic divergence from the original plan led ADR Advertising SpA and the Parent Company to negotiate a review of the "guaranteed minimum" paid to ADR SpA for lease of the advertising business unit once again for 2010 (initially reduced from 22.5 to 18.0 million euros, and subsequently from 18.0 to 17.0 million euros).

EBITDA of 228 thousand euros was down 72.8% on the first half of 2009.

Negative EBIT, amounting to 122 thousand euros, improved considerably compared with the negative 1,056 thousand euros reported in the first half of 2009, due to the prudent write-down of a portion of receivables due to the company from an important customer.

NOTICE REGARDING MANAGEMENT AND COORDINATION OF THE COMPANY PURSUANT TO ARTICLE 2497 AND SUBSEQUENT ARTICLES OF THE ITALIAN CIVIL CODE

With reference to the company law reform introduced by article 2497 and subsequent articles of the Italian Civil Code, from August 2, 2007, ADR SpA is subject to "management and coordination" by Gemina SpA, which wholly owned Leonardo Srl, subsequently merged into Gemina SpA.

In turn, ADR SpA "manages and coordinates" its subsidiary undertakings, ADR Engineering SpA, ADR Tel SpA, ADR Sviluppo Srl and ADR Assistance Srl.

RELATIONS WITH PARENT COMPANIES AND OTHER RELATED PARTIES

All the transactions with parent companies, subsidiary undertakings and other related parties described below were carried out on an arm's length basis (€000).

Relations with parent companies

ADR Group companies' relations with the Parent Company, Gemina SpA in the first half of 2010 primarily refer to participation in the consolidated taxation regime:

Sundry relations between the ADR Group and Gemina S.p.A.

	Balances at 06.30.2010		First Half 2010	
	Receivables	*Payables*	*Tax Consolidation*	
			Income	*Expense*
ADR S.p.A.	0	19,393	220	7,501
	0	**19,393**	**220**	**7,501**
Subsidiary undertakings subject to management and coordination:				
ADR Engineering S.p.A.	0	612	62	496
ADR Tel S.p.A.	0	158	44	73
ADR Assistance S.r.l.	0	48	29	77
	0	**818**	**135**	**645**
Unconsolidated subsidiary undertakings subject to management and coordination:				
ADR Sviluppo S.r.l.	1	0	0	0
	1	**0**	**0**	**0**
TOTAL	**1**	**20,211**	**355**	**8,146**

The effects on the balance sheet and income statement in June 2010 deriving from participation in the domestic tax consolidation regime, governed by art. 117 et seq. of the Consolidated Act, by ADR SpA and the subsidiary undertakings, ADR Engineering SpA, ADR Tel SpA, ADR Assistance Srl and ADR Sviluppo Srl, as consolidated companies, and by the Parent Company, Gemina SpA, as the consolidating company, were classified under sundry relations for the three-year period 2010-2012.

On taxable income transferred to the consolidating company, Gemina SpA, by the consolidated companies, consolidated tax expense of 8,146 thousand euros was recorded. As a result of excess taxable operating income transferred under the consolidated taxation regime, remunerated at 50% under contractual agreements, income from consolidated taxation of 355 thousand euros has been recorded.

Regarding accounts receivable and accounts payable relating to the previous year and tax credits transferred by the consolidated companies, in addition to the above income and expense, an amount of 20,211 thousand euros due to Gemina SpA was recorded.

Trading relations with the Parent Company, Gemina SpA, break down as follows:

Trading relations between the ADR Group and Gemina S.p.A.

	Balances at 06.30.2010		First Half 2010	
	Receivables	*Payables*	*Revenues*	*Costs*
ADR S.p.A.	1	178	1	227
ADR Tel S.p.A.	1	0	2	0
	2	**178**	**2**	**227**

The costs sustained with regard to Gemina SpA include the debiting of payroll costs, insurance for Directors and rents payable. ADR Tel provided Gemina SpA with electronic mail services.

Relations with subsidiary undertakings

Transactions carried out by ADR SpA with subsidiary undertakings in the first half of 2010 refer primarily to the supply of goods, commercial services and centralized treasury services.
Trading, financial and other relations between ADR SpA and subsidiary undertakings subject to management and coordination, other subsidiary undertakings and associated undertakings are analyzed below.

Trading relations between the ADR SpA and subsidiary and associated undertakings

	Balances at 06.30.2010				First Half 2010						
					Revenues			*Costs*			
	Receivables	*Payables*	*Guarantees*	*Commit.*	*Goods*	*Services*	*Other*	*Goods*	*Services*	*Other*	*Investments*
Subsidiary undertakings subject to management and coordination:											
ADR Engineering S.p.A.	46	8,968	250	11,518	2	160	14	0	107	0	5,725
ADR Tel S.p.A.	240	1,061	257	636	0	325	103	0	2,563	0	602
ADR Assistance S.r.l.	582	4,165	0	0	58	755	95	0	6,570	0	0
ADR Sviluppo S.r.l. - Unipersonale	0	0	208	0	0	0	0	0	0	0	0
	868	**14,194**	**715**	**12,154**	**60**	**1,240**	**212**	**0**	**9,240**	**0**	**6,327**
Other subsidiary undertakings											
ADR Advertising S.p.A.	8,677	7	0	0	0	8,694	25	0	6	0	0
Airport Invest BV	0	0	0	0	0	0	0	0	0	0	0
	8,677	**7**	**0**	**0**	**0**	**8,694**	**25**	**0**	**6**	**0**	**0**
Associated undertakings											
Ligabue Gate Gourmet Roma S.p.A. (insolvent)	0	968	0	0							
	0	**968**	**0**	**0**							

The subsidiary undertaking, ADR Engineering SpA, provides design and works supervision services for works included in the airport development plan and it was incorporated in 1997 for this reason. Revenues in the first half of 2010 for work commissioned by ADR SpA amounted to 5,832 thousand euros (3,030 thousand euros in the first half of 2009). ADR SpA charged the company 176 thousand euros (175 thousand euros in the first half of 2009) relating to sub-concessionaire fees, utilities, administrative services, etc.

Since April 2003 the subsidiary undertaking, ADR Tel SpA, has managed telecommunications at the airports of Fiumicino and Ciampino. In the first half of 2010 the company posted revenues from telephony services provided to ADR SpA of 2,563 thousand euros (2,576 thousand euros in the first half of 2009) and carried out upgrading works on the telephone network worth 602 thousand euros (326 thousand euros in the same period of 2009). ADR SpA charged the company an amount of 428 thousand euros (485 thousand euros in the first half of 2009) in royalties and rentals on the lease of telecommunications assets and premises, and for utilities and staff services.

ADR Assistance Srl started operating on July 16, 2008 and became responsible for providing assistance services to passengers with reduced mobility at Fiumicino and Ciampino airports, based on a service contract signed with the Parent Company, ADR, on July 15, 2008.
Revenues, deriving exclusively from the Parent Company, ADR, amount to 6,570 thousand euros (6,177 thousand euros in the first half of 2009). ADR SpA charged the company 908 thousand euros for sub-concession fees, utilities, administrative services, etc. (838 thousand euros in the first half of 2009).

Since March 1, 2003, the subsidiary undertaking, ADR Advertising SpA, has managed advertising at Fiumicino airport on the basis of a contract entered into with ADR SpA and expiring on December 31, 2011. This contract specifies that a monthly payment based on ADR Advertising SpA's revenues is to be made to ADR SpA, whilst ensuring a guaranteed minimum. The royalties paid to ADR SpA in the first half of 2009 amount to 8,500 thousand euros (8,820 thousand euros in the first half of 2009) following a review of the "guaranteed minimum" (for further information, see the section of the Management Report on Operations regarding "The main Group companies"). ADR SpA received additional revenues from the company, totaling 219 thousand euros (246 thousand euros in the first half of 2009), as lease rentals and as payment for utilities and various services, as well as sustaining costs of 6 thousand euros (218 thousand euros in the first half of 2009) for the corporate advertising campaign.

Financial relations between ADR S.p.A. and subsidiary undertakings

	Balances at 06.30.2010			First Half 2010	
	Receivables	*Payables*	*Guarantees*	*Income*	*Expense*
Subsidiary undertakings subject to management and coordination:					
ADR Engineering S.p.A.	1,132	0	0	18	0
ADR Tel S.p.A.	1,035	0	0	14	0
ADR Assistance S.r.l.	0	971	0	0	1
	2,167	**971**	**0**	**32**	**1**
Other subsidiary undertakings					
Airport Invest B.V.	0	3,459	0	0	3
	0	**3,459**	**0**	**0**	**3**

Financial relations with the subsidiary undertakings, ADR Engineering SpA, ADR Tel SpA, ADR Assistance Srl and Airport Invest BV, regard the centralized treasury system, which is conducted on an arm's length basis. The system has been put into place in order to optimize the management of financial resources and facilitate the settlement of intercompany trading relations.

Sundry relations are summarized below:

Sundry relations between the ADR SpA and subsidiary and associated undertakings

	Balances at 06.30.2010		First Half 2010
	Receivables	*Payables*	*Dividends*
Subsidiary undertakings subject to management and coordination:			
ADR Engineering S.p.A.	0	0	0
ADR Tel S.p.A.	0	0	0
ADR Assistance S.r.l.	0	0	0
	0	**0**	**0**
Other subsidiary undertakings			
ADR Advertising S.p.A.	0	0	0
	0	**0**	**0**
Associated undertakings			
Ligabue Gate Gourmet Roma S.p.A. (insolvent)	530	0	0
La Piazza di Spagna S.r.l.	0	34	0
	530	**34**	**0**

Relations with other related parties

Trading relations with other related parties break down as follows:

Trading relations between the ADR Group and related parties

	Balances at 06.30.2010			First Half 2010	
	Receivables	*Payables*	*Guarant. Received*	*Revenues*	*Costs*
Fiumicino Energia S.p.A.	103	0	0	53	0
Leonardo Energia S.c. a r.l.	76	3,594	0	117	8,895
Assicurazioni Generali S.p.A.		0	0	0	1,661
Key Managers of Gemina	0	230	0	0	401
Mediobanca S.p.A.	0	42	0	0	319
Gruppo Unicredit	283	0	0	608	22
	461	**3,866**	**0**	**777**	**11,298**

Regarding these relations, the following should be noted:

- Fiumicino Energia Srl, a company 86.12% owned by Gemina SpA: following the partial spin-off of Sistemi di Energia SpA, Fiumicino airport's new natural gas-fired, co-generation plant for the production of electricity was transferred to the newly incorporated company, Fiumicino Energia Srl. Via a business unit lease contract, operation of the co-generation plant was entrusted to Leonardo Energia - Società consortile a r.l., which is owned by ADR SpA and Fiumicino Energia Srl, with respective shareholdings of 10% and 90%. The relevant agreements also stipulate that the co-generation plant will be transferred free of charge to ADR SpA in 2023. The limited liability consortium also operates the thermal energy plant at Fiumicino, under a sub-concession from ADR SpA. In the first half of 2010, the Parent Company, ADR SpA, purchased electric and thermal energy from Leonardo Energia S.c.ar.l. amounting to 8,895 thousand euros.
- Assicurazioni Generali SpA (a company that holds a sufficient interest in Gemina SpA to have a significant influence on the latter): the ADR Group has taken out its principal insurance policies with this insurance group.

Certain members of the Board of Directors of Gemina SpA (Fabrizio Palenzona, Guido Angiolini, Stefano Cao, Aldo Minucci, Clemente Rebecchini, Beng Huat Ho and Valerio Bellamoli) are members of the Board of Directors of ADR SpA.

Financial relations include those maintained with Mediobanca SpA and the Unicredit Group (companies that hold a sufficient interest in Gemina SpA to have a significant influence on the latter). Costs relating to Mediobanca SpA regard consultants' fees. Revenues relating to the Unicredit Group derive from the sub-concession of space, whilst costs primarily regard bank account charges.

Financial relations with Mediobanca SpA and the Unicredit Group include the following:

Financial relations between the ADR Group and related parties

	Balances at 06.30.2010			First Half 2010	
	Cash and cash equivalents	*Receivables*	*Payables*	*Financial Income*	*Financial expense*
Mediobanca S.p.A.	83,311	55,655	0	278	0
Gruppo Unicredit	23,806	475	163	15	0
	107,117	**56,130**	**163**	**293**	**0**

Several relations exist between ADR SpA and Mediobanca SpA in connection with the role played by the latter in outstanding loan agreements:

- Mandated Lead Arranger of the long-term lines of credit Term Loan Facility (170,000 thousand euros) and Revolving Facility (100,000 euros) provided by a syndicate of lending banks[5];
- Security Agent representing all of ADR SpA's creditors;
- Facility Agent representing the banks within the Bank Facility Agreement;
- Administrative Agent and holding bank for certain ADR current accounts, regulated by loan agreements, of which the following report movements: Debt Service Account, Interim Proceeds Account and Recoveries Account, of which the balances at June 30, 2010 are shown in the above table. Mediobanca SpA is also the holder of an escrow account called the Debt Service Reserve Account for which ADR reports a financial receivable in its financial statements. The related interest due is reported in the item "financial income" in the above table.

Several relations exist between the ADR Group and the Unicredit Group in connection with the role played by the latter in outstanding loan agreements:

- Mandated Lead Arranger of the long-term lines of credit Term Loan Facility (170,000 thousand euros) and Revolving Facility (100,000 euros) provided by a syndicate of lending banks[6];
- holding bank for certain ADR SpA current accounts, regulated by loan agreements, and for certain ADR Group companies.

[5] The total amount due to the syndicate of banks is reported in the financial statements of ADR SpA; the amounts contributed by each bank in the syndicate is not indicated.
[6] The total amount due to the syndicate of banks is reported in the financial statements of ADR SpA; the amounts contributed by each bank in the syndicate is not indicated.

For a description of the guarantees granted by ADR SpA, reference should be made to the section on "Payables" in the Notes.

TREASURY STOCK OR PARENT COMPANY'S SHARES IN THE PORTFOLIO

The Group did not hold, directly, or indirectly, any of its own shares or any shares in the Parent Company, either at the end of the first half of 2010 or at the end of 2009. In addition, no purchase or sale of its own shares or shares in the Parent Company took place, either directly or indirectly, during the first half of 2010.

FINANCIAL RISK MANAGEMENT

Risks specific to the Company's business

ADR SpA manages the two airports in the Roman airport system, Fiumicino and Ciampino, under Service Concession Agreement no. 2820 of June 26, 1974 signed with the Ministry of Transport. This agreement will expire on June 30, 2044.
The foregoing agreement lays down the obligations for the operator and the reasons for termination or cancellation of the concession, primarily because of breach.

The ADR Group operates in a sector that is highly regulated at domestic, EU and international level.

A long period of uncertainty related to the complexity of the procedure to establish satisfactory regulatory and tariff systems is a significant risk factor that may affect the Group's financial and operating outlook.

The ADR Group's operating performance is also strongly affected by air traffic using the airports of Fiumicino and Ciampino, which in turn is affected by:

- economic conditions;
- the plans of the individual airlines, which are affected in turn by these companies' own financial and operating circumstances;
- airline alliances;
- competition, on certain routes, from alternative transport (e.g. high-speed train between Rome and Milan);
- wars, acts of terrorism, natural disasters and airplane crashes, which undermine the public's propensity to travel, for business or pleasure.

The ADR Group is involved in a large number of civil, administrative, labor and tax disputes, both as a plaintiff and as a defendant. Given the risks related to such proceedings, provisions have been made and in-depth information is available in a specific section of the Notes.

Credit risk

Credit risk is the risk that a customer or the counterparty in a financial instrument fails to meet its obligations, thereby causing a loss.

The ADR Group's maximum exposure to credit risk is equal to the carrying value of the financial assets shown in the consolidated financial statements, as well as the nominal value of the guarantees provided for third parties' debt or commitments.

Most of the ADR Group's credit risk is related to the receivables arising from its transactions with customers.

The risk of customers' default is dealt with by making provisions in a specific allowance for bad debt, whose balance is reviewed from time to time. The ADR Group's policy in this respect involves the making of provisions for each position, depending on the age of the receivable, the creditworthiness of the individual customer, the progress in the receivable management and collection process.

The Group's commercial policies set out the procedure illustrated below for the creation of trade receivables:

- cash payment is required in transactions with consumers (sales in directly operated stores, multilevel and long-term parking lots, first aid, etc.) and with occasional counterparties (e.g. club memberships, luggage porters, taxi access management, etc.);
- cash payment or prepayment is required from occasional airlines without a satisfactory credit profile or collateral;
- credit terms are extended to loyal customers considered reliable (airlines with medium-term operational plans and sub-concessionaires). However, these customers' creditworthiness is monitored and, where necessary, collateral is required.

Receivables for which no provisions have been made and that are over 181 days past due primarily consist of amounts due from public bodies and Alitalia Group companies under special administration.

Liquidity risk

Liquidity risk may arise with the inability to raise, on adequate terms, the cash necessary to fund the Group's operations.

The ADR Group's cash is mainly used for or generated by investing and operating activities.

The Group's financial structure is characterized by significant leverage, as financial debt is equal to over 5 times EBITDA. Consequently, a substantial portion of the cash generated from operating activities is used to pay loan interest and, in future, principal (the first installment of which falls due in 2012).

As indicated more specifically in the specific section of the Notes to the consolidated financial statements, in addition to the requirement to have Moody's and Standard & Poor's issue a rating, the medium/long-term loan agreements in place provide for a number of measures to ensure that the cash generated is used first of all to service debt. Such measures become stricter if, as is currently the case, the ratings or certain financial ratios fail to exceed certain agreed-upon minimum thresholds.

This complex contractual structure mitigates liquidity risk. However, the Parent Company's current rating prevents it from borrowing without specific authorization from its lenders. Consequently, any financing requirements associated with working capital management or investing activities are met with the substantial cash on hand available and a €100 million revolving line of credit (which is currently unused) obtained for these purposes.

The revolving facility is to date available to drawn down, given that the conditions set out in the Revolving and Term Loan Facility Agreement have been complied with. The restrictions in the Agreement include the trigger event, which has, however, not been applied following the waiver obtained on March 16, 2010.

It is clear that the need to use the cash generated to service debt, and the above restrictions on the use of cash, limit the Group's operating and investment flexibility in situations of financial pressure.

The centralized cash management system, managed at arm's length by the Parent Company and including the subsidiaries ADR Engineering S.p.A, ADR Tel SpA, ADR Assistance Srl and Airport Invest B.V., makes it possible to optimize cash flows and to facilitate the settlement of intercompany transactions.

Interest rate risk

The ADR Group borrows funds from third parties. Changes in interest rates affect the cost of the funds borrowed, with their effects on the amount of interest expense.

To cope with these risks the Group uses interest rate derivatives, with the objective to mitigate, at acceptable terms and conditions, the potential effects of changes in interest rates on its operating performance.
Specifically, the Group uses interest rate swaps, interest rate caps and interest rate collars to manage its exposure to unfavorable fluctuations of interest rates.

Hedging is provided for by all loan agreements entered into by the Parent Company, ADR SpA, and Group policies in this area require that at least 51% of all debt be hedged against fluctuations in interest rates.

At June 30, 2010, 55.4% of ADR SpA's lines of credit have fixed interest rates (at December 31, 2009: 55.2%).
Moreover, on October 2, 2009 the two interest rate collar forward start contracts, signed with Barclays and Royal Bank of Scotland, with a notional capital of 120 million euros each, became active. On the basis of these contracts ADR SpA will receive a floating 3-month Euribor rate and pay a floating 3-month Euribor rate with a cap of 5% and a floor of 3.64% from October 2, 2009 until February 20, 2012.
These contracts were signed to hedge interest rate risk for an additional three years regarding total notional capital of 240 million euros, thus increasing the proportion of total debt hedged against interest rate risk to 71.5% (71.3% at December 31, 2009).

Exchange rate risk

The ADR Group has a negligible exposure to exchange rate risks as non-euro transactions are related to limited purchases of goods and services.

Risks related to outstanding loan agreements

- Risk related to ADR's rating

ADR SpA is assessed by the rating agencies Standard & Poor's and Moody's.
The cost of debt and insurance guarantees provided by the monoline insurance company, AMBAC, are linked to the ratings assigned to ADR SpA by the two agencies. Moreover, should the Company's ratings fall below contractually defined minimums, the lenders are authorized to exercise stricter control over its cash flow, thereby constraining further the Company's operational flexibility (a so-called "Trigger Event").

ADR SpA's rating underwent the following changes in the first half of 2010.

- *Standard & Poor's*
  On 11 May 2010, Standard & Poor's extended its BB rating of ADR SpA, whilst lifting the "CreditWatch with negative implications" imposed on the Company on October 1, 2009. This followed on from a risk assessment relating to the replacement, which has now been concluded, of Ambac Financial Services as counterparty in the Cross Currency Swap for Romulus Finance Srl. According to the rating agency, the outlook is negative and reflects the pressure caused by the procedure regarding signature of the planning agreement, together with the need for ADR SpA to bring forward the refinancing of the 170 million euro bank loan falling due in 2012.
- *Moody's*
  The agency confirmed the Baa3 rating with "negative "outlook awarded to ADR on September 22, 2009.

As a result of the ratings assigned, ADR SpA continues to be subject to the Trigger Event and Cash Sweep restrictions already activated following Standard & Poor's lowering of its rating on November 30, 2007 (from BBB stable to BBB- stable).

As described more extensively in the Notes on payables, the cash sweep and trigger event have activated stricter requirements for the Company in its cash flow management activities. These include: a) the obligation, as debt service dates approach, to allocate the residual cash available to the repayment/collateralization of repayable/non-repayable debt; and b) an embargo on the payment of dividends.
Moreover, creditors are given the power to: i) obtain any information deemed necessary in relation to the event; ii) take part in devising a recovery plan and the related implementation schedule; iii) to appoint an

independent expert to take part in drawing up the business plan containing the measures and remedies designed to restore an acceptable rating.

Due to continuation of the cash sweep and trigger event condition, on February 24, 2010 the Parent Company, ADR SpA, submitted a new waiver request, which breaks down as follows:

a) non-application of the cash sweep at the application dates of March 2010 and September 2010;
b) authorization to refinance the bank loan of 170 million euros until the application date of September 2011;
c) until the application date of September 2010, none of the restrictions arising from the trigger event will apply, except for the following: payment of dividends, independent auditing and financial reporting obligations.

The authorization was subject to a commitment by ADR SpA, at the application date of September 2010, to make available whichever is the higher sum – 45 million euros or 80% of surplus cash available on the date of repayment of the bank loan (25%) – and collateralize the Romulus Tranche A1 (75%).

On March 16, 2010 ADR SpA received notification that the waiver had been granted in accordance with the terms requested.

The procedure launched at the end of 2009 to identify a financial institution that could replace Ambac Financial Services (AFS) as a counterparty for Romulus Finance Srl in the Cross Currency Swap regarding Tranche A4 of the bonds denominated in sterling has been successfully completed.

On conclusion of the second phase of the selection process, which ended on February 8, 2010, Unicredit Mediocredito Centrale SpA had put forward the most suitable offer, and on 12 February, 2010 AFS formally notified ADR SpA of its acceptance of Unicredit Mediocredito Centrale SpA's financial proposal regarding the replacement.

On March 18, 2010 agreements were signed regarding replacement of AFS by the new swap counterparties, Unicredit Mediocredito Centrale SpA and Mediobanca – Banca di Credito Finanziario SpA, based on the better market conditions they agreed to, amounting to 75% and 25%, respectively, of the risk connected with the transaction.

ADR SpA and Romulus Finance Srl are guaranteed replacement under the same terms and conditions as those contained in the previous contract structure.

- Risks related to loan covenants

The agreements in place reflect not only the significant amount of credit provided but also the particular legal and financial structure of the original loans extended to ADR SpA.
In fact, it is a composite structure, whereby ADR SpA owes 1.2 billion euros to a vehicle – Romulus Finance Srl - which was established pursuant to Law 130/99 and is held by two Dutch-based foundations. This vehicle acquired in turn, following a securitization transaction, a pre-existing bank loan through a Luxembourg bond issue subscribed by institutional investors and guaranteed by a monoline insurance company. Moreover, ADR SpA owes the remaining amount of 289.1 million euros received from banks in term loans carrying the same covenants as those contained in the agreement between ADR SpA and Romulus Finance Srl.
The monoline insurance company's guarantee and the *pari passu* rank for all ADR's creditors involve a number of covenants intended to:

- ensure that adequate rating levels are maintained,
- prevent that the rights attributed to each creditor are determined in a manner other than in accordance with pre-established rules.

Some of the main covenants, set against this backdrop, are as follows:

- financial assets may only be acquired with the permission of creditors or via a "non-recourse vehicle", and in any case only using authorized borrowing or liquidity;
- income from the sale of financial assets may be used for investment or, if not used within 12 months of collection, must be used to repay borrowings;

- dividends may only be distributed if specific financial ratios exceed contractually pre-established thresholds, and if no events of default or trigger events have occurred;
- further loans may only be undertaken if the above financial ratios exceed determined thresholds (higher than those required under normal lending conditions) and if the rating awarded to ADR is greater than pre-defined minimum levels;
- if a maturing line of credit is not repaid at least 12 months before the maturity date, any surplus cash flow generated during this period must be allocated on a priority basis (based on defined proportions) to the repayment of borrowing, which is known as a retention regime. Under certain conditions this period may be extended to 24 months;
- if the financial ratios are below certain predetermined minimum thresholds, or if the rating is below sub-investment grade levels, or if other specific contractually defined critical situations occur, further restrictive measures relating to cash flow management *are set* in motion in order to protect creditors from the risk of default by ADR SpA.

The foregoing financial ratios (defined on the basis of final and forecast data) include: (i) Debt service coverage ratio (DSCR), measuring the ratio between available cash flow and debt servicing; (ii) Concession life coverage ratio (CLCR), measuring the ratio between discounted future cash flows and net debt; and (iii) Leverage ratio, that is the ratio between net debt and gross operating income.

These ratios are checked twice per year, on the application dates of March 20 and September 20, by applying the calculation methods of the respective ratios to the relative data at December 31 and June 30.

If the above ratios are exceeded, dividends can be distributed (if any surplus cash is available) and if the ratios are exceeded by higher margins, further borrowing may be undertaken. On the other hand, if the ratios fall below specific thresholds, a trigger event or an event of default may occur.

With reference to the most sensitive ratio to short-term changes, represented by the DSCR, the table below summarizes the different DSCR levels and the related consequences laid down in the agreement.

Level	Condition
>=1.7	Additional debt
>=1.5	Dividend distribution
<1.25	Trigger Event
<1.1	Default

Closing data as of June 30, 2010 confirm – based on preliminary simulations – that the minimum thresholds of financial ratios provided for in the loan agreements have been exceeded. However, they will be formally calculated in September 2010.

Moreover, the loan agreements call for acceleration, termination and withdrawal conditions typical for loans with similar characteristics.

EVENTS AFTER 30 JUNE 2010

Compared with the same period of 2009, traffic using the Roman airport system during the period January-July 2010 registered the following performance, broken down into segments for Fiumicino and Ciampino, and domestic and international traffic:

Data as of July 31, 2010 and changes with respect to the same period of 2009 [7]

	SISTEMA	Fiumicino	Ciampino	Domestico	Internazionale
Movimenti	220.667	188.964	31.703	91.224	129.443
D% vs AP	-1,5%	-0,7%	-6,2%	-8,0%	+3,7%
Tonnellaggio	17.151.314	15.631.226	1.520.088	5.627.945	11.523.369
D% vs AP	+1,8%	+2,7%	-6,5%	-6,1%	+6,2%
Pax Totali	22.916.598	20.360.742	2.555.856	7.677.377	15.239.221
D% vs AP	+4,5%	+6,3%	-7,4%	-3,0%	+8,8%
Merce (Kg)	99.138.912	88.991.710	10.147.202	3.250.325	95.888.587
D% vs AP	+25,8%	+29,1%	+2,4%	-7,5%	+27,3%

International traffic breaks down into EU and non-EU traffic as follows.

	Internazionale	UE	Extra UE
Movimenti	129.443	86.517	42.926
D% vs AP	+3,7%	+1,7%	+7,8%
Tonnellaggio	11.523.369	6.058.207	5.465.162
D% vs AP	+6,2%	+3,8%	+8,9%
Pax Totali	15.239.221	9.589.883	5.649.338
D% vs AP	+8,8%	+4,6%	+16,7%
Merce (Kg)	95.888.587	17.841.193	78.047.394
D% vs AP	+27,3%	+3,2%	+34,5%

Compared with the same period of 2009, passenger traffic at Fiumicino airport is up 6.3% in the first seven months of 2010, with capacity registering an 1.7% increase in available seats and movements decreasing slightly (down 0.7%).

In July, as in the earlier summer months, new summer routes were registered from Fiumicino operated by easyJet and Blu-Express, including Dubrovnik, Heraklion, Ibiza, Mykonos, Palma de Mallorca and Spalato by easyJet, and Corfu, Menorca, Santorini, Kos and Heraklion by Blu-Express.

In July Alitalia registered a 6.1% increase in passenger traffic, with movements up 1.0% and aircraft tonnage up 6.0%. The other carriers also registered good performances: compared with the same month of the previous year, July traffic was up 9.9%, with capacity registering increases in movements (up 6.4%) and aircraft tonnage (up 7.2%).

Ciampino posted a poor performance in July: the volume of passengers fell by 11.2% due to a reduction in capacity offered (movements and aircraft tonnage were down by 9.2% and 11.5%, respectively).

On July 8, 2010 the new system for checking and handling transit baggage, installed in part of the post office building in the NET ramp services area, which was restructured for this purpose, was inaugurated. The new system entered service on July 15, 2010.

Regarding the problem of noise abatement, on July 1, 2010 the Services Conference set up by Lazio Regional Authority to define acoustic zoning for Ciampino airport completed its work. Consequently, ADR SpA will be obliged to carry out certain activities aimed at implementing noise abatement plans.

[7] Provisional data.

OUTLOOK FOR 2010

It is hoped that the good performance registered by traffic will continue during the second half of the year, although the Group is keeping a close eye on developments with a view to preventing any problems which, given the instability of markets, might negatively impact the air transport sector.

Cash flow from ordinary operations has improved, and will not be affected in the short term by the cash flow retention mechanisms provided for under current loan agreements. However, the lack of a satisfactory new tariff structure currently prevents debt restructuring and the activation of investment programs. Against this backdrop, works are expected to contract during the second half of the year, especially regarding infrastructure development.

THE BOARD OF DIRECTORS

ADR GROUP: CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2010

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Shee

CONSOLIDATED BALANCE SHEET
as of June 30, 2010

(in thousands of euros)

(Translation from the original issued in Italian)

	06-30-2010			12-31-2009		
ASSETS						
UNPAID SHARE CAPITAL DUE FROM SHAREHOLDERS			0			0
FIXED ASSETS						
INTANGIBLE FIXED ASSETS:						
▪ Incorporation and development costs		8			10	
▪ Industrial patents and intellectual property rights		1,738			1,641	
▪ Concessions, licenses,trademarks and similar rights		1,679,514			1,703,807	
▪ Leasehold improvements in process and advances		37,158			28,607	
▪ Others		213,592			214,357	
			1,932,010			1,948,422
TANGIBLE FIXED ASSETS:						
▪ Land and buildings		2,554			2,797	
▪ Plant and machinery		43,368			43,746	
▪ Industrial and commercial equipment		1,084			1,159	
▪ Fixed assets to be relinquished		89,602			92,801	
▪ Other assets		3,533			3,830	
▪ Work in progress and advances		46,147			24,573	
			186,288			168,906
NON-CURRENT FINANCIAL ASSETS:						
▪ Equity investments in:						
- unconsolidated subsidiary undertakings	100			100		
- associated undertakings	59			59		
- other companies	2,709			2,709		
		2,868			2,868	
▪ Receivables due from others:						
. within 12 months	3			3		
. beyond 12 months	560			548		
		563			551	
▪ Other securities:						
- bonds	2,758			2,758		
		2,758			2,758	
			6,189			6,177
Total fixed assets			**2,124,487**			**2,123,505**
CURRENT ASSETS						
INVENTORY						
▪ Raw, ancillary and consumable materials		2,782			2,919	
▪ Contract work in progress		12,334			11,299	
▪ Finished goods and goods for resale						
- goods for resale	7,464			7,245		
		7,464			7,245	
RECEIVABLES						
▪ Due from clients		200,322			203,125	
▪ Due from associated undertakings		530			530	
▪ Due from parent companies		3			18	
▪ Due from tax authorities						
. within 12 months	1,756			1,575		
. beyond 12 months	12,014			8,934		
		13,770			10,509	
▪ Defered Tax assets		29,586			29,197	
▪ Due from others:						
- various:						
. within 12 months	61,233			54,968		
- advances to suppliers for services to be rendedered	0			106		
		61,233			55,074	
			305,444			298,453
MARKETABLE SECURITIES			0			0
CASH ON HAND AND IN BANKS						
▪ Bank and post office deposits		154,157			135,166	
▪ Cash and notes in hand		833			572	
			154,990			135,738
Total current assets			**483,014**			**455,654**
ACCRUED INCOME AND PREPAID EXPENSES						
▪ Accrued income and other prepaid expenses			**7,541**			**4,486**
TOTAL ASSETS			**2,615,042**			**2,583,645**

Consolidated Balance Sheet: Liabilities and shareholders' equity

CONSOLIDATED BALANCE SHEET
as of June 30, 2010

(in thousands of euros)
(Translation from the original issued in Italian)

LIABILITIES AND SHAREHOLDERS' EQUITY	06-30-2010			12-31-2009		
SHAREHOLDERS' EQUITY						
SHARE CAPITAL:						
ordinary shares		62,310			62,310	
REVALUATION RESERVES		667,389			667,389	
LEGAL RESERVE		0			0	
STATUTORY RESERVES		12,462			12,462	
RESERVE FOR OWN SHARES		0			0	
OTHER RESERVES		0			0	
RETAINED EARNINGS (ACCUMULATED LOSSES)		0			0	
MINORITY INTEREST		(14,200)			(19,364)	
• Share capital, reserves and net income (loss) for the period		610			5,164	
			728,571			727,961
GROUP AND MINORITY INTEREST IN CONSOLIDATED SHAREHOLDERS' EQUITY		713			816	
• For taxes, deferred taxes		26,093			12,118	
• Other		45,066			42,645	
Total allowances for risks and charges			**71,159**			**54,763**
EMPLOYEE SEVERANCE INDEMNITIES			**28,458**			**28,523**
PAYABLES						
• Due to banks						
. within 12 months	10,025			11,541		
, beyond 12 months	280,600			284,850		
• Due to other financial institutions:		290,625			296,391	
. within 12 months	1,484			13,917		
, beyond 12 months	1,200,019			1,200,019		
• Advances:		1,201,503			1,213,936	
- from clients						
. from the Ministry of Transport:						
, beyond 12 months	0			0		
. other	4,286			4,612		
	7,231			5,000		
		11,517			9,612	
• Due to suppliers:						
. within 12 months	146,882			126,978		
, beyond 12 months	3,034			2,734		
		149,916			129,712	
• Due to associated undertakings:						
.within 12 months	1,003			1,003		
		1,003			1,003	
• Due to parent companies:						
.within 12 months	20,388			13,575		
		20,388			13,575	
• Taxes due:						
.within 12 months	41,217			43,846		
		41,217			43,846	
• Due to social security agencies		7,061			7,924	
• Other payables: various creditors						
. within 12 months	50,500			48,886		
, beyond 12 months	2,349			2,303		
		52,849			51,189	
Total payables			**1,776,079**			**1,767,188**
• Accrued expenses and other deferred income			**10,062**			**4,394**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			**2,615,042**			**2,583,645**

MEMORANDUM ACCOUNTS
as of June 30, 2010
(in thousands of euros)
(Translation from the original issued in Italian)

	06-30-2010		12-31-2009	
General guarantees				
▪ Sureties	111		111	
▪ Other	328		58	
		439		169
Collateral guarantees		0		0
Commitments on purchases and sales		99,754		97,872
Other		984,808		980,515
		1,085,001		**1,078,556**

CONSOLIDATED INCOME STATEMENT
for the First Half 2010
(in thousands of euros)
(Translation from the original issued in Italian)

	First Half 2010			First Half 2009		
TOTAL REVENUES						
▪ Revenues from sales and services:						
- revenues from sales	39,941			37,782		
- revenues from services	236,782			223,277		
- revenues from contract work	3,622	280,345		0	261,059	
▪ Changes in contract work in progress		1,035			1,882	
▪ Capitalized costs and expenses		4,394			1,980	
▪ Other income and revenues:						
- revenue grants	227			113		
- profits on disposals	3			0		
- other	3,127			2,124		
		3,357			2,237	
			289,131			267,158
OPERATING COSTS						
▪ raw, ancillary and consumable materials and goods for resale		34,962			35,331	
▪ services		58,439			50,990	
▪ leases		5,235			6,519	
▪ payroll:						
- wages and salaries	44,348			45,322		
- social security	12,805			12,881		
- employee severance indemnities	3,203			3,145		
- other	510			518		
		60,866			61,866	
▪ Depreciation, amortization and write-downs:						
- amortization of intangible fixed assets	44,362			43,824		
- depreciation of tangible fixed assets	9,883			9,880		
- provisions for doubtful accounts	699			3,937		
		54,944			57,641	
▪ Changes in inventories of raw, ancillary and consumable materials and goods for resale		(82)			(257)	
▪ Provisions for risks		5,308			7,480	
▪ Other provisions		151			392	
▪ Sundry operating costs:						
- license fees	8			20		
- other	3,831			2,932		
		3,839			2,952	
			(223,662)			(222,914)
Operating income			65,469			44,244
FINANCIAL INCOME AND EXPENSE						
▪ Other financial income:						
- from long-term receivables						
, other	2			2		
- securities included in fixed assets which are not equity	194			140		
- other						
, interest and commissions from others and sundry revenues	678			3,735		
		874			3,877	
▪ Interest expense and other financial charges:						
- interest and commissions to parent companies	0			0		
- interest and commissions to others and sundry charges	36,933			39,956		
		(36,933)			(39,956)	
▪ Profits and losses on Exchange						
- Profits	29			21		
- Losses	5			5		
		24			16	
Total financial income (expense), net			(36,035)			(36,063)

CONSOLIDATED INCOME STATEMENT
for the First Half 2010
(in thousands of euros)
(Translation from the original issued in Italian)

	First Half 2010			First Half 2009		
ADJUSTMENTS TO FINANCIAL ASSETS						
▪ Depreciation:						
- *non-current financial assets*		(4)			0	
			(4)			**0**
EXTRAORDINARY INCOME AND EXPENSE						
▪ Income:						
- *other*	764			1,206		
		764			1,206	
▪ Expense:						
- *taxes relating to previous period*	13,974			0		
- *other*	1,518			19,722		
		(15,492)			(19,722)	
Total extraordinary income (expense), net			**(14,728)**			**(18,516)**
Income before taxes			**14,702**			**(10,335)**
Income taxes of the period, current, defferred assets (liabilities) :						
- *current*		(14,585)			(13,032)	
- *deferred tax assets (liabilities)*		390			7,700	
			(14,195)			**(5,332)**
Net income (loss) for the period			507			(15,667)
of which:						
▪ minority interest			(103)			(611)
▪ Parent Company's share			**610**			**(15,056)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GENERAL PRINCIPLES

The condensed financial statements for the six months ended June 30, 2010, have been prepared in accordance with the accounting standards issued by the Italian Accounting Profession, as applicable to interim financial statements, with specific reference to accounting principle 30.

In view of the fact that the Parent Company is required to prepare consolidated accounts, the six-month report has been prepared on a consolidated basis and consists of the consolidated accounts and the notes to the consolidated accounts.

The consolidated accounts have been prepared in compliance with art. 25/43 of Decree 127 of April 9, 1991 and those of the Parent Company with the requirements of the Italian Civil Code with regard to statutory accounts. They are based on the underlying accounting records updated to June 30, 2010, integrated by extra-accounting information deriving from entries recorded at the end of the financial year on December 31, during preparation of the annual financial statements.

The date of reference for the consolidated accounts is that of the accounts of the Parent Company, Aeroporti di Roma SpA. The accounts of subsidiary undertakings used for consolidation purposes refer to the period ended June 30, 2010, as approved by the respective boards of directors.

The reconciliation of shareholders' equity and net income for the six months ended June 30, 2010, as reported in the financial statements of Aeroporti di Roma SpA, and the related consolidated amounts for the same period is shown in the note to consolidated shareholders' equity.

Income statement data for the first half of 2010 are compared with the amounts for the same period of the previous year. Balance sheet data as of June 30, 2010 are compared with the corresponding amounts as of December 31, 2009.

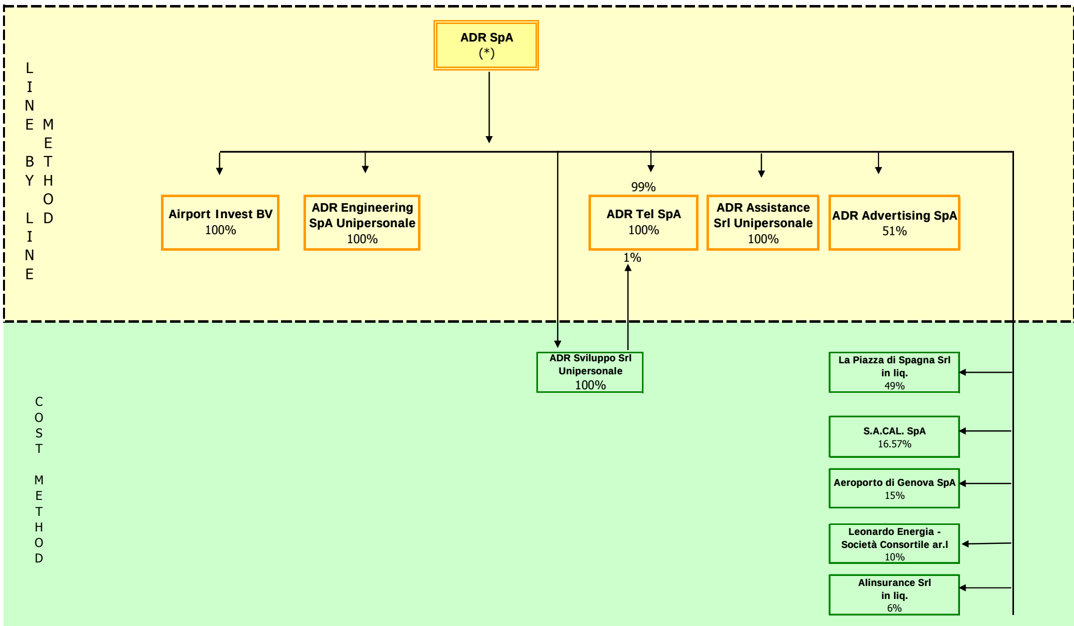
Amounts shown in the consolidated accounts are expressed in thousands of euros.

Income Statement and Balance Sheet items, preceded by Arabic numerals, showing zero balances for the periods under consideration are not shown.

BASIS OF CONSOLIDATION

The consolidated financial statements as of and for the six months ended June 30, 2010 include the accounts for the same period, consolidated on a line-by-line basis, of the Parent Company, Aeroporti di Roma SpA, and the Italian and overseas subsidiary undertakings in which the Parent Company holds, either directly or indirectly, the majority of the voting rights.

BASIS OF CONSOLIDATION AS OF JUNE 30, 2010



(*) ADR SpA holds a 25% quote (evaluated at cost) in E.T.L. - European Transport Law.

As of June 30, 2010, the basis of consolidation includes the following companies:

COMPANIES consolidated on a line-by-line basis	REGISTERED OFFICE	CURRENCY	SHARE CAPITAL	Group's %	Via: Company	%
ADR SpA	Fiumicino (Rome)	EUR	62,309,801.00	Parent Company		
Airport Invest BV	Amsterdam (Holland)	EUR	101,039.90	100%	ADR	100%
ADR Engineering SpA Unipersonale	Fiumicino (Rome)	EUR	774,690.00	100%	ADR	100%
ADR Assistance Srl Unipersonale	Fiumicino (Rome)	EUR	6,000,000.00	100%	ADR	100%
ADR Tel SpA	Fiumicino (Rome)	EUR	600,000.00	99%	ADR	99%[8]
ADR Advertising SpA	Fiumicino (Rome)	EUR	1,000,000.00	25.5%[9]	ADR	25.5%

With respect to December 31, 2009, no changes have been made to the basis of consolidation.
The following equity investments are valued at cost:

[8] The remaining 1% stake is held by ADR Sviluppo Srl Unipersonale, which is not included in the basis of consolidation.
[9] Equity investment in the company's total share capital of 1,000,000 euros (including preference shares). The interest in the ordinary stock amounts to 500.000 euros (51%).

COMPANIES valued at cost	REGISTERED OFFICE	CURRENCY	SHARE CAPITAL	Group's %	Via: Company	%
ADR Sviluppo Srl Unipersonale	Fiumicino (Rome)	EUR	100,000.00	100%	ADR	100%
La Piazza di Spagna Srl (in liquidation)	Fiumicino (Rome)	EUR	100,000.00	49%	ADR	49%
Ligabue Gate Gourmet Roma SpA (insolvent)	Tessera (Venice)	EUR	103,200.00	20%	ADR	20%
S.A.CAL. SpA	Lamezia Terme (Catanzaro)	EUR	7,755,000.00	16.57%	ADR	16.57%
Aeroporto di Genova SpA	Genova Sestri	EUR	7,746,900.00	15%	ADR	15%
Leonardo Energia – Società Consortile a r.l.	Milan	EUR	10,000.00	10%	ADR	10%
Consorzio E.T.L. – European Transport Law	Rome	EUR	82,633.11	25%	ADR	25%
Alinsurance Srl (in liquidation)	Rome	EUR	104,000.00	6%	ADR	6%

The holding in the subsidiary undertaking, ADR Sviluppo Srl, has not been consolidated as the company, which was incorporated on July 27, 2001, is not yet operational.

The holdings in the following associated undertakings have been valued at cost and not according to the equity method given that:

- La Piazza di Spagna Srl, which was incorporated on December 17, 2003, is not yet operational and has been in liquidation since June 10, 2010;
- Ligabue Gate Gourmet Roma SpA is insolvent;
- Consorzio E.T.L. – European Transport Law is a non-profit consortium dedicated to research, and therefore valuation according to the equity method would have no significant effects on the consolidated financial statements.

CONSOLIDATION PRINCIPLES

The main consolidation principles are described below:

- the carrying amount of consolidated equity items has been eliminated against the corresponding entry of individual asset and liability items, in accordance with the line-by-line method. Any positive differences arising are included among fixed assets under the item "Goodwill arising from consolidation", which is amortized on a straight-line basis in relation to the estimated possibility of recovery. Any negative differences are posted to the "Reserve for consolidation adjustments" under shareholders' equity, or to the "Consolidation allowance for risks and charges" should such negative goodwill be due to forecast losses;
- the minority interest in net income and shareholders' equity are reported separately as appropriate items in the income statement and under shareholders' equity;
- intercompany profits and losses still to be realized, as well as significant sums relating to payables and receivables and costs and revenues relating to consolidated companies have been eliminated;
- adjustments made to eliminate items of a purely fiscal nature, as well as other consolidation adjustments, take account, where applicable, of the related deferred taxation. Furthermore, the statements show deferred tax assets relating to items which will be recoverable in future years;
- dividends received from subsidiary undertakings during the period and recorded in the Parent Company's income statement as income from equity investments are eliminated against the item retained earnings. Dividends paid by subsidiary undertakings, posted on an accruals basis in the Parent Company's accounts, are eliminated;
- in the event of the disposal of a controlling interest to third parties, the gain or loss on the transaction recognized in the consolidated financial statements represents the difference between the sale price and the subsidiary's shareholders' equity at the transaction date (thus including net income or loss reported for the months prior to the disposal), plus any residual carrying amount of "Goodwill arising from consolidation".

EXPLANATION ADDED FOR TRANSLATION INTO ENGLISH

The half-yearly condensed consolidated financial statements have been translated into English from the original version in Italian. They have been prepared in accordance with the Italian law related to financial statements, interpreted and integrated by the accounting principles established by the Italian Accounting Profession. Certain accounting practices applied by the Group that conform with generally accepted accounting principles in Italy do not conform with the generally accepted accounting principles in other countries.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the financial statements for the six months ended June 30, 2010 are those required by the accounting principles established by the Italian Accounting Profession, with specific reference to accounting principle 30, and are those applied throughout the Group.

The principal accounting policies are summarized below. A more detailed explanation of certain policies can be found in the notes to the single classes of items.

Fixed assets

These are recorded at purchase cost and are revalued, where necessary, for single items in accordance with the laws applying to monetary revaluation. Directly connected incidental costs are included in the purchase cost. Should there be a permanent impairment of value of such fixed assets, the relevant fixed asset is written down accordingly. The appropriate value of such fixed assets, adjusted solely to take account of accumulated amortization or depreciation, is reinstated if the reasons for any write-downs subsequently cease to apply.

- Intangible fixed assets

Intangible fixed assets have limited useful lives and their cost is amortized on a straight-line basis during each financial year in relation to their residual useful lives. In particular:

- *Incorporation and development costs*

These are reported under assets at purchase cost, with the consent of the Board of Statutory Auditors, and amortized over a period of five years.

- *Industrial patents and intellectual property fees*

These are recorded at purchase cost. Amortization begins when the right is taken up or can be taken up, over what is usually established by tax legislation as being three years.

- *Concessions, licenses, trademarks and similar*

These are recorded at purchase cost. Amortization begins when the right is taken up or can be taken up, and is applied over a period of three years in the case of concessions and licenses and of not more than ten years for trademarks.
The value of the airport management concession, paid by the Parent Company, Leonardo SpA (now ADR SpA) on acquiring its holding in ADR, is amortized on the basis of the residual concession term, which will expire on June 30, 2044.

- *Other*

This item essentially includes:

- *Leasehold improvements*: improvements (modernization, upgrades), having a service life of several years, carried out on assets belonging to third parties (held under concession or constructed on behalf of the State). These costs are amortized in relation to their residual service lives, usually less than the period of the concession;
- *Transaction costs incurred on loans*: the charges incurred to obtain medium- and long-term loans (such as investigative charges, legal fees, etc.) are capitalized and amortized on the basis of the duration of the loan, in accordance with the financial method.

- Tangible fixed assets

Tangible fixed assets have a limited service life and their cost is depreciated on a straight-line basis during each financial period according to their residual service life. Rates of depreciation are applied that reflect the estimated useful lives of the assets.
The rates used are summarized below:

Land and buildings………………………	10%
Plant and machinery………………………	from 10% to 25%
Industrial and commercial equipment…..	from 10% to 25%
Fixed assets to be relinquished…………	4%, 10%
Other assets………………………………..	from 10% to 25%

- *Land and buildings*

These are recorded at purchase cost adjusted in accordance with art. 3 of Law 72/83.

- *Fixed assets to be relinquished*

Such assets are recorded at purchase cost adjusted in accordance with the above-mentioned art. 3 of Law no. 72/83, including any ancillary charges and subsequent development costs.
Such assets are depreciated in relation to their residual useful lives. In addition, provisions are made for transfer costs relating to the fixed assets to be relinquished, with the aim of covering the estimated costs which will be borne at the end of the concession term (in 2044) when the assets are to be transferred to the concession provider in good working condition.

- Non-current financial assets

The investment in the unconsolidated subsidiary undertaking (ADR Sviluppo Srl) has been valued at cost; this method of valuation, given that the company is a start-up, is in any event representative of the Group's interest in shareholders' equity.

Equity in associated undertakings is valued in accordance with the equity method. Equity in the associated undertaking, La Piazza di Spagna Srl (insolvent), which is not operative, is valued at cost.

Other investments are recorded at purchase cost, adjusted to reflect any long-term loss in value.

Should the Company decide to dispose of an equity investment previously accounted for in non-current financial assets, the investment is reclassified to current financial assets.

Non-current receivables are recorded at their nominal value.

Securities in the Group's portfolio held as a long-term investment until their maturity are recorded under non-current financial assets.
These securities are recorded at purchase cost, including any transaction costs.
The premium, representing the difference between the purchase price of the security and the final redemption value, should be recorded in the results for each reporting period throughout ownership of the security. This income represents an additional constant rate of return on the capital invested compared with the return generated by explicit interest.
Should there be an impairment in value, which may derive from a reduction in the market price or a negative exchange rate difference – or a combination of both factors – the value of the investment is written down.

Current assets

- Inventories

- *Inventories of raw, ancillary and consumable materials, finished goods and goods for resale*

These are recorded at the lower of the weighted average purchase cost and the estimated realizable value taking into account market price trends.

- *Contract work in progress*

These assets are recorded on the basis of the percentage-of-completion method (determined on the basis of the ratio of costs sustained to the total cost of the project). The value of the work so far completed and for which repayment is considered definite is recorded among revenues. Any additional costs borne by the Group in relation to changes in the original project, as requested by the concession provider, constitute, depending on the nature of the changes, either a write-down of the agreed value (in the case of assets which may not be operated autonomously) or, alternatively, intangible fixed assets (where such variations are considered improvements to and/or conversions of third party assets).

- Receivables

These are recorded at their estimated realizable value.

- Current financial assets

These assets are recorded at the lower of cost and realizable value.

- Cash on hand and in banks

These are recorded at their nominal value assuming the clearance of bank checks and the availability of bank deposits.

Accrued income and prepaid expenses

Accruals and deferrals are valued in accordance with the matching concept, by means of dividing costs and revenues relating to two or more financial periods over the period to which they relate.

Allowances for risks and charges

These are made up of provisions aimed at covering sundry losses of a determinate nature and of certain or probable occurrence. The evaluation of risks and charges also takes into account liabilities which have become known between the closure of the accounting period under consideration and the date of the preparation of these financial statements. Such allowances are held to be adequate to cover related losses and charges.

Employee severance indemnities

Employee severance indemnities were calculated for all employees and in accordance with governing legislation. This amount was calculated for indemnities accrued up to June 30, 2010 and is shown net of any advance payments and amounts paid in the form of supplementary pension benefits or to the Treasury Fund set up at the Italian Social Security Institute (INPS).

Following the entry into force of the reform of supplementary pensions on January 1, 2007, the personnel of private companies with more 50 employees may choose to have their employee severance indemnities allocated to a form of supplementary pension fund or leave them with their company. In the latter case, the company pays employee severance indemnities into a fund set up at INPS, in accordance with the implementing Decree of January 30, 2007, denominated “Allowance for employee severance indemnities” or “Treasury Fund”. Consequently, amounts for employee severance indemnities maturing as of January 1, 2007 are classified on a monthly basis under “Due to social security agencies”. The following month the indemnities are paid to the supplementary pension fund or the Treasury Fund.

Payables

Payables are recorded at their nominal value.

Receivables and payables recorded in foreign currency

Items expressed in foreign currency are posted at the historical exchange rate on the day a transaction is carried out. Any exchange rate differences, incurred on collection of receivables or on settlement of payables denominated in foreign currency, are recorded in the income statement under “foreign exchange gains and losses”.
If the translation of receivables and payables denominated in foreign currency, at closing rates, results in a net gain or loss, such an amount is recorded in the income statement under “foreign exchange gains and losses”.

Memorandum accounts

- General/secured guarantees given

These are valued in accordance with the period-end residual value of the debt or securities guaranteed.

- Commitments on purchases and sales

This item reports the value of contracts to be fulfilled and which imply a commitment, on the part of the Group, to third parties. Non-quantifiable commitments are not recorded, but are described in a relevant note if of significant value.

- Other

- *Secured/general guarantees received*

These are recorded at an amount approximately equal to the residual value due at period end. These primarily consist of sureties granted by major banks and insurance companies.

- *Third parties’ assets lodged with the Company (principally assets received under the concession)*

These are recorded at values based on the latest estimate made by UTE (Tax Technical Office) in 1979 or, in the case of works financed by the State and then subsequently received under the concession, at the value of the work completed and invoiced to the Ministry of Infrastructure and Transport, in accordance with agreements.

- *Company-owned assets lodged with third parties*

These are recorded at their net book value.

Revenues

Revenues are reported net of returns, discounts, reductions and premiums as follows:
- revenues from sales: upon delivery;
- revenues from services: upon supply of the service.

Income taxes

Current taxes are calculated on the basis of taxable income. The related payable is posted to “Taxes due”.
Regarding participation in the consolidated taxation regime by ADR SpA and the subsidiary undertakings, ADR Tel SpA, ADR Engineering SpA, ADR Assistance Srl and ADR Sviluppo Srl as consolidated companies, and the Parent Company, Gemina SpA, as the consolidating company, taxable income and tax losses transferred to the consolidating company are recorded under current tax “expense” and “income from tax consolidation”, respectively, with contra-entries for amounts due to and from the parent companies.
Any rebates deriving from excess taxable operating income transferred under the consolidated taxation regime, and used to offset non-deductible interest expense transferred under the consolidated taxation regime, are remunerated at 50%, and consequently recorded as income from consolidated taxation for the company recognizing the rebate.

The consolidated companies also transfer withholding taxes, tax credits and rebates from previous tax returns to the consolidating company. These may be offset against IRES calculated on consolidated income.
Deferred tax assets and liabilities represent the temporary difference between taxable income and net income reported in the Income Statement for the period, applying the tax liability method. Deferred tax assets are recorded only when there is reasonable certainty of their recoverability. The balance of deferred tax assets and liabilities are reported under the "Allowance for deferred taxes" in the case of a liability and under "Deferred tax assets" in the case of an asset.

Derivatives contracts

The positive and negative interest rate differentials, deriving from Interest Rate Swaps, accrued at the end of the period are recorded on the accruals basis in the Income Statement among financial income and expense.
The Group's hedging policy, in accordance with obligations laid down in loan agreements, stipulates that at least 51% of the loan should be subject to a fixed rate of interest.

NOTES TO THE CONSOLIDATED BALANCE SHEET

FIXED ASSETS

Intangible fixed assets

	12/31/2009			Changes during the period			06-30-2010		
	Cost	Amortization	Book value	Purchases/ Capitalization	Reclassifications	Amortization	Cost	Amortization	Book value
- Incorporation and development costs	1,892	(1,882)	10	0	0	(2)	1,892	(1,884)	8
	1,892	(1,882)	10	0	0	(2)	1,892	(1,884)	8
- Industrial patents and intellectual property rights	7,813	(6,172)	1,641	186	491	(580)	8,490	(6,752)	1,738
	7,813	(6,172)	1,641	186	491	(580)	8,490	(6,752)	1,738
- Concessions, licenses, trademarks and similar rights	2,189,872	(486,065)	1,703,807	568	1,000	(25,862)	2,191,440	(511,927)	1,679,514
	2,189,872	(486,065)	1,703,807	568	1,000	(25,862)	2,191,440	(511,927)	1,679,514
- Leasehold improvements in process and advances:									
. Leasehold improvements in process	28,544	0	28,544	17,406	(8,799)	0	37,152	0	37,152
. Advances to suppliers	63	0	63	0	(57)	0	6	0	6
	28,607	0	28,607	17,406	(8,855)	0	37,158	0	37,158
- Others									
. Leasehold improvements	554,821	(359,781)	195,040	9,709	7,443	(16,304)	571,973	(376,085)	195,888
. Ancillary charges for loans	53,822	(34,505)	19,317	0	0	(1,613)	53,822	(36,118)	17,704
	608,643	(394,286)	214,357	9,709	7,443	(17,917)	625,795	(412,203)	213,592
	2,836,827	(888,405)	1,948,422	27,869	79	(44,362)	2,864,775	(932,766)	1,932,010

An analysis of the most important changes during the first half reveals the following:

- "Concessions, licenses, trademarks and similar rights" include the value of the airport concession, amounting to 1,675,643 thousand euros as of June 30, 2010. The decrease of 24,294 thousand euros is primarily due to amortization for the period, amounting to 25,862 thousand euros;

- "Leasehold improvements in process" increased by 8,551 thousand euros due to the combined effect of the following:

- a decrease of 8,855 thousand euros deriving from improvements entering service during the period and reclassified under “industrial patent and intellectual property rights” “concessions, licenses, trademarks and similar rights” and “leasehold improvements”, as well as adjustments;
- an increase of 17,406 thousand euros for new investments;

- "Other” intangible fixed assets decreased by 766 thousand euros. “Leasehold improvements” rose by 847 thousand euros due to purchases during the period (9,709 thousand euros), and transfers from work in process and reclassifications (up 7,443 thousand euros), partly offset by amortization for the period (16,304 thousand euros). "Transaction costs incurred on loans” fell by 1,613 thousand euros due to amortization for the period.

The principal leasehold improvements in progress (equal to 17,406 thousand euros) include:
- improvements to the image of and security checks at T3 (1,201 thousand euros);
- work on elevators, stairs and moving walkways at T3 (1,685 thousand euros);
- Net Building civil engineering works (3,277 thousand euros);
- upgrading of paving at terminals (710 thousand euros);
- repair of sector 300 aprons (2,033 thousand euros);
- adaptation of Satellite West for A380 aircraft (933 thousand euros);
- upgrade of aircraft aprons and road signs (1,283 thousand euros);
- upgrade of electricity sub-stations (440 thousand euros);
- operational upgrade of BHS at T3 (524 thousand euros).

The main leasehold improvements completed during the first half of 2010 (equal to 9,709 thousand euros) include:
- servicing and upgrade of air-conditioning equipment and evaporation towers at T1 (1,190 thousand euros);
- servicing and upgrade of air-conditioning equipment at T3 (1,158 thousand euros);
- fast track lanes for domestic and business class flights at T3 (448 thousand euros);
- upgrade of luminous runway signs (517 thousand euros);
- upgrade of terminal rest rooms (438 thousand euros);
- car park upgrading works at Ciampino (487 thousand euros).

Once again in the first half of 2010, investment in airport infrastructure development was funded from increased boarding fees received during the period (in accordance with paragraphs 9 and 10 of art. 10, Law no. 537/93).

Tangible fixed assets

	12/31/2009				Changes during the period			06/30/2010			
	Cost	Reval. Law (72/1983)	Allowances for depreciation	Book value	Purchases ./ Capital.	Reclassi-fication	Amortization	Costo	Reval. Law (72/1983)	Allowances for depreciation	Book value
- Land and buildings	21,310	465	(18,978)	2,797	0	3	(246)	21,309	465	(19,220)	2,554
- Plant and machinery	123,989	0	(80,243)	43,746	4,019	332	(4,730)	128,281	0	(84,913)	43,368
- Industrial and commercial equipment	8,731	0	(7,572)	1,159	133	0	(208)	8,845	0	(7,761)	1,084
- Fixed assets to be relinquished	194,404	1,908	(103,511)	92,801	435	181	(3,815)	195,014	1,908	(107,320)	89,602
- Other assets	40,453	0	(36,623)	3,830	218	369	(884)	36,975	0	(33,442)	3,533
- Work in progress and advances	24,573	0	0	24,573	23,330	(1,756)	0	46,147	0	0	46,147
	413,460	2,373	(246,927)	168,906	28,135	(871)	(9,883)	436,571	2,373	(252,656)	186,288

Net tangible fixed assets rose by 17,381 thousand euros primarily due to investment of 28,135 thousand euros, which was partially offset by depreciation for the period, totaling 9,883 thousand euros.

The most significant capitalizations during the period include:

- within the category "plant and machinery" (4,019 thousand euros), electrical equipment (617 thousand euros), transport vehicles (868 thousand euros), security equipment (1,691 thousand euros) and baggage inspection equipment (146 thousand euros);
- the category "assets to be relinquished", amounting to 435 thousand euros, includes civil works and buildings (381 thousand euros);
- the category "tangible fixed assets in progress and advances", amounting to 23,330 thousand euros, includes departure area F that was formerly the new Pier C financed by ADR (4,966 thousand euros), the new baggage handling system at the former Alitalia cargo warehouse (1,778 thousand euros), purchase and update of x-ray machines (1,555 thousand euros) and the new BHS at the Net Building (12,000 thousand euros).

As security for the loans governed by agreements with Romulus Finance Srl, a syndicate of banks, EIB and BIIS (formerly Banca OPI) – described in detail in the notes to "Payables" – has been granted a lien (in the form of a mortgage ranking *pari passu* with other claims) on the plant, machinery and capital goods recorded at any time in the book of depreciable assets and ADR SpA's inventory. Such a guarantee is valid until the above loans have been fully repaid.

Equity investments held as non-current financial assets

	12-31-2009	changes during the period	06-30-2010
Equity investments in:			
▪ unconsolidated subsidiary undertakings:			
ADR Sviluppo Srl Unipersonale	100	0	100
	100	0	100
▪ associated undertakings:			
La Piazza di Spagna Srl (in liquidation)	49	0	49
Consorzio E.T.L.	10	0	10
Ligabue Gate Gourmet Roma SpA (insolvent)	0	0	0
	59	0	59
▪ other companies:			
Alinsurance Srl (in liquidation)	6	0	6
Aeroporto di Genova SpA	1,395	0	1,395
S.A.CAL. SpA	1,307	0	1,307
Leonardo Energia – Società Consortile a r.l.	1	0	1
	2,709	0	2,709
	2,868	**0**	**2,868**

For further information regarding such equity investments during the first half of 2010, reference should be made to the section Equity investments in the Parent Company's Management Report on Operations.

As a security for the loans taken out via contracts entered into with Romulus Finance Srl, and a syndicate of banks, EIB and BIIS (formerly Banca OPI), ADR SpA has granted the lenders a lien on the Company's shareholdings in the subsidiary undertakings, ADR Tel SpA, ADR Advertising SpA and ADR Assistance Srl. Such guarantees are valid until the above loans have been fully repaid.

Receivables due and other items under non-current financial assets

	12-31-2009	changes during the period	06-30-2010
Receivables:			
▪ due from others:			
Public bodies for licenses	23	0	23
other	528	12	540
	551	**12**	**563**

There are no receivables falling due beyond five years.

	12-31-2009	changes during the period	06-30-2010
Other securities:			
▪ bonds	2,758	0	2,758
	2,758	**0**	**2,758**

The item "bonds" includes a portion of the A4 bonds issued by the special purpose vehicle, Romulus Finance Srl, purchased in the market by the Parent Company on February 13, 2009, The bonds, which had a face value of 4 million pounds sterling, were purchased at a price of 2.8 million euros (equal to 2.4 million pounds). The A4 bonds, falling due in February 2023, accrue half-yearly interest at a fixed rate of 5.441%.

CURRENT ASSETS

Inventories

	12-31-2009	changes during the period	06-30-2010
▪ Raw, ancillary and consumable materials	2,919	(137)	2,782
▪ Finished goods and goods for resale:			
goods for resale	7,245	219	7,464
▪ Contract work in progress	11,299	1,035	12,334
	21,463	**1,117**	**22,580**

"Inventories" registered an overall increase of 1,117 thousand euros compared with December 31, 2009, primarily due to:

- a 219 thousand euro rise in inventories of "goods for resale" (directly managed duty-free and duty-paid shops) due to increased sales;
- a 1,035 thousand euro increase in stocks of "contract work in progress", primarily relating to the state-financed portion of construction works in departure area F (formerly Pier C).

As security for the loans governed by agreements with Romulus Finance Srl, a syndicate of banks, EIB and BIIS (formerly) Banca OPI, the Parent Company, ADR SpA, has granted the lenders a lien (in the form of a mortgage ranking *pari passu* with other claims) on the raw materials, work in progress, stocks, finished goods, goods for resale and other goods forming part of ADR SpA's inventory. Such a guarantee is valid until the above loans have been fully repaid.

Current receivables

	12-31-2009	changes during the period		06-30-2010
		Increases (+) Repayments (-)	provisions (-) value recoveries (+)	
▪ Due from clients	245,102	(2,411)	0	242,691
less				
allowance for doubtful accounts	(33,899)	359	(699)	(34,239)
allowance for overdue interest	(8,078)	144	(196)	(8,130)
	203,125	(1,908)	(895)	200,322
▪ Due from associated undertakings	530	0	0	530
▪ Due from parent companies	18	(15)	0	3
▪ Due from tax authorities	10,509	3,261	0	13,770
▪ Deferred tax assets	29,197	389	0	29,586
▪ Due from others:				
sundry	54,968	6,265	0	61,233
advances to suppliers for services	106	(106)	0	0
	55,074	6,159	0	61,233
	298,453	**7,886**	**(895)**	**305,444**

The principal changes are analyzed below.

"Due from clients", net of allowances for doubtful accounts, amounts to 200,322 thousand euros and includes trade receivables due from clients and amounts due from public bodies deriving from financed works and the supply of utilities and services. The reduction of 2.8 million euros is due to an improvement in collection times. This item includes amounts due to the Group from Alitalia Group companies under special administration totaling 27.0 million euros.
As of June 30, 2010 receivables sold without recourse totaled 3.4 million euros (also 3.4 million euros as of December 31, 2009).

"Due from associated undertakings", amounting to 530 thousand euros, includes amounts due to ADR SpA from the insolvent Ligabue Gate Gourmet Roma SpA, classified among preferential liabilities. No movements of such receivables were reported during the period.

"Tax credits", amounting to 13,770 thousand euros, include 12,0 million euros corresponding to recognition of installments paid – in accordance with the installment plan agreed to by the Collection Agent – of sums provisionally due regarding the current litigation with the Customs Office. Indeed, these constitute advance payments as they have been provisionally recognized given that no definitive penalty has been imposed. The 3.3 million euro increase in tax credits includes 3.1 million euros relating to the above-mentioned installments paid during the period.

"Deferred tax assets", amounting to 29,586 thousand euros, registered an increase of 389 thousand euros with respect to December 31, 2009. The composition of deferred tax assets and changes during the period are shown in the following table.

Balance sheet item	Balance at 12.31.2009 (A) Tax base	Tax	Increase (B) Tax base	Tax	Decrease (C) Tax base	Tax	Balance at 06.30.2010 (A+B-C) Tax base	Tax
DEFFERED TAX ASSETS								
Allowances for risks and charges	32,857	9,949	6,243	1,906	4,247	1,169	34,853	10,686
Accumulated inventiry write-downs	473	131	460	125	134	37	799	219
Allowance for doubtful accounts	31,745	8,732	6	2	5	1	31,746	8,733
Provision for personnel	10,618	2,921	6,036	1,660	7,147	1,965	9,507	2,616
Accelerated depreciation	996	276	0	0	71	20	925	256
Financial income and expense	2,840	781	0	0	2,840	781	0	0
Consolidated adjustment	17,560	5,675	2,807	906	785	254	19,582	6,327
Other	2,719	745	405	111	357	98	2,767	758
Total deffered tax assets	**99,808**	**29,210**	**15,957**	**4,710**	**15,586**	**4,325**	**100,179**	**29,595**
Gain	(38)	(13)	(3)	(1)	(18)	(6)	(23)	(8)
Total deffered tax liabilities	**(38)**	**(13)**	**(3)**	**(1)**	**(18)**	**(6)**	**(23)**	**(8)**
TOTAL	**99,770**	**29,197**	**15,954**	**4,709**	**15,568**	**4,319**	**100,156**	**29,587**

FOR THE PERIOD POSTED TO INCOME STATEMENT	**390**

"Amounts due from others: sundry" rose by 6,159 thousand euros, mainly due to additional liquidity (up 4,633 thousand euros) deposited in the term current account denominated the "Debt Service Reserve Account", which thus amounted to 55,649 thousand euros at June 30, 2010.

It should be borne in mind that, in accordance with ADR SpA's loan agreements, the "Debt Service Reserve Account" is an escrow account in the name of the Security Agent, in which the Company is obliged to keep a sum as security for debt servicing, to be adjusted every six months (periods March 20–September 19 and September 20–March 19). Debt servicing currently has different weightings in the above-mentioned six-month periods, so the due dates on which the reserve is increased (in March) and decreased (in September) alternate constantly.

As security for the loans governed by agreements with Romulus Finance Srl, a syndicate of banks, BEI and BIIS (formerly Banca OPI), has been granted the following liens. Such guarantees are valid until the above loans have been fully repaid:

- a lien (in the form of a mortgage ranking *pari passu* with other claims) on all receivables deriving from the sale of plant, machinery and capital goods and rights constituting ADR SpA's inventory, as well as other goods and rights subject to liens;
- a lien on all receivables and, more generally, all rights deriving from contracts with clients, ADR Tel SpA, ADR Advertising SpA and ADR Assistance Srl and insurance policies.

Amounts due as of June 30, 2010 (305,444 thousand euros) comprise trade receivables (200,325 thousand euros), financial receivables (56,330 thousand euros) and sundry receivables (48,789 thousand euros). There are no promissory notes or similar bills.

The following table shows a geographical breakdown of the Group's trade receivables:

	Italy	Other EU countries	Rest of Europe	Africa	America	Asia	TOTAL
Clients	191,153	7,776	811	55	386	141	**200,322**
Parent companies	3	0	0	0	0	0	**3**
	191,156	7,776	811	55	386	141	**200,325**

There are no receivables falling due beyond five years or receivables subject to exchange rate risk.

Cash on hand and in banks

	12-31-2009	changes during the period	06-30-2010
▪ Bank and post office deposits	135,166	18,991	154,157
▪ Cash and notes in hand	572	261	833
	135,738	**19,252**	**154,990**

The Group's cash in hand and in banks amounted to 154,990 thousand euros at June 30, 2010, up 19,252 thousand euros on the end of the previous year, reflecting an increase in operating cash flow.

Bank deposits include the balance of the account provided for under ADR SpA's loan agreements, denominated "Recoveries Account". Any liquidity deriving from extraordinary transactions must be deposited in this account. Consequently, in 2006 the amount collected from the sale of the equity investment in Flightcare Italia SpA (formerly ADR Handling SpA) was deposited in this account, net of related expenses; this liquidity had been allocated to financing ADR's investments. As of June 30, 2010, the balance in the account amounted to 11.1 million euros (also 11.1 million euros as of December 31, 2009).

As security for the loans governed by agreements with Romulus Finance Srl, ADR SpA has granted a syndicate of banks, the EIB and BIIS (formerly Banca OPI), a lien on all the Company's current accounts governed by a specific agreement ("Account Bank Agreement"). Such a guarantee is valid until the above loans have been fully repaid.

As of June 30, 2010, 46.4 million euros was held in an ADR SpA current account that is not subject to a lien (even in the event of a cash sweep). This amount derives from free cash flow generated in previous years and may, therefore, be used for the payment of dividends under ordinary circumstances.

ACCRUED INCOME AND PREPAID EXPENSES

	12-31-2009	changes during the period	06-30-2010
▪ **Prepaid expenses**			
Service costs	762	288	1,050
Leased assets	1	96	97
Payroll costs	12	179	191
Other operating costs	5	251	256
Financial charges	3,706	2,241	5,947
	4,486	**3,055**	**7,541**

One of the most significant items is represented by "financial charges" consisting of prepayment installments, not due for the period, of the following premiums:

- 5,824 thousand euros (3,584 at December 31, 2009) for the monoline insurance paid to AMBAC Assurance UK, which has secured the bonds issued by Romulus Finance Srl that correspond to Facility A;
- 123 thousand euros (121 thousand euros at December 31, 2009) paid to BIIS, the bank that has secured the loan granted to ADR SpA by the EIB.

SHAREHOLDERS' EQUITY

	Share Capital	Share premium reserve	Legal reserve	Retained earnings	Net income for the period	Consolidated shareholders ' equity	Minority interest	Group and minority interest in shareholders' equity
Balance as of 12.31.2008	**62,310**	**667,389**	**12,462**	**(11,093)**	**(8,271)**	**722,797**	**1,554**	**724,351**
Allocation of net income 2008				(8,271)	8,271	0	(7)	(7)
Net (loss) income for the Year					5,164	5,164	(731)	4,433
Balance as of 12.31.2009	**62,310**	**667,389**	**12,462**	**(19,364)**	**5,164**	**727,961**	**816**	**728,777**
Allocation of net income 2009				5,164	(5,164)	0	0	0
Net (loss) income for the period					610	610	(103)	507
Balance as of 06.30.2010	**62,310**	**667,389**	**12,462**	**(14,200)**	**610**	**728,571**	**713**	**729,283**

The Parent Company's "share capital" amounts to 62,309,801 euros, represented by 62,309,801 shares with a par value of 1 euro each.
On May 7, 2004, pursuant to article 5 of the Parent Company's By-laws, the Board of Directors approved a capital increase in the form of a scrip issue, raising the share capital from 62,224,743 to 62,309,801 euros. Such increase was carried out via the issue of 85,058 ordinary shares with a par value of 1 euro each, and the transfer to share capital of a corresponding sum of 85,058 euros from the "Reserve for share issues pursuant to art. 2349 of the Italian Civil Code".
The shares corresponding to this increase in share capital have yet to be issued and allocated.

"Group shareholders' equity" increased with respect to December 31, 2009 due to the net profit of 610 thousand euros reported for the period. "Minority interest in shareholders' equity" fell by 103 thousand euros in connection with the net loss for the period.

The reconciliation of shareholders' equity and net income for the period, as reported in the financial statements of the Parent Company, and the related consolidated amounts, is shown in the following table:

Reconciliation of net income for the period and shareholders' equity

	Net income/(loss) for the period		Shareholders' equity	
	H1 2010	H1 2009	06-30-2010	12-31-2009
Balances in ADR SpA's accounts	**419**	**(14,228)**	**764,856**	**764,438**
Effect of consolidation of subsidiary undertakings	1,215	(1,167)	4,652	3,437
Gain (elimination) of intercompany profits and other adjustments	(2,082)	(162)	(19,655)	(17,573)
Effect of deferred tax assets	652	95	6,328	5,675
Merger effect[10]	406	406	(27,610)	(28,016)
Balances in consolidated accounts	**610**	**(15,056)**	**728,571**	**727,961**

[10] Merger date different from first-time consolidation.

ALLOWANCES FOR RISKS AND CHARGES

	12-31-2009	changes during the period		06-30-2010
		Provisions	Releases	
▪ **Taxes, including deferred taxation**	**12,118**	**13,975**	**0**	**26,093**
▪ **Other:**				
current and potential disputes	26,900	5,211	(196)	31,915
insurance deductibles	1,441	97	0	1,538
restructuring	8,559	1,000	(3,799)	5,760
allowance to cover Group company losses	43	0	(43)	0
fixed assets to be relinquished	5,701	150	0	5,851
allowance for option dealings	1	1	0	2
	42,645	**6,459**	**(4,038)**	**45,066**
	54,763	**20,434**	**(4,038)**	**71,159**

Allowances for risks and charges, totaling 71,159 thousand euros, increased 16,396 thousand euros compared with December 31, 2009. The most important changes are analyzed below.

The "allowance for taxes, including deferred taxation" includes the entire charge (taxes, interest and ancillary charges) relating to the current dispute with the Customs Office. Further provisions of 14.0 million euros were made during the period following the negative outcome of the appeal submitted by ADR SpA to the Regional Tax Commission for Rome.
The procedure is underway to collect the sum due, which the Company is paying in 36 installments following the application submitted to the Collection Agent, after paying an advance of 4 million euros. The installments already paid, totaling 12.0 million euros, have been recognized as tax credits; at June 30, 2010, 23 installments amounting to 14.1 million euros, including interest, were outstanding.
For further information reference should be made to the section on "Tax litigation".

The "allowance for current and potential disputes" reports a net increase of 5,015 thousand euros, due to the combined effect of provisions of 5,211 thousand euros made in order to provide cover for likely potential liabilities and releases of 196 euros made to settle disputes with customers, contractors and personnel.

Releases amounting to 3,799 thousand euros were recorded to the "allowance for restructuring" made, in the last year, to cover the restructuring program launched by the ADR Group, which will enable implementation of redundancy schemes regarding around 280 ADR SpA staff and 12 staff from subsidiary undertakings. A review of the restructuring program during the period led to allocation of further provisions amounting to 1.0 million euros.

EMPLOYEE SEVERANCE INDEMNITIES

BALANCE AS OF 12-31-2009	**28,523**
changes during the period	
Provisions	3,203
Releases for restructuring	109
Releases to pay indemnities	(429)
Releases to pay advances	(478)
Transfers of personnel	0
Other	0
Amounts allocated to social security allowances or to the Treasury Fund	(2,470)
BALANCE AS OF 06-30-2010	**28,458**

Employee severance indemnities report a net decrease of 65 thousand euros in the first half of 2010. This primarily reflects provisions of 3,312 thousand euros (including 108 thousand euros already allocated in 2009 for the restructuring program) and releases for indemnities paid, amounting to 907 thousand euros, and an amount of 2,470 thousand euros for indemnities accrued during the period paid into pension funds or to the Treasury Fund set up at INPS.

PAYABLES

	12-31-2009	changes during the period	06-30-2010
▪ Due to banks	296,391	(5,766)	290,625
▪ Due to other financial institutions	1,213,936	(12,433)	1,201,503
▪ Advances:			
- from clients:			
. from the Ministry of Transport	4,612	(326)	4,286
. other	5,000	2,231	7,231
	9,612	1,905	11,517
▪ Due to suppliers	129,712	20,204	149,916
▪ Due to associated undertakings	1,003	0	1,003
▪ Due to parent companies	13,575	6,813	20,388
▪ Taxes due	43,846	(2,629)	41,217
▪ Due to social security agencies	7,924	(863)	7,061
▪ Other payables: sundry creditors	51,189	1,660	52,849
	1,767,188	**8,891**	**1,776,079**

The Group's payables rose by 8,891 thousand euros during the period. The principal reasons for such a change are analyzed below.

"Amounts due to banks", totaling 290,625 thousand euros, include:

- 289,100 thousand euros representing the principal on long-term lines of credit granted to ADR SpA denominated Term Loan Facility (170,000 thousand euros), BOPI Facility (39,100 thousand euros and EIB Term Loan (80,000 thousand euros);
- 712 thousand euros of amounts due from ADR SpA for interest, commissions and swap differentials accrued during the period but not yet settled;

- 813 thousand euros for the short-term line of credit (30 days) granted to the subsidiary undertaking, ADR Advertising SpA, including 650 thousand euros by the Banca Popolare Commercio e Industria and 163 thousand euros by Unicredit Banca di Roma to meet temporary liquidity requirements.

The decrease of 5,766 thousand euros compared with December 31, 2009 derives from the combined effect of the following changes:
- repayment of an installment of the BIIS loan amounting to 4,250 thousand euros, falling due in March 2010;
- a decrease of 1,447 thousand euros in the lines of credit granted to ADR Advertising SpA;
- a reduction of 69 thousand euros in the amounts due for interest, commissions and swap differentials accrued during the period but not yet settled.

The characteristics of these loans are listed in the following table:

Lender	*Facility Loan*	*Amount (millions of euros)* granted	used	oustanding	*Interest rate*	*Repayment*	*Life*	*Maturity date*
Syndacate of banks	**Term Loan Facility**	170.0	170.0	170.0	floating rate linked EURIBOR + margin	bullet	6 years	feb. 2012
	Revolving Facility	100.0	0.0	0.0	floating rate linked EURIBOR + margin	revolving	6 years	feb. 2012
		270.0	**170.0**	**170.0**				
Banca BIIS	**BOPI Facility**	**43.35**	**43.35**	**39.1**	floating rate linked EURIBOR + margin	from 2010 to 2015 in six-monthly installments	12 years	mar. 2015
BEI	**EIB Term Loan**	**80.0**	**80.0**	**80.0**	floating rate linked EURIBOR + margin	bullet	10 years	feb. 2018
	TOTAL	**393.35**	**293.35**	**289.1**				

The long-term line of credit denominated the "Term Loan Facility" and the "Revolving Facility" were granted on September 20, 2005 by a syndicate of banks with the mandated lead arrangers comprising Barclays Capital, Calyon SA, (Crédit Agricole Corporate and Investment Bank since Februray 6, 2010), Mediobanca – Banca di Credito Finanziario SpA, Unicredit Banca Mobiliare SpA and WestLB AG.
98,600 thousand euros of the "Term Loan Facility", initially worth 290,000 thousand euros, was repaid on September 20, 2006, with a further 21,400 thousand euros repaid on March 20, 2008, thereby reducing the loan to 170,000 thousand euros.
On November 21, 2007, at the request of the Parent Company, ADR SpA, the line of credit denominated the "Revolving Facility" was reduced from the initial 200,000 thousand euros to 100,000 thousand euros, in line with projected cash flows, resulting in a reduction in the cost of borrowing.

The line of credit denominated the "BOPI Facility" was granted on February 19, 2003 by Banca OPI (as of January 1, 2008 the bank's name was changed to BIIS – Banca Infrastrutture Innovazione e Sviluppo) and guaranteed by CDC IXIS Financial Guaranty Europe. This line of credit, which was initially granted for an amount of 85,000 thousand euros, was reduced to 43,350 thousand euros following early repayment of an amount of 28,900 thousand euros on September 20, 2006, and of an amount of 12,750 thousand euros on March 20, 2008, corresponding to the installments falling due in September 2008, and in March and September 2009.

The interest rates applied to the "Term Loan Facility", the "Revolving Facility" and the "OPI Facility" vary in terms of the level of ADR's rating, whilst the loan granted by the EIB is not affected by the level of the rating.

"Amounts due to other financial institutions" total 1,201,503 thousand euros. The item includes the principal of 1,200,019 thousand euros due from the Group to Romulus Finance Srl ("Romulus Finance") and 1,484 thousand euros consisting of interest accrued on the above-mentioned loans and not yet paid.

The decrease of 12,433 thousand euros compared with December 31, 2009 is exclusively due to the differing trend regarding payment of interest on the existing loans.

It should be recalled that the loan granted by Romulus Finance in February 2003 arose from the transfer without recourse to Romulus Finance Srl of the amount due to ADR's original lenders for loans taken out in August 2001. Romulus Finance, a vehicle established pursuant to Law no. 130/99 on securitization and controlled by two Dutch foundations, financed acquisition of the pre-existing bank loan to ADR SpA via the issue of asset-backed bonds amounting to 1,265 million euros, to be listed on the Luxembourg Stock Exchange and subscribed by institutional investors.

After early repayment of "Loan B", amounting to 65,000 thousand euros, in March 2008, the loan from Romulus Finance Srl breaks down into four lines of credit, summarized in the table below. The conditions reflect those of the bonds issued by Romulus Finance to finance the purchase of amounts due to ADR's creditor banks:

Lender	*Facility Loan*	*Amount (millions of euros)*	*Interest rate*	*Repayment*	*Life*	*Maturity date*
Romulus Finance Srl	**A1**	500	fixed	bullet	10 years	feb. 2013
	A2	200	floating rate linked EURIBOR + margin	bullet	12 years	feb. 2015
	A3	175	floating rate linked EURIBOR + margin	bullet	12 years	feb. 2015
	A4	325	floating rate linked EURIBOR + margin up to 12/20/09 and after fixed rate	bullet	20 years	feb. 2023
	TOTAL	**1,200**				

The bonds issued by Romulus regarding Classes A1, A2, A3 and A4 are secured by the monoline insurance company, Ambac Assurance UK Limited, which at June 30, 2010 had a lower rating (Caa2 from Moody's and CC from Standard & Poor's) than ADR SpA.

The level of ADR's rating affects the amount of the premium paid to Ambac for the surety on the bonds, but not on the interest rate applied to each class of bond.

Hedging policy

The hedging policy established within the framework of loan agreements with the banks and with Romulus Finance Srl requires that at least 51% of the debt is fixed rate.

At June 30, 2010, 55.4% of ADR SpA's lines of credit have fixed interest rates (at December 31, 2009: 55.2%).

Moreover, on October 2, 2009 the two interest rate collar forward start contracts, signed with Barclays and Royal Bank of Scotland, with a notional capital of 120 million euros each, became active. On the basis of these contracts ADR SpA will receive a floating 3-month Euribor rate and pay a floating 3-month Euribor rate with a cap of 5% and a floor of 3.64% from October 2, 2009 until February 20, 2012.
These contracts were signed to hedge interest rate risk for an additional three years regarding total notional capital of 240 million euros, thus increasing the proportion of total debt hedged against interest rate risk to 71.5% (71.3% at December 31, 2009).

As of June 30, 2010, the fair value of the swap agreements entered into is a negative 10.4 million euros. The characteristics of outstanding swaps are listed below:

(in thousand of euros)	NOTIONAL	FAIR VALUE DERIVATES AS AT 06.30.2010	PURPOSE OF THE DERIVATES	FINANCIAL RISK	FINANCIAL DEBT HEDGED
COLLAR FWD START of 2006 (CASH FLOW HEDGE)	240,000	(10,387)	Hedging	Interest rate	240,000
TOTAL		**(10,387)**			

The financial liability hedged refers to a portion of amounts due to other financial institutions.

The effects of the interest rate swap agreements on the income statement for the period are shown in the notes on financial income and expense.

Guarantees

The bank loans and the loan from Romulus Finance are guaranteed, as described in detail in the individual balance sheet items, by:

- a lien (in the form of a mortgage) on the plant, machinery, capital goods and goods constituting ADR's inventory, as well as any receivables deriving from the sale of such assets;
- a lien on all receivables, and more generally on any right deriving from contracts with clients and insurance policies;
- a lien on all of ADR SpA’s bank current accounts;
- a lien on ADR's shareholdings in ADR Tel SpA, ADR Advertising SpA and ADR Assistance Srl;
- “ADR Deed of Charge” (a lien under British law on loans, hedging agreements and insurance policies governed by British law).

Commitments and covenants

A large number of contractual regulations govern the management of ADR’s borrowings, partly due to their size, and also because of Ambac’s requirement to protect the risk of non-compliance and insolvency on the part of ADR, thereby seeking to minimize the actual difference between the maximum rating insured and the rating of the issuer/debtor. Such regulations include:

- financial assets may only be acquired with the permission of creditors or via a “non-recourse vehicle”, and in any case only using authorized borrowing or liquidity;
- income from the sale of financial assets may be used for investment or, if not used within 12 months of collection, must be used to repay borrowings;
- dividends may only be distributed if specific financial ratios exceed contractually pre-established thresholds, and if no events of default or trigger events have occurred;
- further loans may only be undertaken if the above financial ratios exceed determined thresholds (higher than those required under normal lending conditions) and if the rating awarded to ADR is greater than pre-defined minimum levels;
- if a maturing line of credit is not repaid at least 12 months before the maturity date, any surplus cash flow generated during this period must be allocated on a priority basis (based on defined proportions) to the repayment of borrowing, which is known as a retention regime. However, if determined financial ratios are not met 24 months ahead of maturity, a 24-month retention regime may come into force;
- if the financial ratios are below certain predetermined minimum thresholds, or if the rating is below sub-investment grade levels, or if other specific contractually defined critical situations occur, further restrictive measures relating to cash flow management are set in motion in order to protect creditors from the risk of default by ADR SpA.

The principal covenants included in the current loan agreements consist of ratios, defined on the basis of final and forecast data, which measure: (i) the ratio between available cash flow and debt servicing, (ii) the ratio between discounted future cash flows and net debt, and (iii) the ratio between net debt and gross operating income.

These ratios are checked twice per year, on the application dates of March 20 and September 20, by applying the calculation methods of the respective ratios to the relative data at December 31 and June 30.

If these ratios are above specific levels, dividends may be paid and further borrowing undertaken; if on the other hand, the ratios fall below specific thresholds, a trigger event or an event of default may occur.

A trigger event results in a series of operating restrictions for ADR, especially the following:

a) a cash sweep with an obligation to use all available cash flow on the application dates (March 20 and September 20) (i) to pay interest rate installments; (ii) to repay all ADR's creditors on a *pari passu* basis; and (iii) the Romulus bonds that may not be repaid in advance should be secured via the establishment of specific cash reserves held in specific current accounts serving as a lien for Ambac (so-called cash collateralization);
b) an embargo on the payment of dividends and prohibition of the use such funds to carry out authorized investments;
c) the right of creditors, via the security agent, to obtain any information deemed necessary and to take part in devising a recovery plan and the related implementation time frames by hiring an independent expert to take part in drawing up the business plan containing the measures and remedies designed to restore an acceptable rating. Failure to implement the recovery plan could give Ambac the right to increase the premium on the guarantee issued on the Romulus Finance bonds;
d) prohibition of the acquisition of financial assets and of taking out new loans, even if they are designed to repay existing borrowings; and
e) the transfer of all cash amounts due to ADR as guarantees to the creditors, with consequent notification of the debtors transferred.

Trigger event

Due to continuation of the cash sweep and trigger event condition, on February 24, 2010 the Parent Company, ADR SpA, submitted a new waiver request, which breaks down as follows:

- non-application of the cash sweep at the application dates of March 2010 and September 2010;
- authorization to refinance the bank loan of 170 million euros until the application date of September 2011;
- until the application date of September 2010, none of the restrictions arising from the trigger event will apply, except for the following: payment of dividends, independent auditing and financial reporting obligations.

The authorization was subject to a commitment by ADR SpA, at the application date of September 2010, to make available whichever is the higher sum – 45 million euros or 80% of surplus cash available on the date of repayment of the bank loan (25%) – and collateralize the Romulus Tranche A1 (75%). On March 16, 2010 ADR SpA received notification that the waiver had been granted in accordance with the terms requested.

"Amounts due to suppliers" rose by 20,204 thousand euros due to the increased volume of investment carried out in the first half of 2010.

"Amounts due to parent companies" include trade payables amounting to 177 thousand euros and amounts due to Gemina SpA for tax consolidation totaling 20,211 thousand euros. The increase of 6,813 thousand euros compared with the end of the previous year primarily derives from estimated IRES for the period.
For more information, reference should be made to the section "Relations with parent companies and other related parties" in the Management Report on Operations.

"Taxes due", amounting to 41,217 thousand euros, were down 2,629 thousand euros on the previous year, essentially due to the combined effect of:

- a decrease of 7.8 million euros in the amount due to the tax authorities for the municipal surtax on passenger fees. In this regard, it should be remembered that ADR SpA began charging carriers this surtax from June 1, 2004 at the rate of 1 euro, which was subsequently increased to 2 euros from April 2005, pursuant to Law no. 43 of March 31, 2005. This rate was increased by an additional 50 cents from January 1, 2007, in compliance with the provisions of Law no. 296 of December 27, 2006 (the Finance Act for 2007), and by an additional 2 euros from November 2008, pursuant to Legislative Decree no. 134/08, making a total of 4.50 euros.

The surtax of 1 euro provided for by Law no.43/2005 and the increase of 2 euros pursuant to Legislative Decree no. 134/08 are allocated to a special fund, managed by INPS, in support of the income, employment, reorganization and retraining of air transport sector personnel.
The amount due to tax authorities as municipal surtax on passenger fees totaled 30,475 thousand euros as of December 31, 2010.
- an increase of 5.7 million euros in the estimated amount due for IRAP, net of payments made.

“Other payables: sundry creditors” rose by a total of 1,660 thousand euros primarily due to the effect of:
- the greater amount due for the contribution towards the cost of the fire prevention and fire fighting service in the first half of 2010 (4.4 million euros). The amounts due recorded in the financial statements regarding the years from 2007 to 2009 total 25.7 million euros; these amounts due have yet to be settled awaiting the outcome of pending judgments relating to appeals lodged by some of the major airport operators;
- a 2.8 million euro decrease in amounts due to former employees for outstanding employee severance indemnities.

Briefly, as of June 30, 2010 total payables of 1,776,079 thousand euros include 1,492,128 thousand euros of a financial nature, 162,579 thousand euros of trade payables and 121,372 thousand euros of sundry items.

A breakdown of the Group’s trade payables by geographical area is not provided as it is not significant given the limited amount due to overseas creditors.

Payables secured by collateral on the Group’s assets amount to 1,492,128 thousand euros (as described in the paragraph regarding amounts due to banks and other financial institutions).

Payables falling due beyond five years amount to 405,019 thousand euros and regard amounts due to banks, totaling 80,000 thousand euros (the EIB loan), and amounts due to other financial institutions, totaling 325,019 thousand euros.

Payables in currency exposed to exchange rate risk total 33 thousand euros and refer to services supplied.

ACCRUED EXPENSES AND DEFERRED INCOME

	12-31-2009	changes during the period	06-30-2010
▪ **Accrued expenses**			
. Sub-concessions and license fees	780	5,628	6,408
. Other	3,614	40	3,654
	4,394	**5,668**	**10,062**

The increase of 5,668 thousand euros with respect to December 31, 2009 is essentially due to advanced billing of royalties regarding retail sub-concessions.

NOTES TO THE CONSOLIDATED MEMORANDUM ACCOUNTS

GENERAL GUARANTEES

	06-30-2010	12-31-2009
Sureties		
. in the interest of third parties	111	111
Other:		
. in favor of clients	328	58
	439	**169**

COMMITMENTS ON PURCHASES AND SALES

	06-30-2010	12-31-2009
COMMITMENTS ON Investments:		
. electronic equipment	309	479
. maintenance and services	9,505	2,649
. self-financed works	89,940	94,744
	99,754	**97,872**

Regarding “Commitments on purchases”, on February 28, 2003 the Parent Company, ADR SpA, granted IGPDecaux SpA a put option on its holding in ordinary and preference shares in ADR Advertising SpA. This option is exercisable from the date of approval of the financial statements of ADR Advertising SpA as of December 31, 2004 until December 31, 2011, on the occurrence of specific conditions. Partly due to agreements entered into between ADR SpA and ADR Advertising SpA regarding revision of the guaranteed minimum, the shareholder, IGPDecaux SpA, stated that it would not exercise any put option for 2010.

Commitments on purchases also include ADR’s commitment, as an operator of airport infrastructures, to draw up and implement noise reduction and abatement plans, as required by noise pollution legislation (Law no. 477/95) and the Ministerial Decree of November 29, 2000.

To this end ADR SpA is currently assessing whether or not the relevant limits have been exceeded, and if so will proceed with preparation of the necessary noise reduction and abatement plans.
Such commitments are difficult to quantify and are, by necessity, determined on the basis of interpretations, given that there are no specific indications of the activities to be considered as “maintenance “ and “extension” of infrastructures, which form the basis for calculation pursuant to Law no. 447/1995 (the framework law on noise pollution).
In view of the above, ADR SpA, based on available estimates at the balance sheet date, judges its overall commitment to be no more than approximately 30 million euros. This sum is thus conditional on subsequent events and on the effective program of works to be carried out. The Company believes that future works will qualify as capital expenditure.

The agreements on the sale of the equity investment in Flightcare Italia SpA (formerly ADR Handling SpA), entered into on November 3, 2006, provide for a price adjustment of up to 12.5 million euros. Of this, the amount deemed most probable to arise was charged to the income statement in the years 2006-2009 under extraordinary items with a contra-entry in allowances for risks and charges, totaling around 4.0 million euros as of December 31, 2009. The remaining amount, currently deemed unlikely to be incurred, will be re-assessed in future years.

Finally, a series of interest rate swap contracts aimed at hedging interest rate risk on current loans have been entered into. For further information reference should be made to the notes to “Payables”.

OTHER MEMORANDUM ACCOUNTS

	06-30-2010	12-31-2009
GENERAL GUARANTEES RECEIVED		
Sureties:		
. received from suppliers	67,672	67,967
. received from clients	91,399	90,433
	159,071	158,400
THIRD PARTY ASSETS ON FREE LOAN DEPOSITED IN CUSTODY, LEASED OR SIMILAR		
. leased assets	11	11
. CAA - plant and equipment at Fiumicino	119,812	119,812
. CAA - plant and equipment at Ciampino	29,293	29,293
. works carried out on behalf of the State	676,621	672,999
	825,737	822,115
	984,808	**980,515**

“Third party assets in free loan, deposited in custody, leased or similar” include the value of assets received under concession at Fiumicino and Ciampino airports and the value of the work financed, completed and invoiced to the Civil Aviation Authority.

The increase in the item “works carried out on behalf of the State” is due to invoicing of the portion of state-funded works regarding departure area F to the Civil Aviation Authority in the first half of 2010.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

TOTAL REVENUES

Revenues

	H1 2010	H1 2009	change
▪ ***Revenues from sales:***			
. Non-aviation activities:			
Duty Free and Duty Paid	38,790	36,223	2,567
Other	1,151	1,559	(408)
	39,941	**37,782**	2,159
			0
▪ ***Revenues from services:***			0
. Aviation activities:			0
Fees	81,429	76,423	5,006
Centralized infrastructures	16,702	16,769	(67)
Security	31,359	29,009	2,350
Other	13,831	12,016	1,815
	143,321	134,217	9,104
. Non-aviation activities:			0
Sub-concessions and utilities	53,064	49,246	3,818
Car parks	14,772	13,359	1,413
Advertising	10,828	11,710	(882)
Refreshments	3,412	3,266	146
Other	11,385	11,479	(94)
	93,461	89,060	4,401
	236,782	**223,277**	**13,505**
▪ ***Revenues from contract work***	**3,622**	**0**	**3,622**
Total revenues from sales and services	**280,345**	**261,059**	**19,286**
▪ ***Changes in contract work in progress***	**1,035**	**1,882**	**(847)**
▪ ***Contributions and grants***	**227**	**113**	**114**
TOTAL REVENUES	**281,607**	**263,054**	**18,553**

Revenues total 281,607 thousand euros. Of these, 50.9% derived from “aviation activities” carried out by the Group (51.0% in the first half of 2009) and 49.1% were generated by “non-aviation activities” (49.0% in the first half of 2009).

"Revenues from sales" amounted to 39,941 thousand euros, up 5.7% on the first half of 2009. This change was due to the increased turnover of directly managed shops, linked to the downturn in traffic.

“Revenues from services” totaled 236,782 thousand euros, up 6.0% on June 30, 2009.

“Revenues from contract work”, amounting to 3,622 thousand euros, primarily regard revenues deriving from the re-billing of the portion of works regarding the state-funded departure area F (formerly Pier C) to the Civil Aviation Authority.

Segment information

It is important to note that the type of activity carried out by the Group does not permit a breakdown of the various areas of activity into fully independent segments in relation to markets and customers. The “traffic” element currently affects all the Group’s activities.

However, it is possible to identify segments on the basis of the type of product or service offered and the production process involved. Information regarding the resulting segments has been extracted directly from the Group’s accounts. The following table provides information relating to the principal areas of activity identified:

- **Airport fees**: paid in return for use of airport infrastructure;
- **Centralized infrastructures**;
- **Non-aviation activities,** consisting of**:**
  - ***Sub-concessions:*** including fees paid by sub-concessionaires operating on airport grounds, in addition to utilities;
  - ***Direct sales:*** including revenues from directly operated duty-free and duty-paid outlets.

Finally, the category, **“Other activities”**, includes the sale of advertising space, the management of car parks and refreshment facilities, design, security, left luggage, assistance to passengers with reduced mobility, contract work on behalf of the State, etc.

The following table shows a breakdown of revenues from the segments described. It should be noted, moreover, that the revenues earned by each segment relate entirely to third parties and do not include inter-segment transactions.

REVENUES (€000)	**Fees**	**Centralized infrastructures**	**Non-aviation activities**		**Other assets**	**Total**
			Sub-concessions	**Direct sales**		
H1 2010	81,429	16,701	53,064	39,941	90,472	**281,607**
H1 2009	76,423	16,769	49,246	37,782	82,834	**263,054**
change	5,006	(68)	3,818	2,159	7,638	18,553
% change	*6.6%*	*(0.4%)*	*7.8%*	*5.7%*	*9.2%*	*7.1%*

Total revenues can be broken down into two macro-areas:
- “Aviation” (including fees, handling, management of centralized infrastructure, security services and left luggage, assistance to passengers with reduced mobility, etc.) amounting to 143,321 thousand euros, compared with 134,217 thousand euros in the same period of 2009 (up 6.8%);
– "Non-aviation" (including sub-concessions, direct sales, the management of advertising space and car parks, refreshments, design and contract work on behalf of the state) amounting to 138,286 thousand euros, compared with 128,837 thousand euros in the same period of 2009 (up 7.3%).

A geographical breakdown of revenues would not be significant given that both airports managed by the Group are located within the same country.

Other income and revenues

	H1 2010	H1 2009
▪ **Revenue grants**	227	113
▪ **Gains on disposals**	3	0
▪ **Other:**		
. Releases:		
release from allowance for overdue interest	144	0
. Expense recoveries	394	455
. Recoveries of personnel expenses	62	70
. Other revenues	2,527	1,599
	3,127	2,124
	3,357	**2,237**

"Other revenues", amounting to 2.5 million euros, primarily includes the effects of updated valuations of costs and revenues, formerly estimated at the end of the previous year.

OPERATING COSTS

Amortization, depreciation and write-downs

Amortization and depreciation in the first half of 2010 amounted to 54,245 thousand euros (53,704 thousand euros in the first half of 2009), including amortization of intangible fixed assets of 44,362 thousand euros (43,824 thousand euros in the first half of 2009) and depreciation of tangible fixed assets of 9,883 thousand euros (9,880 thousand euros in the same period of 2009). Amortization of intangible fixed assets includes the charge for amortization of the concession, amounting to 24,642 thousand euros.

Further details are provided in the note to fixed assets.

Provisions for doubtful accounts totaled 699 thousand euros (3,937 thousand euros in the first half of 2009) and reflect an updated assessment of the recoverability of the Group's receivables.

Provisions for risks and other charges

The item "Provisions for risks" breaks down as follows:

	H1 2010	H1 2009
. current and potential disputes	5,211	7,204
. insurance deductibles	97	276
	5,308	**7,480**

"Other provisions", totaling 151 thousand euros, regard provisions for fixed assets to be relinquished and the allowance for option dealings.

Further information is provided in the note to allowances for risks and charges.

It should be borne in mind that provisions to the Income Statement are made following determination of potential liabilities not absorbed by any surplus provisions deriving from updated assessments of the risks to which the Group is exposed.

Other operating costs

	H1 2010	H1 2009
▪ concession fees	8	20
▪ other	3,831	2,932
	3,839	**2,952**

The item "Other", amounting to 3,831 thousand euros, primarily comprises 542 thousand euros for membership fees (576 thousand euros in the first half of 2009), 1,890 thousand euros for indirect taxes and duties (1,447 thousand euros in the first half of 2009), including 1,196 thousand euros for local property taxes (729 thousand euros in the first half of 2009) and 1,240 thousand euros for updated valuations of costs and revenues recognized in the 2009 financial statements (745 thousand euros in the same period of 2009).

FINANCIAL INCOME AND EXPENSE

Other financial income

	H1 2010	H1 2009
▪ **Interest and commissions on long-term receivables:**		
Other	2	2
▪ **Financial income on securities recorded in non-current financial assets that do qualify as equity investments**	194	140
▪ **Other:**		
Interest on overdue current receivables:		
. Clients	206	0
Interest and commissions received from other companies:		
. Interest from banks	445	1,263
. Interest from clients	25	1
. Other	2	2,471
	678	3,735
	874	**3,877**

"Financial income on securities recorded in non-current financial assets that do not qualify as equity investments" includes financial income accrued during the period on the portion – with a face value of 4 million pounds sterling – of the A4 bonds issued by the special purpose vehicle Romulus Finance Srl, which ADR SpA purchased on February 13, 2009.

"Interest from banks", totaling 445 thousand euros, fell by 818 thousand euros compared with the first half of 2009, despite the increase in average liquidity due to the reduction in interest rates.

The item "Other" decreased by 2,469 thousand euros compared with the first half of 2009, which included for 2,465 thousand euros the positive differential paid to ADR SpA by counterparties with whom the Company has entered into floating rate hedges that expired in October 2009.

Interest expense and other financial charges

	H1 2010	H1 2009
▪ **Interest and commissions due to others and sundry charges:**		
. Interest and commissions paid to banks	2,713	5,138
. Interest and commissions paid to other financial institutions	30,396	27,586
. Provisions for overdue interest on doubtful accounts	196	0
. Other	3,628	7,232
	36,933	**39,956**

"Interest and commissions paid to banks" fell by 2,425 thousand euros due to the above-mentioned reduction in interest rates.

"Interest and commissions paid to other financial institutions" rose by a total of 2,810 thousand euros, despite the reduction in interest rates that had a positive effect on lowering financial charges for Classes A2 and A3, with regard to the increase in interest expense on Class A4 which has been charged at a fixed rate (6.4%) since December 2009.

The item "Other" primarily comprises (3,574 thousand euros) the negative differential paid by ADR SpA to counterparties with whom the Company has signed interest rate collar contracts that became active in October 2009. The reduction compared with the same period of the previous year is essentially due to the expiry in October 2009 of fixed interest rate swap contracts with a higher notional value than the above-mentioned interest rate collar contracts.

Foreign exchange gains/(losses)

	H1 2010	H1 2009
. Foreign exchange gains	29	21
. Foreign exchange losses	5	5
	24	**16**

EXTRAORDINARY INCOME AND EXPENSE

Extraordinary income

	H1 2010	H1 2009
▪ **Other:**		
Income and recovery of expenses relating to previous years deriving from:		
. Reversal of liabilities	2	1,204
. Other extraordinary income	507	0
. Taxes relating to previous years	255	2
	764	**1,206**

Extraordinary expense

	H1 2010	H1 2009
▪ **Taxes relating to previous years**	**13,974**	**0**
▪ **Other:**		
Extraordinary expense derived from:		
Total revenues	351	102
Financial charges	43	0
Exceptional asset write-downs	2	0
	396	**102**
Other extraordinary expense:		
Payments due for lost cargo	84	70
Fines	38	20
Damages and compensation paid to third parties	0	12
Restructuring charges	1,000	19,518
	1,122	**19,620**
	1,518	**19,722**
	15,492	**19,722**

The item "Taxes relating to previous years" includes further provisions regarding the current dispute with the Customs Office following the negative outcome of the appeal ADR SpA submitted to the Regional Tax Commission for Rome.
For further information reference should be made to the section on "Tax litigation".

The item "Restructuring charges" includes expenses arising from the review of the restructuring program launched by the ADR Group last year.

INCOME TAXES

	H1 2010	H1 2009
▪ **Current taxes**		
. IRES	0	259
. Income relating to tax consolidation	(355)	(73)
. tax consolidation expense	8,146	6,812
. IRAP	6,794	6,034
	14,585	**13,032**
▪ **Deferred tax (assets) liabilities**		
. deferred tax assets	(385)	(7,675)
. deferred tax liabilities	(5)	(25)
	(390)	**(7,700)**
	14,195	**5,332**

It should be remembered that, due to the existence of the related prerequisites, ADR SpA and the other Group companies (ADR Engineering SpA, ADR Tel SpA, ADR Assistance Srl and ADR Sviluppo Srl) along with the consolidating company, Gemina SpA, opted to adhere to the consolidated taxation regime introduced by the Tremonti Reform for the three-year period 2010-2012.

As regards deferred taxation, it was decided to continue posting the assets and allowances that generated temporary differences in the individual companies' financial statements.

Pursuant to the above tax legislation, against the taxable income transferred by the consolidated companies ADR SpA, ADR Tel SpA, ADR Engineering SpA and ADR Assistance Srl to the consolidating company, Gemina SpA, "expenses relating to tax consolidation" amounting to 8,146 thousand euros have been recorded. Meanwhile, as a result of excess taxable operating income transferred under the consolidated tax regime, remunerated at 50% under contractual agreements, income from consolidated taxation of 355 thousand euros has been recorded.
For further information on the calculation of deferred tax assets see the item "Deferred tax assets" in the section on "Receivables".

Finally, it should be noted that, given the uncertainty surrounding the availability of government funds to pay tax rebates, contingent assets of 1,610 thousand euros (including 1,565 thousand euros regarding ADR SpA, 22 thousand euros regarding ADR Tel SpA and 23 thousand euros regarding ADR Engineering SpA) have been prudently omitted from the income statement. This sum relates to an IRES rebate deriving from the 10% deduction of IRAP regarding the years from 2004 to 2007. Rebate applications were submitted by the consolidating company, ADR SpA, for the years from 2004 to 2006, and by the consolidating company, Gemina SpA, for 2007, on February 1, 2010 and February 24, 2010, respectively.

OTHER INFORMATION

HEADCOUNT

The following table shows the average number of employees of companies consolidated on a line-by-line basis by category:

Category	H1 2010	H1 2009	change
Managers	44.9	56.4	(11.5)
Supervisors	165.3	210.8	(45.5)
White-collar	1,537.1	1,512.6	24.5
Blue-collar	538.1	552.2	(14.1)
Total	**2,285.4**	**2,332.0**	**(46.6)**

The following table shows the average number of employees by company:

Company	H1 2010	H1 2009	change
ADR SpA	2,004.2	2,051.6	(47.5)
ADR Engineering SpA	33.1	44.4	(11.3)
ADR Tel SpA	16.5	18.4	(1.9)
ADR Advertising SpA	7.0	10.1	(3.1)
ADR Assistance Srl	224.6	207.4	17.2
Total	**2,285.4**	**2,332.0**	**(46.6)**

REMUNERATION OF DIRECTORS AND STATUTORY AUDITORS

The following table shows the remuneration paid to Directors and Statutory Auditors (cumulatively for each category):

Category	Remuneration (€000)
Directors	285
Statutory Auditors	147
Total	**432**

LITIGATION

Administrative, civil and labor litigation is followed by the Group through its internal legal department which has provided, for the preparation of the accounts as of and for the period ended June 30, 2010, a complete and exhaustive breakdown of the different civil, administrative and arbitration proceedings outstanding as of that date.
As regards litigation as a whole, the Group carried out a valuation of the risk of negative outcomes leading to the creation of a specific allowance under "Allowances for risks and charges" to cover the cost of litigation likely to result in a negative outcome and for which a reasonable estimate of the amount involved could be made. The disputes for which a negative outcome was merely possible, given the different legal interpretations, were not the object of provisions in accordance with the principles and procedures governing the preparation of financial statements. Furthermore, there are a limited number of civil proceedings underway, for which no provisions were made, as the impact of any negative outcome, while negligible, could not be measured.

Tax litigation

- In 1987 a general tax audit of the Parent Company's accounts from January 1' 1985 to February 18, 1987 was carried out, focusing in addition on certain aspects relating to previous years.
  Despite the fact that the auditors found no evidence of irregular accounting practices or violations of statutory regulations, including misdemeanors punishable by fine in compliance with Law 516 of August 7, 1982, ADR was notified of certain irregularities regarding both direct and sales tax for the years between 1982 and 1987. The Company appealed the tax authorities' interpretation before the competent Tax Commissions.
  During 2002, the Revenue Office appealed the sentence issued by the Regional Tax Commission for Rome – section no. 43 – before the Supreme Court. Such sentence had turned down the appeal against the sentence of the Tax Commission for the Province of Rome, dated April 9, 1999, which had accepted the grounds for ADR's appeal against the allegations of income tax violations regarding the years 1985 and 1986.
  On July 10, 2002 the tax authorities appealed to the Supreme Court, and the Parent Company responded by depositing its counter-evidence with the Court. At a hearing to discuss the matter on November 7, 2007, the Supreme Court accepted the appeal and referred the case to a different department of the Regional Tax Commission.
  Thus far the outcomes of the hearings conducted by the various tax commissions have been in ADR's favor, confirming the legal interpretation adopted and a positive outcome for the Company.

- On November 3, 2006 the Tax Office of Rome (UTF) initiated an audit of the Company's accounts regarding taxation of the consumption of electricity.
  In its report dated February 23, 2007, the Tax Office informed the Company that it "*intended to recover the amounts relating to the consumption tax and related local surtaxes on electricity sold to third parties for the years between 2002 and 2005, in that, in the Office's opinion, the said amounts were not duly paid*". In this regard, the Office specifies that "*it is necessary to know, for each of the above years, the electricity suppliers that in the role of withholding agents applied the exemptions in question, as well as the list of sub-concessionaires that were supplied electricity with exemption and the related amounts invoiced, even if for the purposes of reimbursement*".
  The Tax Office formalized the request for data and information regarding the supply of electricity for the above period. ADR replied in a letter dated June 1, 2007, reiterating that, on the basis of the legal framework governing the Company's activities, the electricity obligatorily supplied to airport premises and infrastructures utilized by other entities cannot be considered as energy "*acquired by the Company and sold, subject to reimbursement of expenses, to third parties*".
  Between July 3 and 13, 2007, the Tax Office carried out additional audits aimed at "*carrying out technical checks on the equipment and on the means of distribution and consumption of electricity on the part of ADR, in order to identify and separate the consumption subject to the tax exemption in accordance with art. 52 of Consolidated Act no. 504/1995 for the tax period January 1, 2002 – May 31, 2007*".
  Following the audits, the Tax Office issued 15 demands for payment of a total of 4.4 million euros, regarding failure to pay the tax on electricity consumption and the related surtax for the period 2002-2006. This amount includes interest expense, penalties for late payment and notification expenses.

Generally speaking, the disputes relate to the alleged sale to third parties of the electricity acquired by ADR, as well as the refusal to recognize the favorable terms applied in accordance with art. 52 of the Consolidated Customs Act to entities qualifying for inclusion in the category “industrial operators”.
Along with the demands for payment, there were 9 notifications of administrative irregularities, amounting to a total of 1.5 million euros for 2002, concerning the sanctions imposed in relation to the failed payment of the above taxes.
Backed up by the opinion of its tax experts, ADR SpA deems it highly likely that the legitimacy of its behavior will be recognized, and has therefore appealed the demands in question before Rome's Provincial Tax Commission.
At hearings in 2008 and 2009, Rome's Provincial Tax Commission granted all the appeals regarding payment of taxation and the imposition of sanctions.
The Custom Office then lodged an appeal against the sentences issued by Rome's Provincial Tax Commission.
On October 21, 2009 the Regional Tax Commission issued and filed thirteen sentences confirming the decision of the Provincial Tax Commission and rejecting the appeal lodged by the Customs Office.
Regarding the hearings on May 13, 2010, four additional sentences were deposited which, in confirmation of the Provincial Tax Commission's ruling, rejected the appeal lodged by the Customs Office. However, the sentences regarding the other eight disputes discussed on June 8, 2010 have yet to be deposited.

- On December 27, 2006 the Municipality of Fiumicino notified ADR SpA of its failure to declare and pay local property tax for 2001 regarding Rome Airport’s Hilton Hotel.
On December 28, 2007 the Municipality of Fiumicino notified ADR SpA of a tax assessment for 2002 regarding the same building previously assessed for 2001.
The Company, considering that there are valid arguments in favor of its non-liability to pay this tax, has appealed against these tax assessments to the Provincial Tax Commission of Rome.
A hearing was held on April 15, 2010 to deal with the appeal lodged by the Company regarding the year 2002.

- On August 16, 2007, the Rome II Customs District Office notified ADR SpA of reported irregularities in the sales carried out at its duty free shops from January 1, 1993 to January 31, 1998. The findings essentially regard sales made to passengers traveling within the EU that exceeded duty free allowances in terms of amount and value.
On December 18, 2007, the same Customs District Office ordered payment of sums regarding VAT, excise duties and tobacco duties, as a result of the findings set out in the assessment report. The total amount of taxes and interest charged adds up to around 22.3 million euros.
ADR SpA appealed this demand for payment before the Provincial Tax Commission. On April 6, 2009 the Provincial Tax Commission of Rome filed Sentence no. 149/39/00, which rejected the appeal lodged by the Company. Following the judgment, the Customs Office activated the procedure to collect the sum due, which the Company is paying in 36 installments subsequent to acceptance of the application submitted to the Collection Agent, after paying an advance of 4 million euros via an irrevocable payment order on April 27, 2009. The total assessment, including interest and ancillary charges, amounts to 26.1 million euros.
Moreover, on 24 April 2009 the Company filed an application with the Customs Office for administrative suspension, until the Lazio Regional Tax Commission files its sentence, of collection of the sum due. On May 19, 2009 the Customs Office notified that it did not accept the request for suspension request.
On July 14, 2009 ADR SpA therefore lodged an appeal against the sentence handed down by the Provincial Tax Commission of Rome.
A hearing to deal with the appeal lodged by the Company was scheduled on February 17, 2010. On May 26, 2010 the Provincial Tax Commission of Rome deposited sentence no. 105/35/10, which rejected ADR SpA's appeal and required the Company to pay costs. The Company intends to appeal against the Provincial Tax Commission's sentence before the Supreme Court.
This further adverse development has given additional weight to the risk of a negative outcome, regardless of the fact that the position of the Company and its tax experts expressed during the legal proceedings, which maintains that there are no grounds for the imposition of such taxation, is unchanged. Moreover, the Company is convinced of the substantial and formal legitimacy of its behavior.
Consequently, in preparing the financial statements for the six months ended June 30, 2010, it was decided to allocate provisions based on the estimated amount of taxes assessed, thereby bringing the allowance for taxes into line with the tax payable, inclusive of interest and ancillary charges.

- Within the scope of annual checks pursuant to art. 42 of Law no. 388/2000, on June 4, 2009 the Lazio Regional Tax Office initiated a general tax assessment of ADR SpA regarding IRAP and VAT for 2007. At the end of the audit, on October 29, 2009 the Company was notified of certain irregularities regarding direct taxation and VAT, entailing higher taxation of 1,195 thousand euros, and higher VAT of 2,416 thousand euros. In acknowledging the notice, the Company has reserved its right to defend itself before the competent authorities.

Administrative, civil and labor litigation

Significant disputes are summarized below:

- On May 26, 1999, ADR appealed Ministry of Finance Decree 86, dated March 5, 1999, before the Lazio Administrative Court. The Decree establishes the license fees to be paid by airport operators for the years prior to 1997. Judgment is still pending.
  A similar action brought by ADR SpA before the Civil Court of Rome, with the aim of ascertaining that the Company is not required to pay any back-dated fees to the Ministry of Transport for the years prior to 1997, ended with the issue of sentence no. 5283/2004. This sentence, which upheld ADR SpA's position, declared that the Company has no obligation to pay the government license fees for the years prior to 1997 in application of the Convention of June 26, 1974.
- In a resolution of September 20, 2000, the Antitrust Authority closed the investigation of ADR SpA, launched with the resolution of November 4, 1999, finding that the Company had not abused its dominant position either with respect to the fees charged for ground handling services, or with regard to self-handling. The Authority did, however, find anti-competitive practices in relation to Aviation Services (Meridiana Group), although no fine was inflicted. The Company has appealed the latter finding before the Lazio Administrative Court, but the date for the hearing has yet to be set.
- Alitalia and Alitalia Airport have appealed to the Lazio Regional Administrative Court against the Italian Civil Aviation Authority and the Director of Fiumicino Airport and against ADR SpA and ADR Handling SpA as interested parties. The appellants have requested the cancellation, subject to suspension, of both the Aviation Authority's provisions of September 26, 2000, by which the Authority defined the centralized infrastructure at Fiumicino Airport, including the cargo storage plant, and the act of March 29, 2001, by which the Director of Rome Fiumicino Airport ordered the appellants to "cease, with immediate effect, all activities regarding cargo handling, in relation to both services subject to limits and those for which it might have been necessary to use Alitalia's cargo plant". An announcement of the date of the relevant hearing is awaited, given that the appellants have withdrawn their request for a suspension.
- The Ministerial Decree of November 29, 2000 requires the operators of public transport services and relative infrastructure to draw up action plans for the reduction and abatement of noise, and to make provisions in line with forecast penalties if such limits should be exceeded. The legislation has been independently appealed by all airport operators to the Council of State, with the aim of obtaining an annulment of Lazio Regional Administrative Court's sentence no. 3382/2002. Sentence no. 5822/2004 of September 7, 2004 partially rejected the appeals brought by the airport operators.
  The Council of State has decided that airport operators have an obligation to reduce noise pollution and thus prepare noise abatement action plans under two conditions:
  - identification of the boundaries of the areas covered by the Ministerial Decree of October 31, 1997;
  - verification, according to a precise schedule, of instances when noise pollution limits are exceeded outside the areas covered by the regulations, as established by the Prime Ministerial Decree of November 9, 1997, with reference to be made to the limits established in municipal zoning bylaws or, in their absence, by art. 6, paragraph 1, of the Prime Ministerial Decree of March 1, 1991.

  Within the areas covered by the regulations, on the other hand, emission limits (as defined by art. 3, paragraph 3 of the Prime Ministerial Decree of November 14, 1997) are only applicable "for all noise sources other than airport infrastructures". The limits established by the Ministerial Decree of October 31, 1997 remain in force. These limits "provide for three areas (zones A, B and C) with various levels of LVA (the indicator used to measure airport noise emissions and different from the "Noise Equivalent level" used to establish the levels applied in the Prime Ministerial Decree of November 14, 1997).
  The obligation to make financial provisions to cover the cost of adopting noise reduction and abatement measures, regardless of whether or not the above limits have been exceeded, derives from Framework Law no. 447/95 (art. 10, paragraph 5) and not the Ministerial Decree to which the appeal judge's sentence refers, as the latter is merely a repetition of the legal provisions referred to.

The Ministry of the Environment “assumes that the obligation to make provisions is valid regardless of whether or not the noise emission limits have been exceeded (thus as of the entry into force of Law no. 447/95)”; at the same time “all issues regarding the reasonableness of such obligation, even where limits have not been exceeded, are beyond the scope of this action, by which the appellants have appealed a regulation that merely requires communication of the provisions made”.

The above sentence, moreover, does not exclude the possibility that the issue of “the reasonableness” (or otherwise) of the above regulation establishing the obligation to make provisions may be appealed by airport operators before the relevant courts. A description of the relevant accounting treatment is provided in the notes to the “Memorandum accounts”.

- In 2003 ADR SpA lodged an appeal with the Lazio Regional Administrative Court in which it contested the request by the Antitrust Authority of May 12, 2003 to pay a sum of 1.2 million euros, equivalent to thirteen six-monthly “surcharges” on penalties of 0.9 million euros, imposed on ADR SpA in 1993 following a dispute about handling.

  The appealed letter follows payment by ADR of an amount corresponding to only five six-monthly surcharges (0.5 million euros, as well as the original penalty) rather than the total of eighteen six-monthly surcharges requested by the Authority.

  With sentence no. 198/2004, handed down on May 6, 2004, the Lazio Regional Administrative Court accepted ADR SpA's appeal. In October 2004 the Antitrust Authority appealed the Lazio Regional Administrative Court sentence before the Council of State. In a sentence, which was notified in May 2009, the Council of State rejected the appeal lodged by the Authority.
- In September 2003 ADR SpA issued notice of appeal to Lazio Regional Administrative Court against Ministerial Decree 14/T of March 14, 2003 (published in the Official Gazette of June 3, 2003) containing provisions regarding the payment of fees for the 100% screening of hold baggage, as interpreted, in relation to the date from which such fees are to be applicable, in Civil Aviation Authority letters dated June 3, 2003 and June 11, 2003. The main reasons for the appeal are: (a) the contradictory nature of the two letters from the Civil Aviation Authority; and (b) the lack of any provision regarding collection of the fees prior to the implementation of the Ministerial Decree. The appeal aims, among other things, to recover the fees due for the period between the date the decree became valid (June 3, 2003) and the date authorized by the Civil Aviation Authority in a separate letter (June 26, 2003). With sentence no. 13847/2010 the Lazio Regional Administrative Court ordered the Civil Aviation and the Ministry of Infrastructure and Transport, jointly, to pay ADR SpA 6.7 million euros, plus legal interest accruing between the date the receivable arose to the date of payment. The sentence is being notified in order to expedite the final judgment.
- In September 2003 ADR SpA lodged an appeal with Lazio Regional Administrative Court against the Executive Decree of June 30, 2003 (definition of airport license fees for 2003) published in the Official Gazette on July 7, 2003, as amended in the notice published in the Official Gazette on September 6, 2003. This decree established methods different from those previously applied for calculating annual fees due from global airport operators pursuant to special laws. Such methods of calculation are deemed to be illegitimate as they introduce an element of “adjustment” to the resulting figures regarding the “earnings” that passengers produce in relation to the airport.

  In a parallel judgment in civil court, on July 12, 2007 ADR SpA was notified of the purview of sentence no. 12189 of June 13, 2007 with which the Court of Rome, accepting ADR’s request, “following misapplication of the executive decree issued by the director of the state property office on June 30, 2003”, declared “Aeroporti di Roma SpA did not owe the Italian Civil Aviation Authority any amounts greater than the license fees due for the years 2003, 2004 and 2005 calculated in conformity with Law no. 662/1996, in application of the calculation criteria set forth in the Ministerial Decree dated December 12, 1998”.

  On June 16, 2008 the state property office lodged an appeal against this sentence. A hearing to pronounce final judgment has been scheduled on October 12, 2011.
- With regard to the preparatory phase for the Planning Agreement 2005-2009, in November 2005 ADR SpA appealed to Lazio Regional Administrative Court for an annulment of the decisions and considerations contained in the document issued by the Ministry of Infrastructure and Transport and the Ministry of the Economy on September 22, 2005, in which Aeroporti di Roma is substantially denied the right to include any component of the purchase cost of the airport management concession for Fiumicino and Ciampino in the regulatory asset base, to be used in determining the airport fees it will charge. The appeal also includes a claim for damages from the ministries concerned, in view of the unwarranted delay the above document has caused in finalizing the Planning Agreement provided for in Point 5 of the regulatory framework annexed to CIPE (Interdepartmental Committee for Economic Planning) Resolution 86/2000 and art. 4 of the Ministerial Decree of November 14, 2000. The

Agreement governs the determination of airport fees and the other regulated revenues earned by ADR. A date for the hearing on the merits is awaited.

- On October 28, 2005, ADR SpA submitted a complaint to the European Commission asking it to examine the provisions of Legislative Decree no. 211/2005 regarding so-called "system requirements", which was subsequently included in Legislative Decree no. 203/2005, converted into Law no. 248/2005. ADR's complaint aims to bring to the Commission's attention the fact that the above legislation violates EU law, with particular regard to the rules governing state aid.

  This complaint was followed on February 20, 2006 by a further communication to the European Commission from ADR, reinforcing and expanding on the previous complaint, in response to the guidelines issued by the Ministry of Infrastructure and Transport.
- Actions brought by the Parent Company, including those contesting certain provisions regarding the implementation of regulations introduced by Law no. 248/2005 (so-called "system requirements"), include the proceedings held before the civil court in February 2006 against the Ministry of Infrastructure and Transport. This regards a claim for damages, estimated at 27.6 million euros, caused to ADR SpA as a result of the failure to bring airport fees into line with the target inflation rate until December 2005, in compliance with article 2, paragraph 190 of Law no. 248/2005, which was repealed by Law no. 248/2005. A hearing was held on January 19, 2010 to finalize the conclusions. Issue of the sentence is awaited.
- A further action relating to "system requirements" regards the appeal filed by ADR SpA at the Administrative Court in February2006, with a view to revoking the guidelines issued by the Ministry of Infrastructure and Transport on December 30, 2005, regarding the entry into effect of Law no. 248/2005. Specifically, this regards a request for annulment of both the regulations concerning the reduction of airport fees and the Civil Aviation Authority's memorandum of January 20, 2006, fixing the level of temporary airport fees. With sentence no. 2289/2007 lodged on June 5, 2007 the Lazio Regional Administrative Court rejected the appeal. In November 2007 ADR appealed this sentence before the Council of State. An announcement of the date of a hearing to discuss the matter is awaited.
- Moreover, in March 2006 ADR SpA appealed to the Lazio Administrative Court, without a request for suspense relief, against the Civil Aviation Authority's memorandum of February 3, 2006 and subsequent memoranda in which the Authority deemed it appropriate to suspend payment of royalties on the sub-concession of airport fuel supply to third parties. The suspension is to remain in force until the submission by airport operators of data regarding the costs incurred in relation to the service provided by oil companies and until the completion of checks to be carried out on these companies by the Civil Aviation Authority. An announcement of the date of a hearing to discuss the matter is awaited.
- Assayer (the National Association of Airline Carriers and Air Transport Operators) and Blu Panorama lodged an appeal with the Lazio Administrative Court, with a request for revocation, against the Civil Aviation Authority's memorandum of September 15, 2006 (protocol no. 60600), with which the Civil Aviation Authority communicated the results of its investigation of the companies involved in managing all aspects of airport activities "in order to analyze the correlation between the costs incurred and the amount airport operators charge oil companies on a lump sum basis". With sentence no. 11154/2007 the Administrative Court rejected the appeal. The carriers lodged an appeal on January 2, 2008.

  Council of State sentence no. 1416/2009 upheld the appeal. Whilst confirming that airport operators can legitimately request payment of so-called "fuel royalties", insofar as the royalties are effectively linked to the costs incurred by operators, and acknowledging the Civil Aviation Authority's role in regulating the application of the royalties by operators, the Council of State ruled that the Authority must exercise this power via prior examination of concrete and reliable data, with immediate reference to the cost structure of the activities subject to regulation. In compliance with the Council of State's sentence, after further investigation, on April 24, 2009 the Civil Aviation Authority issued a ruling in which it withdrew all the previously issued rulings as a self-protective measure. Amongst other things, it reiterated that "oil companies are obliged to directly pay amounts due to airport operators for the provision of necessary assets and equipment regarding the refueling of aircraft within the limits of established costs".
- IBAR (Italian Board Airlines Representatives) and 6 carriers (Iberia, Tap, American Airlines, Delta Airlines, Ethiopian Airlines and Cyprus Airlines) lodged an appeal with the Lazio Administrative Court, with a request for revocation, against the Civil Aviation Authority's memorandum of September 15, 2006 (protocol no. 60600) (in addition to other fire prevention measures), with which the Civil Aviation Authority communicated the results of the controls carried out airports' total operations "in order to analyze the cost correlation of what airport operators request from oil companies on a lump sum basis". On February 27, 2008, Esso Italiana proposed taking measures to oppose the judgment. Subsequently, IBAR put forward additional grounds and requested the Regional Administrative Court

to acknowledge the illegitimacy of the most recent rulings issued by the Civil Aviation Authority regarding the matter. An announcement of the date of a hearing to discuss the matter is awaited.

- IBAR, together with 13 carriers, on the one hand, and Assaero and Volare, on the other hand, in separate requests, appealed to the Lazio Regional Administrative Court, with concomitant request for suspensive relief, for the cancellation of Civil Aviation Authority rulings no. A0035898 and no. 0035899 of June 5, 2007, regarding the setting of fees for the catering carried out at Rome and Milan airports, respectively. The plaintiffs have withdrawn their request for suspension. Subsequently, IBAR put forward additional grounds and requested the Regional Administrative Court to acknowledge the illegitimacy of the most recent rulings issued by the Civil Aviation Authority regarding the matter. An announcement of the date of a hearing to discuss the matter is awaited.
- Ryanair appealed to the Lazio Regional Administrative Court requesting cancellation – with prior suspension – of Ordinance no. 14/2007 of July 9, 2007 issued by the management of Ciampino airport, stipulating that no more than 100 commercial movements by the holders of slots could be effected in any one day, with slots to be allocated between 6am and 11.30pm during the winter of 2007/2008. At the hearing held on October 11, 2007 to discuss suspensive relief, the Administrative Court rejected Ryanair's appeal, thereby maintaining the restricted number of slots for the winter of 2007-2008. With Ordinance no. 5752/2007 the Council of State upheld Ryanair's appeal (and therefore the original application for suspensive relief submitted by the airline). On March 25, 2008 Ryanair notified ADR SpA of an appeal on additional grounds to the Lazio Regional Administrative Court, following the denial by Assoclerance of two slots that did not exceed the current daily of limit of 138 slots, and which the airline had not made use of during the summer of 2007. This denial was based on a contradictory interpretation by the Civil Aviation Authority, according to which the effects of the contested Civil Aviation Authority ordinance remained in force, even after the ruling by the Council of State, if Ryanair were to request slots different from those allocated to it in the summer of 2007, as only the loss of these slots would constitute the serious and irreparable harm that the ordinance intended to avoid. At a hearing held to discuss the matter on April 24, 2008, Ryanair requested that the case be adjourned until a hearing on the merits, a date for which is awaited. At the same time, regarding the carrier's request to execute Council of State Ruling no. 5752/2007, the same judge, with Ruling no. 2046/08, rejected Ryanair's demands on the following grounds: "*for the purposes of executing Ruling no. 5752 of November 6, the position taken by the appellant with regard to the present dispute, appears to be correct and satisfactory regarding maintenance of the same number of SO7 slots previously allocated to Ryanair by the Civil Aviation Authority and Assoclearance, including the S08 season, given that the damages claimed by Ryanair should be measured only on the basis of the number of slots allocated to the airline at the time when the number of total slots allocated to Ciampino airport were reduced from 138 to 100*".
- ENI has brought a claim before the Rome civil court against its own client airline carriers (Air One, Alitalia, Eurofly, Livingston, Meridina and Neos) in order to ascertain the obligation to pay oil companies the amounts regarding the license fee that the company owes to airport operators, and, consequently, that the carriers are ordered to pay ENI the amounts accrued to this effect since October 2005 (with Legislative Decree no. 211/2005 regarding "system requisites" came into effect).
  In the same claim, ENI has also brought a secondary claim against airport operators, including ADR SpA (and the Civil Aviation Authority for the airports managed by the State) in order to ascertain that ENI does not owe the airport operators payments for the license fee calculated on the basis of the amount of fuel supplied to airline companies. Moreover, as specifically regards ADR, on the one hand, ENI requests that it is ordered to pay an amount corresponding to the sum paid since October 2005, totaling 276 thousand euros, and, on the other, that it be determined that ENI does not owe ADR the amount of 1.1 million euros (determined up to May 31, 2006), as yet unpaid. At a hearing on November 19, 2008 Alitalia's attorney submitted a copy of sentence no. 287/08 of the Bankruptcy Division of the Court of Rome, declaring that the company was insolvent. The judge therefore suspended the trial. At a hearing held on February 3, 2010, the case was adjourned until June 10, 2010. At this hearing ENI deposited 7 DVDs containing data regarding airport fees, ENI's billing of carriers and airport operators' billing of ENI during the period 1997-2008. The judge deemed it necessary to consult an accounting expert, and stated his intention to appoint said consultant. The case was adjourned until December 1, 2010 for the swearing in of the appointed expert.
- Airone has taken out legal proceedings at the Civil Tribunal of Rome against Tamoil, its jet fuel supplier, as well as certain airport operators (SAB – Aeroporto di Bologna, ADR, SEA and SAVE), claiming the illegality of the payments requested by the managements of oil companies for the use of airport infrastructures, which these companies subsequently "pass on" to carriers. Consequently, Airone also requests that Tamoil – together with the above airport operators, each according to their

portion of responsibility – be ordered to repay the sum paid by Airone since 2003, amounting to 2.9 million euros. A hearing has been scheduled for December 21, 2011 for final judgment.

- A series of sentences passed by the Bankruptcy Court in Rome have declared the following companies bankrupt: Alitalia – Linee Aeree Italiane SpA in a.s., Volare SpA in a.s., Alitalia Express SpA in a.s., Alitalia Servizi SpA in a.s., Alitalia Airport in a.s. ADR lodged appeals regarding the related bankruptcy claims. Regarding the proceedings relating to Alitalia – Linee Aeree Italiane SpA, ADR's claim was dealt with at a hearing on December 16, 2009. Given that ADR was the only operator deemed to have adequately prepared the application and the supporting documentation, and that regarding the amounts due prior to commencement of the proceedings certain invoices were still being checked to ensure that the service had been duly provided and the relative payments made, the case was adjourned until another hearing on April 28, 2010 and subsequently to July 8, 2010. On this occasion the matter was adjourned until September 16, 2010. Regarding amounts due subsequent to commencement of the proceedings, the matter was adjourned until a hearing on October 19, 2010. Other updates include: AZ Servizi SpA in a.s.: at a hearing on March 30, 2010, the case was adjourned until May 26, 2010. On this occasion, the case was further adjourned until September 16, 2010 to check any advances received by ADR; AZ Airport SpA in a.s.: at a hearing on March 16, 2010, the case was adjourned until May 26, 2010. On this occasion, the case was further adjourned until September 16, 2010 to check any advances received by ADR; Volare SpA in a.s.: at a hearing on March 30, 2010, regarding amounts due prior to commencement of the proceedings, a period was granted for the submission of any comments made by creditors. However, given that the Administrator had proposed that all ADR's receivables be regarded as unsecured, it was deemed unnecessary to make any further representations or submit further documents; at a hearing on May 26, 2010, regarding amounts due subsequent to commencement of the proceedings, the judge adjourned the case until September 16, 2010 to check any advances that may have been paid. Alitalia Express in a.s.: at a hearing on March 17, 2010, ADR SpA's claim was discussed and almost entirely accepted; at a hearing on May 19, 2010, discussion of ADR's claims arising subsequent to commencement of the proceedings was adjourned until July 8, 2010. On this occasion, the Administrator's conclusions were examined; these substantially recognize the entire amount requested by ADR as a priority claim.

  Moreover, several legal initiatives have been undertaken at the Court of Civitavecchia, in support of ADR's claims for amounts due from Alitalia for navigation fees, secured by a lien on the aircraft, also in respect of their related owners, who are jointly liable under the law.

- On November 21, 2007, ADR lodged an appeal with the Lazio Regional Administrative Court (without a request for suspension) to obtain cancellation of CIPE Resolution no. 38/07 and the attached "Directive regarding tariff regulation of airport services offered on an exclusive basis". Subsequently, ADR appealed (also without request for suspension) against the Guidelines issued by the Civil Aviation Authority in implementation of this Directive.

  The principal grounds for the appeal regard the remuneration of invested capital and, more generally speaking, the allocation of concessionary charges, application of the single till criterion (the contribution of a percentage of commercial margins towards the determination of airport fees) and regulated tariff trends. A date for the hearing on the merits is awaited.

  On March 25, 2009, ADR SpA presented additional arguments supporting its appeal before Lazio Regional Administrative Court against the Ministerial Decree of December 10, 2008, published in Official Gazette no. 42 of February 20, 2009, which approves the Civil Aviation Authority's Guidelines and abolishes the previous Ministerial Decree, which was never published in the Official Gazette and was appealed by ADR SpA. A date for the hearing on the merits is awaited.

- With regard to proceedings relating to certain airport fees, details of the Lazio Regional Administrative Court's sentence issued in response to the appeals lodged by ADR SpA and Airone were published on September 25, 2009. The appeals regarded the Antitrust Authority's ruling of October 23, 2008 relating to ADR SpA's alleged abuse, pursuant to art. 82 of the EC Treaty, in respect of airport fees.

  The Court partially upheld ADR SpA's appeal, based on a series of complex reasons (e.g. the Civil Aviation Authority's failure to implement tariff regulations), and, as a result, reduced each component of the fine by 30%. This means that the total amount payable has been lowered from 1,668 thousand euros to 1,168 thousand euros.

  Again based on a series of complex reasons, the Court also partially upheld the part of Airone's appeal claiming that the Antitrust Authority's investigation had omitted to examine ADR's dominant position regarding the availability of centralized infrastructures. The Lazio Regional Administrative Court accepted Airone's argument that the Antitrust Authority, in ignoring this abuse, had only focused on the deficit arising between the costs and revenues attributable to ADR deriving from its management of centralized infrastructures.

On January 12, 2010 ADR SpA appealed to the Council of State against both the sentences handed down by the Lazio Regional Administrative Court. On March 31, 2010 ADR filed a petition requesting prompt arrangement of a hearing to deal with the case, which was held on June 8, 2010. On June 8, 2010 the Council of State accepted ADR SpA's appeal for the part regarding centralized infrastructures, thereby deeming the Antitrust Authority's correct and legitimate with respect to the A376 proceedings in relation to this part, in which it had concluded that the Company had not abused its dominant market position.

- On March 23, 2010 the Antitrust Authority notified ADR SpA that it was launching an investigation to ascertain whether the Company had abused its dominant position regarding access to the centralized infrastructure market.

  The launch of this investigation, which the Authority is bound to carry out, follows the partial acceptance by the Lazio Regional Administrative Court of an appeal lodged by Air One against the ruling which ordered ADR SpA to pay a fine, excluding, however, said abuse of dominant position. Indeed, the Regional Administrative Court deemed invalid the Antitrust Authority's ruling that allegations of abusive behavior by ADR in setting fees for gaining access to centralized infrastructures were unfounded, on the grounds that they were illogical and insufficiently proven.

  In this respect it should be borne in mind that ADR SpA lodged an appeal before the Council of State against the above-mentioned sentence of the Regional Administrative Court, and on March 31, 2010 filed a petition requesting prompt arrangement of a hearing to deal with the case. With the sentence of June 8, 2010 this Court accepted ADR SpA's appeal, specifically relating to the part regarding access to centralized infrastructures, thereby definitively asserting the legitimacy of the Antitrust Authority's actions with respect to its conclusions that ADR had not abused its dominant position in this market.

  However, in the wake of this legal ruling, the Authority continued its new proceedings and requested information from ADR regarding costs and revenues relating to the airport infrastructures under discussion.

  Following the subsequent publication of the Council of State's ruling, on July 9, 2010 ADR SpA consequently asked the Authority to dismiss the proceedings following the above-mentioned ruling, which – if accepted by July 30, 2010 – would obviate the need for the Company to respond to the request for information.

- On February 17, 2010, ADR lodged an appeal with the Lazio Regional Administrative Court against the decree of the Ministry of Infrastructure and Transport regarding “Revised airport fees for 2009” published on December 22, 2009. This decree raised airport fees in line with the target inflation rate for 2009 which, in the Economic and Financial Planning Document, is projected to be 1.5%. This appeal to the Lazio Regional Administrative Court is similar, in terms of reasoning and arguments, to the one in which ADR appealed against the previous decree that revised airport fees for 2008 in line with inflation.

- In February 2010, ADR SpA, as nominal opponent, was notified of separate appeals lodged before Lazio Regional Administrative Court by Codacons and the Air, Sea and Rail Transport Users' Association and other carriers aimed at obtaining cancellation, with prior suspension, of the Ministerial Decree of December 8, 2009 regarding “Revised airport fees for 2009". The principal grounds for appeal are: investigative shortcomings, including lack of correlation between airport operators' costs and revenues as a prerequisite for the increase, infringement and misapplication of Law no. 241/1990 and violation of the principle of due process. At a hearing on March 25, 2010 to discuss the suspension, the case was adjourned at the plaintiffs' request.

- ADR has contested a letter from the Civil Aviation Authority dated April 13, 2010 and a memorandum from the Ministry of Transport of May 13, 2010 (and all other related memoranda) before the Lazio Regional Administrative Court. These notifications stipulate that EU fees should be applied to Swiss carriers, as well as all flights to and from the territory of the Swiss Confederation(conversely ADR SpA applies non-EU fees for these flights).

  The Civil Aviation Authority's assertion is based on the fact that the Agreement between the EU and Swiss Confederation of January 21, 1999 (which came into force on June 1, 2002) placed Swiss carriers on an equal footing with EU ones, and therefore ADR SpA is discriminating against Swiss carriers.

  The Company, on the other hand, maintains that no discrimination is involved as the application of airport fees, and related amounts, is governed in Italy by the Ministerial Decree of November 14, 2000 which is based on the air space a flight passes through (within or beyond the European Union) rather than the carrier that operates it. Moreover, the above-mentioned Agreement is not referred to in any EU legislation, nor in the recently amended Annex.

  At the hearing before the Regional Administrative Court, scheduled on July 12, 2010 regarding suspension of the contested communications, ADR requested, on the grounds of procedural expediency, that the case be directly referred for prompt discussion of its merits.

In the event of a negative outcome for ADR, the carriers operating the flights in question would most likely request reimbursement from ADR of the higher amounts paid for airport fees from June 2002 (the date on which the above-mentioned Agreement came into force) until now (the maximum total amount is estimated at around 8 million euros). Obviously, the fees claimed by carriers would in turn be verified in a court of law.

- In November 2009 ADR SpA lodged an appeal before the Lazio Regional Administrative Court, without a request for suspensive relief, against the Civil Aviation Authority directive of July 31, 2009, protocol no. 0050644/DIRGEN/CEC, which included a table indicating the amounts of the contributions due from each operator for the fire prevention fund.
  In February 2010 additional grounds were provided against the subsequent Civil Aviation Authority directive of December 11, 2009, protocol 0087809/DIRGEN/DG which, referring to a table that had already been superseded with the previous directive of July 31, 2009, reiterated the request to airport operators to make the relative payments as soon as possible in order to "rectify non-compliance with the provisions of Law no. 296 of December 27, 2006". The principal grounds for the appeals include lack of clarity regarding the charge levied on airport operators (tax or fee for provision of service), and therefore the impossibility of identifying the competition jurisdiction.
  A date for the hearing on the merits is awaited.
- In October 2009 Volare Airlines SpA, a company under special administration entered into civil proceedings before the Court of Busto Arsizio in order to obtain cancellation of payments made to ADR SpA during the year prior to the carrier's entry into the insolvency procedure that was decreed on November 30, 2004, and the consequent ordering of the Company to pay back a sum of 6.7 million euros.
  The plaintiff's request is essentially based on the premise that ADR SpA was aware of the insolvency of the carrier and the entire group of which it formed part together with Air Europe and the Volare Group, at least since 2002. At a hearing on July 7, 2010 the judge resolved to decide on certain procedural requests made by the parties and, consequently, on arrangement of the next hearing.
- In October 2009 Air Europa SpA, a company under special administration entered into civil proceedings before the Court of Busto Arsizio in order to obtain cancellation of payments made to ADR SpA during the year prior to the carrier's entry into the insolvency procedure that was decreed on November 30, 2004, and the consequent ordering of the Company to pay back a sum of 1.8 million euros. The plaintiff's request is essentially based on the premise that ADR SpA was aware of the insolvency of the carrier and the entire group of which it formed part together with Air Europe and the Volare Group, at least since 2002.At a hearing on July 7, 2010 the judge resolved to decide on certain procedural requests made by the parties and, consequently, on arrangement of the next hearing.
- A judgment is pending before the Lazio Regional Administrative Court in a case brought by ADR against the Ministry of Labor and Social Policies regarding obligatory employment. The case derives from a request submitted by ADR to the Ministry of Labor regarding the possibility of excluding from the reserve quota of disabled workers ADR employees who carry out security, property surveillance and safety duties (472 staff at the time of the request), as such personnel are involved in activities that are included or assimilable amongst those exonerated under the relevant legislation (Law no. 68/1999). As the Ministry refused to grant this request, ADR appealed to the Regional Administrative Court with a request for preventive suspension. In a ruling on May 4, 2006, handed down with regard to the preventive suspension, the Regional Administrative Court accepted ADR's claim and consequently suspended the Ministry's refusal with immediate effect.
- A case is pending before the Court of Civitavecchia brought by a former employee who was dismissed on disciplinary grounds in 2004. Specifically, the plaintiff was dismissed regarding events that occurred during working hours, for which he was subsequently acquitted in a criminal court. Even though the dismissal was not contested in accordance with the law, the plaintiff has claimed damages amounting to around 0.8 million euros, on the grounds that the dismissal was abusive. Full acceptance of these claims is deemed highly unlikely, whilst it is considered that, in the remote possibility of any claims being accepted, only an insignificant sum would be entailed. A further hearing has been fixed for May 19, 2011.
- A group of 16 parties summonsed ADR SpA and the bankrupt Ligabue Gourmet, thereby challenging the validity of ADR's sale of the West catering business unit to Ligabue, with a claim for damages totaling around 9.8 million euros until the end of 2006, including future damages and staff termination benefits. Despite the lack of previous decisions regarding such a case, acceptance of these claims is deemed highly unlikely. The dispute was settled in favor of ADR by a sentence on June 29, 2010 that rejected all the claims made by the counterparty, who was also ordered to reimburse ADR's legal costs.
- With notification of a sentence of July 13, 2009, the level of appeal was concluded in the case brought

by a group of 34 plaintiffs, all of whom are former ADR employees transferred to Ligabue after the sale of the West catering business unit by ADR to the latter company, which subsequently went bankrupt. Via said notification the Appeal Court of Rome declared the case to be closed regarding 5 plaintiffs, with whom a settlement was reached, and ordered ADR to pay a sum of 60 thousand euros to each of the remaining 29 plaintiffs, amounting to 1.7 million euros in compensation pursuant to art. 1381 of the Italian Civil Code (promise of obligation or act of third person). The claim specifically regards a ruling that dealt with the issue of employment following the bankruptcy of Ligabue signed at the Ministry of Labor and Social Policies on August 2, 2002, and endorsed by ADR and other interested companies, and the relevant national and regional authorities and labor organizations. After the grounds for the sentence were filed on January 8, 2010, a lawyer was charged with preparing an appeal to be lodged before the Supreme Court.

The following claims with regard to contract work, services and supplies are pending before civil law courts:

- ATI Alpine Bau, which was awarded the contract for works relating to the structural and operational upgrading of runway 3 at Fiumicino airport, appealed sentence no. 1347/06 handed down on January 16, 2006 by Rome's Civil Court. This sentence ordered ADR to pay 1.2 million euros, plus legal interest from the time of the claim, totaling 0.2 million euros. The appeal reiterates the claims for damages made in first instance (66 million euros, plus legal interest accrued from the time of the claim) and a request was made to combine the three proceedings. In addition, a further appeal is pending against the partial judgment in first instance (at the hearing for final judgment held on October 20, 2009 the case was adjourned until November 2, 2010).
  At the hearing on January 10, 2007 ATI Alpine's legal counsel made a request to combine the present proceeding with the preceding underway for which a partial judgment has been made (cited above). ADR's legal experts opposed the combination of the proceedings and the judge, in accepting this opposition, rejected the request, but at the same time ordered that, merely for the purposes of reducing the number of court appearances, the present proceeding and that for which a partial judgment has been made be handled during the same hearing set for January 19, 2010. At this hearing the Court adjourned the proceedings until a hearing on May 25, 2010 to deal with the cases jointly. A hearing has been scheduled for November 2, 2010 for final judgment.
- In 2002 a lawsuit was taken out by ATI Elsag SpA - CML Handling Technology SpA regarding payment of sums posted to accounts relating to the contract to construct the new baggage handling system at Fiumicino airport, amounting to 7.4 million euros, plus interest. With sentence no. 23167/07 ADR Spa was ordered to pay damages to Elsag, amounting to 1.2 million euros, plus interest and revaluation. Before the related right should lapse, the Company has lodged an appeal whilst awaiting the outcome of negotiations that may lead to an agreed settlement of the dispute. At a hearing in June 25, 2010, the case was adjourned until October 5, 2012 for final judgment.
- A claim for damages, in relation to the contract for the extension and restructuring of the international terminal at Rome's Fiumicino airport and related works, has been brought by Consorzio Aerest (in liquidation). The claim amounts to approximately 2.2 million euros plus VAT, interest and revaluation. On October 8, 2004 the Court of Rome partially upheld the Consorzio Aerest's claim, requiring ADR SpA to pay the consortium the sum of approximately 167 thousand euros, rejecting all other claims and apportioning the legal costs to both parties.
  On April 27, 2005 Consorzio Aerest appealed against the above-mentioned sentence, substantially reiterating the claim submitted in first instance. At a hearing on April 6, 2010 for final judgment, the case was further adjourned until October 4, 2011.
- Finprest to obtain recognition of its right to a sum of 3.2 million euros pertaining to review of contract prices, revaluations and interest in relation to a contract (dating back to 1988) for restructuring and extension works at the "old" domestic terminal at Fiumicino airport. With partial judgment no. 6265/2008 the Court of Rome rejected the claims of the plaintiff, ATI Finprest, whilst accepting the plaintiff's claim for interest for alleged late payment of installments paid regarding revised prices during the term of the contract. In a separate ruling, the Court thus ordered the proceedings to continue with appointment of an expert to ascertain whether ADR had made delayed payments of the revised installments and, if so, to determine the relative amount of interest. In a report filed on May 5, 2009, the expert assessed the amount of interest for delayed payments and accounting to be paid by ADR at 174 thousand euros. At a hearing to question the expert on April 1, 2010, given the positions expressed by the parties regarding the report, the judge decided to recall the expert on December 9, 2010.

- On December 30, 2004 ATI NECSO Entrecanales - Lamaro Appalti notified its decision to appeal sentence 35859/2003 issued by the Civil Court of Rome, summonsing ADR SpA to appear before the Appeal Court of Rome. In addition to rejecting ATI Necso's claims, the judge at the initial hearing also ordered the company to pay ADR SpA's costs. ATI NECSO is claiming damages of 9.8 million euros, plus VAT, interest, revaluation and costs, from ADR SpA in relation to 7 claims posted in the accounts relating to the contract for work on the extension and restructuring of the international terminal (Satellite West) at Fiumicino airport. Due to the favorable judgment handed down in first instance, the likelihood of a negative outcome for ADR SpA is deemed remote and in any case far less than the counterparty's claims. A hearing to pronounce final judgment was held on November 18, 2008. With an injunction in April 2009, the Court of Appeal decided that, in order to determine claims for damages regarding the longer duration of the contract works attributable to the purchaser, ADR, technical consultancy would be required. At a hearing on November 24, 2009 an appointed expert was sworn in and made responsible for clarifying the relevant issues. Preliminary expert investigations began on December 21, 2009. On June 18, 2010 an expert appraisal was deposited, deeming claims amounting to 3.3 million euros made by the company awarded the contract to be reasonable. ADR SpA's expert consultant is preparing his comments, which will be discussed, together with the consultant, at a hearing on September 28, 2010.
- On February 1, 2005 Fondedile Costruzioni Srl lodged an appeal against sentence no. 23019/2004 of the Civil Court of Rome, which rejected all the requests made by Fondedile, and also ordered the company to reimburse ADR's legal costs. Such appeal reiterates the claim submitted in first instance for a total of 3.6 million euros, as well as legal and overdue interest and revaluation. A hearing to pronounce final judgment is scheduled on March 8, 2011.

In the Group’s judgment, current litigation and other potential disputes should not give rise to liabilities greater than the amount that has already been provided for.

* * *

In conclusion, we declare that these consolidated financial statements present a true and fair picture of the Group's financial position and results of operations for the period.

THE BOARD OF DIRECTORS

AEROPORTI DI ROMA SPA: SEPARATE FINANCIAL STATEMENTS

(unaudited)

Balance sheet: Assets

BALANCE SHEET
as of June 30, 2010
(in euros)
(Translation from the original issued in Italian)

ASSETS	06/30/2010			12/31/2009		
UNPAID SHARE CAPITAL DUE FROM SHAREHOLDERS			0			0
FIXED ASSETS						
INTANGIBLE FIXED ASSETS:						
▪ Industrial patents and intellectual property rights		1,705,487			1,600,653	
▪ Concessions, licenses,trademarks and similar rights		1,706,963,644			1,731,704,698	
▪ Leasehold improvements in process and advances		42,630,543			33,173,122	
▪ Leasehold improvements		214,460,714			215,133,990	
			1,965,760,388			1,981,612,463
TANGIBLE FIXED ASSETS:						
▪ Land and buildings		2,554,133			2,797,184	
▪ Plant and machinery		40,585,530			40,553,739	
▪ Industrial and commercial equipment		1,084,110			1,159,153	
▪ Fixed assets to be relinquished		91,993,816			95,443,225	
▪ Other assets		3,477,817			3,764,730	
▪ Work in progress and advances		49,824,316			27,678,130	
			189,519,722			171,396,161
NON-CURRENT FINANCIAL ASSETS:						
▪ Equity investments in:						
- subsidiary undertakings	10,378,132			10,378,132		
- associated undertakings	59,330			59,330		
- other companies	2,708,203			2,708,203		
		13,145,665			13,145,665	
▪ Receivables due from others:						
. within 12 months	3,099			3,099		
. beyond 12 months	561,319			548,166		
		564,418			551,265	
	2,758,309			2,758,309		
		2,758,309			2,758,309	
			16,468,392			16,455,239
Total fixed assets			**2,171,748,502**			**2,169,463,863**
CURRENT ASSETS						
INVENTORY						
▪ Raw, ancillary and consumable materials		2,782,151			2,919,485	
▪ Contract work in progress		12,190,556			10,858,369	
▪ Finished goods and goods for resale						
- goods for resale	7,464,377			7,245,100		
		7,464,377			7,245,100	
			22,437,084			21,022,954
RECEIVABLES						
▪ Due from clients		189,352,630			190,314,698	
▪ Due from subsidiary undertakings		11,714,479			14,341,390	
▪ Due from associated undertakings		529,543			529,543	
▪ Due from parent companies		1,863			11,114	
▪ Due from tax authorities						
. within 12 months	1,466,717			719,419		
. beyond 12 months	12,013,514			8,934,417		
		13,480,231			9,653,836	
▪ Deferred tax assets		22,657,345			22,949,345	
▪ Due from others:						
- various						
. within 12 months	60,945,596			54,930,579		
- advances to suppliers for services to be rendered	0			105,744		
		60,945,596			55,036,323	
			298,681,687			292,836,249
MARKETABLE SECURITIES			0			0
CASH ON HAND AND IN BANKS						
▪ Bank and post office deposits		152,399,396			131,102,808	
▪ Cash and notes in hand		829,964			569,735	
			153,229,360			131,672,543
Total current assets			**474,348,131**			**445,531,746**
ACCRUED INCOME AND PREPAID EXPENSES						
▪ Accrued income and other prepaid expenses			**7,251,761**			**4,231,095**
TOTAL ASSETS			**2,653,348,394**			**2,619,226,704**

Balance sheet: Liabilities and shareholders' equity

BALANCE SHEET
as of June 30, 2010
(in euros)
(Translation from the original issued in Italian)

	06/30/2010			12/31/2009		
LIABILITIES AND SHAREHOLDERS' EQUITY						
SHAREHOLDERS' EQUITY						
▪ SHARE CAPITAL						
ordinary shares			62,309,801			62,309,801
▪ SHARE PREMIUM RESERVE			667,389,495			667,389,495
▪ REVALUATION RESERVES			0			0
▪ LEGAL RESERVE			12,461,960			12,461,960
▪ OTHER RESERVES			416,300			416,300
▪ RETAINED EARNINGS (ACCUMULATED LOSSES)			21,859,956			16,766,361
▪ NET INCOME (LOSS) FOR THE PERIOD			418,836			5,093,594
Total shareholders' equity			**764,856,348**			**764,437,511**
ALLOWANCES FOR RISKS AND CHARGES						
▪ For Taxes, including deferred:		26,092,600			12,118,486	
▪ Other		44,305,986			42,261,660	
Total allowances for risks and charges			**70,398,586**			**54,380,146**
EMPLOYEE SEVERANCE INDEMNITIES			**27,287,633**			**27,445,409**
PAYABLES						
▪ Due to banks						
. within 12 months	9,211,788			9,281,123		
. beyond 12 months	280,600,000			284,850,000		
		289,811,788			294,131,123	
▪ Due to other financial institutions:						
. within 12 months	1,483,944			13,916,513		
. beyond 12 months	1,200,018,896			1,200,018,896		
		1,201,502,840			1,213,935,409	
▪ Advances:						
- from clients						
. from the Ministry of Transport:						
. beyond 12 months	4,286,239			4,612,234		
. other	7,231,400			4,969,073		
		11,517,639			9,581,307	
▪ Due to suppliers:						
. within 12 months	137,077,331			118,081,325		
. beyond 12 months	3,034,397			2,733,986		
		140,111,728			120,815,311	
▪ Due to subsidiary undertakings:						
. within 12 months	18,631,484			16,847,686		
		18,631,484			16,847,686	
▪ Due to associated undertakings:						
. within 12 months	1,002,980			1,002,980		
		1,002,980			1,002,980	
▪ Due to parent companies:						
. within 12 months	19,570,244			12,455,483		
		19,570,244			12,455,483	
▪ Taxes due:						
. within 12 months	40,468,781			42,671,636		
		40,468,781			42,671,636	
▪ Due to social security agencies		5,973,012			6,936,469	
▪ Other payables: various creditors						
. within 12 months	49,104,781			46,927,972		
. beyond 12 months	2,348,981			2,303,397		
		51,453,762			49,231,369	
Total payables			**1,780,044,258**			**1,767,608,773**
ACCRUED EXPENSES AND DEFERRED INCOME						
▪ Accrued expenses and other deferred income			**10,761,569**			**5,354,865**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			**2,653,348,394**			**2,619,226,704**

Memorandum Accounts

MEMORANDUM ACCOUNTS
as of June 30, 2010
(in euros)

	06/30/2010		12/31/2009	
GENERAL GUARANTEES				
▪ Suretis	110,522		110,522	
▪ Other	715,841		507,841	
		826,363		618,363
COLLATERAL GUARANTEES		0		0
COMMITMENTS ON PURCHASES AND SALES		111,907,374		108,268,128
OTHER		981,221,277		975,927,876
TOTAL MEMORANDUM ACCOUNTS		**1,093,955,014**		**1,084,814,367**

Income statement

INCOME STATEMENT
for the year 2009
(in euros)
(Translation from the original issued in Italian)

	Year 2009			Year 2008		
TOTAL REVENUES						
▪ Revenues from sales and services:						
- revenues from sales	80,307,572			87,282,599		
- revenues from services	471,909,926			475,325,085		
- revenues from contract work	4,937,735			0		
		557,155,233			562,607,684	
▪ Changes in contract work in progress		353,021			2,990,000	
▪ Other income and revenues:						
- revenue grants	470,478			94,914		
- profits on disposals	23,067			42,548		
- other	11,109,381			7,341,031		
		11,602,926			7,478,493	
			569,111,180			**573,076,177**
OPERATING COSTS						
▪ raw, ancillary and consumable materials and goods for resale		67,377,677			78,676,608	
▪ services		120,396,430			120,222,189	
▪ leases		13,180,479			12,952,141	
▪ payroll:						
- wages and salaries	77,727,200			79,960,960		
- social security	22,400,315			21,324,842		
- employee severance indemnities	5,599,267			6,117,922		
- other	982,815			1,238,140		
		106,709,597			108,641,864	
▪ Depreciation, amortization and write-downs:						
- amortization of intangible fixed assets	88,203,635			86,834,234		
- depreciation of tangible fixed assets	19,414,637			17,898,932		
- provisions for doubtful accounts	5,068,481			2,486,200		
		112,686,753			107,219,366	
▪ Changes in inventories of raw, ancillary and consumable materials and goods for resale		1,090,761			(140,154)	
▪ Provisions for risks		6,419,551			0	
▪ Other provisions		501,000			390,000	
▪ Sundry operating costs:						
- license fees	12,425			15,006		
- other	8,851,901			49,679,527		
		8,864,326			49,694,533	
			(437,226,574)			**(477,656,547)**
Operating income			**131,884,606**			**95,419,630**
FINANCIAL INCOME AND EXPENSE						
▪ Income from equity investments:						
- dividends from subsidiary undertakings	0			1,097,820		
		0			1,097,820	
▪ Other financial income:						
- from long-term receivables						
. other	3,087			4,089		
- securities included in fixed assets which are not equity investments	326,807			0		
- other						
. Interest and commissions from subsidiary undertakings	53,575			78,806		
. Interest and commissions from banks	1,691,992			7,793,837		
. Interest and commissions from clients	33,739			201,799		
. Interest and commissions from others	5,164,286			8,426,969		
		7,273,486			16,505,500	
▪ Interest expense and other financial charges:						
- interest and commissions due to parent company	105,849			0		
- interest and commissions due to subsidiary undertakings	39,547			175,525		
- interest and commissions due to banks	8,348,524			15,419,596		
- interest and commissions due to other financial institutions	52,036,803			74,178,202		
- interest and commissions due to others	15,368,611			8,401,852		
- provisions for overdue interest on written down receivables	26,077			93,692		
		(75,925,411)			(98,268,867)	
▪ Profits and Losses on Exchange:						
- profits	48,814			57,335		
- losses	12,347			6,594		
		36,467			50,741	
Total financial income (expense), net			**(68,615,458)**			**(80,614,806)**

INCOME STATEMENT
for the First Half 2010
(in euros)
(Translation from the original issued in Italian)

	First Half 2010			First Half 2009		
ADJUSTMENTS TO FINANCIAL ASSETS						**0**
▪ Write-downs:						
- of equity investments		3,927			0	
Total adjustments			**(3,927)**			
EXTRAORDINARY INCOME AND EXPENSE						
▪ Income:						
- other	743,756			1,203,868		
		743,756			1,203,868	
▪ Expense:						
- taxes relating to previous years	13,974,114			0		
- other	1,517,387			18,310,667		
		(15,491,501)			(18,310,667)	
Total extraordinary income (expense), net			**(14,747,745)**			**(17,106,799)**
Income before taxes			**14,341,902**			**(8,723,225)**
Income taxes of the period, current, deferred assets (liabilities):						
- current		(13,631,066)			(12,383,359)	
- deferred tax assets (liabilities)		(292,000)			6,879,000	
			(13,923,066)			**(5,504,359)**
Net income (loss) for the period			**418,836**			**(14,227,584)**

INDEPENDENT AUDITORS' REPORT

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

To the Shareholders of
AEROPORTI DI ROMA S.p.A.

1. We have reviewed the half-yearly condensed consolidated financial statements of Aeroporti di Roma S.p.A. and subsidiaries (the "Aeroporti di Roma Group"), which comprise the consolidated accounting schedules as of and for the six-month period ended June 30, 2010 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 accounting standards applicable to interim accounts set out by the accounting principle No. 30 established by OIC (*Organismo Italiano di Contabilità*). 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, 2009 and the six-month period ended June 30, 2009 are concerned, reference should be made to our auditors' report dated March 30, 2010 and our auditors' review report dated August 6, 2009, 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 Aeroporti di Roma Group as of June 30, 2010 are not prepared, in all material respects, in accordance with the accounting standards applicable to interim accounts set out by the accounting principle No. 30 established by OIC (*Organismo Italiano di Contabilità*).

DELOITTE & TOUCHE S.p.A.

Signed by
Domenico Falcone
Partner

Rome, Italy
August 4, 2010

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