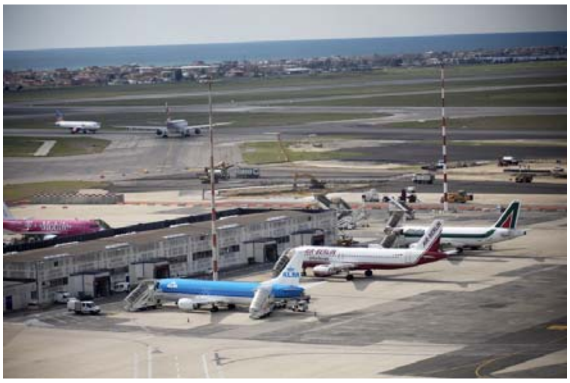

SIX-MONTH REPORT as of June 30, 2007

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
Company managed and coordinated by Gemina SpA

www.adr.it

Corporate Officers

Aeroporti di Roma SpA

Board of Directors *(after the General Meeting and the Board of Directors' Meeting of April 16, 2007)*	
Chairman	Fabrizio Palenzona *
Deputy Chairmen	Remy Cohen *(until July 18, 2007)* Massimo Pini
Directors	Maurizio Basile ** Andrew Christian Cowley * *(until July 18, 2007)* Christopher Timothy Frost *(until July 18, 2007)* Alessandro Grimaldi * Kerrie Patricia Mather *(until July 18, 2007)* Aldo Minucci Gianni Mion Paolo Roverato Claudio Sposito
Secretary	Antonio Abbate

Board of Statutory Auditors *(after the General Meeting of April 16, 2007)*	
Chairman	Giacinto Chimenti
Statutory Auditors	Giuseppe Cappella Alessandro Grange Mario Tonucci Luigi Tripodo
Alternate Auditors	Nicola Lorito Andrea Piermartini Rosi

General Manager	Maurizio Basile

Independent Auditors	Deloitte & Touche SpA

* Directors with joint powers;
** Director with executive responsibilities.

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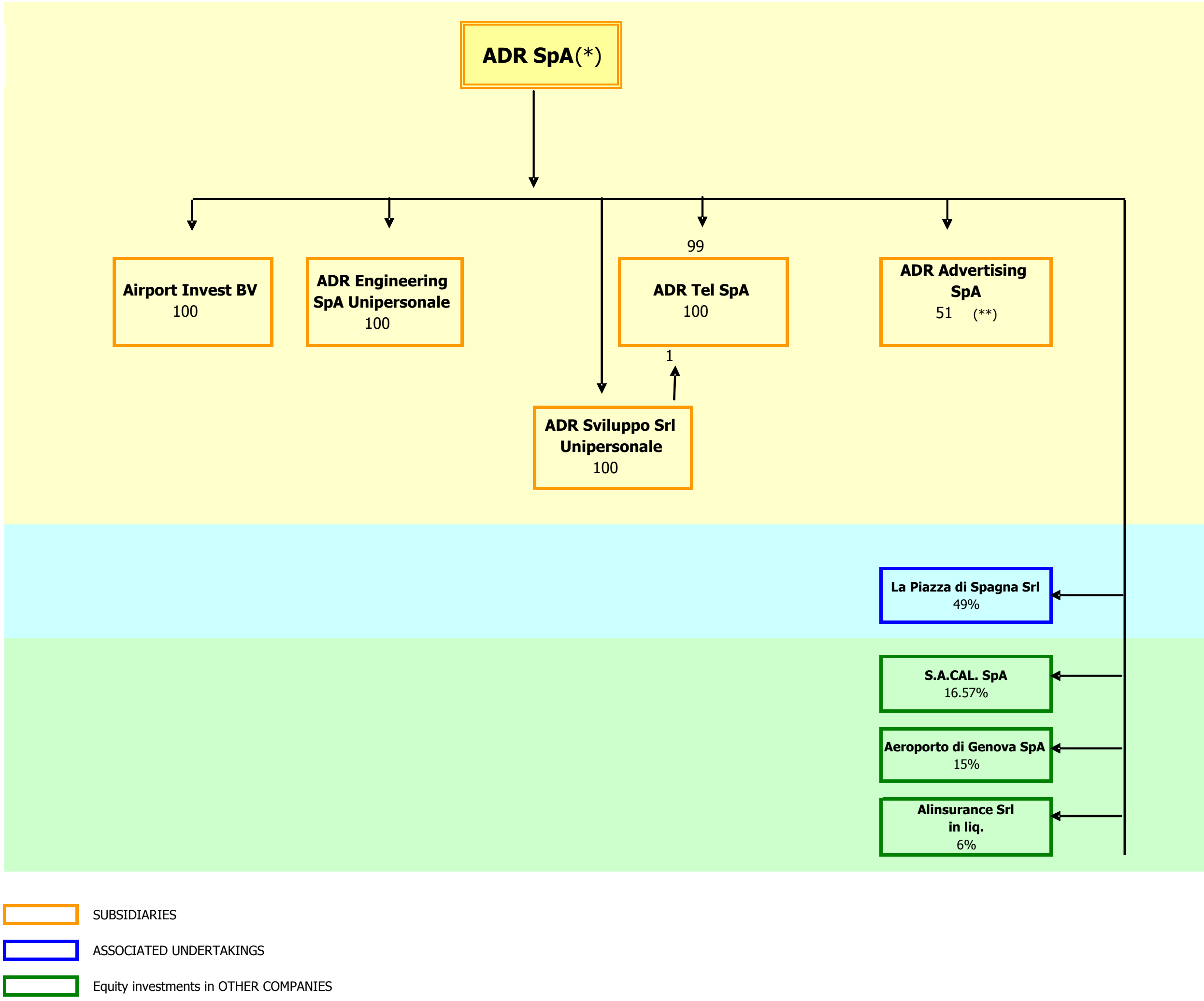
THE ADR GROUP AS OF 30 JUNE 2007



(*) ADR SpA also has a 12.5% holding in the E.T.L (European Transport Law) Consortium
(**) 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 2006.

TRAFFIC PERFORMANCE

Traffic component	SYSTEM (°)	% CHANGE
Movements (no.)	194,738	+5.6%
Aircraft tonnage (tons)	13,593,664	+5.8%
Total passengers (no.)	18,013,290	+8.4%
Total cargo (tons)	74,162	+2.4%

(°) Fiumicino + Ciampino

The following table summarizes key economic, financial and operational data for the ADR Group for the first half of 2007.

ADR GROUP[1]

Key consolidated economic, financial and operational data *(€000)*			
	H1 2007	**2006**	***H1 2006***
Revenues	263,294	567,279	276,505
EBITDA	117,458	256,655	120,953
EBIT	62,811	146,103	65,389
Net income:			
minority interest	540	1,058	518
Group share	*5,369*	*59,986*	3,961
Investments	34,022	57,899	23,946
	June 30, 2007	***Dec 31, 2006***	***June 30, 2006***
Invested capital	2,095,733	2,115,594	2,138,527
Shareholders' equity (including minority interest)	720,031	765,615	709,050
Group shareholders' equity	718,546	763,648	707,623
Net debt	1,375,702	1,349,979	1,429,477
Headcount at end of period	2,529	2,275	3,962

Ratios	**H1 2007**	**2006**	***H1 2006***
Revenues/Average headcount (€000)	118	182	84
No. of passengers/Average headcount	8,089	11,262	5,023

[1] A comparison of the data in the first half of 2007 with the figures for the same period of 2006 is conditioned by the consolidation during the first half of 2006 of the income statement of Flightcare Italia SpA (formerly ADR Handling SpA), which was sold in November 2006.

The following table summarizes key economic, financial and operational data for the first half of 2007 for ADR SpA.

ADR SPA

Key economic, financial and operational data *(€000)*			
	H1 2007	***2006***	***H1 2006***
Revenues	259,496	512,571	242,939
EBITDA	115,366	247,453	116,179
EBIT	60,659	138,114	62,182
Net income	4,516	35,975	3,356
Investments	34,061	55,695	22,240
	June 30, 2007	***Dec 31, 2006***	***June 30, 2006***
Invested capital	2,127,632	2,153,211	2,274,011
Shareholders' equity	751,976	797,930	765,311
Net debt	1,375,656	1,355,281	1,508,700
Headcount at the end of the period	2,461	2,211	2,262
Ratios	***H1 2007***		***H1 2006***
Revenues/ Average headcount (€000)	120	244	116
No. of passengers/Average headcount	8,343	16,691	7,964

ADR GROUP: CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET
as of June 30, 2007

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

ASSETS	06/30/2007			12/31/2006		
UNPAID SHARE CAPITAL DUE FROM SHAREHOLDERS			0			0
FIXED ASSETS						
INTANGIBLE FIXED ASSETS						
• Incorporation and development costs		179			299	
• Industrial patents and intellectual property rights		2,306			2,524	
• Concessions, licenses,trademarks and similar rights		1,826,855			1,852,075	
• Goodwill arising from consolidation		0			0	
• Leasehold improvements in process and advances		45,165			37,671	
• Others		156,674			158,050	
			2,031,179			2,050,619
TANGIBLE FIXED ASSETS						
• Land and buildings		3,165			3,301	
• Plant and machinery		33,949			26,524	
• Industrial and commercial equipment		1,559			1,680	
• Fixed assets to be relinquished		77,017			79,974	
• Other assets		4,543			4,598	
• Work in progress and advances		6,647			6,676	
			126,880			122,753
NON-CURRENT FINANCIAL ASSETS						
• Equity investments in:						
- unconsolidated subsidiary undertakings	100			100		
- associated undertakings	49			49		
- other companies	2,253			2,253		
		2,402			2,402	
• Receivables due from others:						
. within 12 months	3			3		
. beyond 12 months	914			1,346		
		917			1,349	
			3,319			3,751
Total fixed assets			**2,161,378**			**2,177,123**
CURRENT ASSETS						
INVENTORY						
• Raw, ancillary and consumable materials		2,820			2,853	
• Contract work in progress		7,654			7,814	
• Finished goods and goods for resale						
- goods for resale	9,362			10,353		
		9,362			10,353	
• Advances		0			7	
			19,836			21,027
RECEIVABLES						
• Due from clients						
. within 12 months	151,702			128,896		
. beyond 12 months	0	151,702		0	128,896	
• Due from associated undertakings		530			530	
• Due from tax authorities		11,368			13,541	
• Defered Tax assets		18,812			18,002	
• Due from others:						
- various						
. within 12 months	65,091			52,318		
- advances to suppliers for services to be rended	1			33		
		65,092			52,351	
			247,504			213,320
MARKETABLE SECURITIES			0			0
CASH ON HAND AND IN BANKS						
• Bank and post office deposits		78,754			128,254	
• Checks		0			1	
• Cash and notes in hand		1,099			1,216	
			79,853			129,471
Total current assets			**347,193**			**363,818**
ACCRUED INCOME AND PREPAID EXPENSES						
• Accrued income and other prepaid expenses			**6,743**			**3,805**
TOTAL ASSETS			**2,515,314**			**2,544,746**

CONSOLIDATED BALANCE SHEET
as of June 30, 2007

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

LIABILITIES AND SHAREHOLDERS' EQUITY	06/30/2007			12/31/2006		
SHAREHOLDERS' EQUITY						
SHARE CAPITAL:						
ordinary shares		62,310			62,310	
SHARE PREMIUM RESERVE		667,389			667,389	
REVALUATION RESERVES		0			0	
LEGAL RESERVE		12,462			12,462	
STATUTORY RESERVES		0			0	
RESERVE FOR OWN SHARES		0			0	
OTHER RESERVES		0			0	
RETAINED EARNINGS (ACCUMULATED LOSSES)		(28,984)			(38,499)	
GROUP NET INCOME (LOSS) FOR THE PERIOD		5,369			59,986	
			718,546			763,648
MINORITY INTEREST						
• Share capital, reserves and net income (loss) for the period		1,485			1,967	
			1,485			1,967
GROUP AND MINORITY INTEREST IN CONSOLIDATED SHAREHOLDERS' EQUITY			**720,031**			**765,615**
ALLOWANCES FOR RISKS AND CHARGES						
• For Taxes		0			0	
• Other		28,254			29,350	
Total allowances for risks and charges			**28,254**			**29,350**
EMPLOYEE SEVERANCE INDEMNITIES			**41,254**			**41,682**
PAYABLES						
• Due to banks						
. within 12 months	2,369			1,351		
. beyond 12 months	247,500			247,500		
		249,869			248,851	
• Due to other financial institutions:						
. within 12 months	1,929			14,376		
. beyond 12 months	1,265,019			1,265,019		
		1,266,948			1,279,395	
• Advances:						
- from clients						
. from the Ministry of Transport:						
. within 12 months	278			278		
. beyond 12 months	4,770			4,770		
. other	6,261			3,714		
- prepayment of invoices to be paid in installments						
. from clients	0			0		
		11,309			8,762	
• Due to suppliers:						
. within 12 months	117,614			114,072		
. beyond 12 months	3,311			2,960		
		120,925			117,032	
• Due to associated undertakings		1,003			1,003	
• Taxes due:						
.within 12 months	18,417			13,458		
		18,417			13,458	
• Due to social security agencies		8,018			5,794	
• Other payables: various creditors						
. within 12 months	39,614			27,402		
. beyond 12 months	1,138			1,025		
		40,752			28,427	
Total payables			**1,717,241**			**1,702,722**
ACCRUED EXPENSES AND DEFERRED INCOME						
• Accrued expenses and other deferred income			**8,534**			**5,377**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			**2,515,314**			**2,544,746**

MEMORANDUM ACCOUNTS

as of June 30, 2007
(in thousands of euros)
(Translation from the original issued in Italian)

	06/30/2007		12/31/2006	
General guarantees				
▪ Sureties	111		111	
▪ Other	461		421	
		572		532
Collateral guarantees		0		0
Commitments on purchases and sales		75,323		81,699
Other		917,195		919,657
		993,090		**1,001,888**

CONSOLIDATED INCOME STATEMENT
for the period January-June 2007
(in thousands of euros)
(Translation from the original issued in Italian)

	First Half 2007			First Half 2006		
TOTAL REVENUES						
▪ Revenues from sales and services:						
- revenues from sales	37,078			29,778		
- revenues from services	226,376			247,395		
- revenues from contract work	0	263,454		0	277,173	
▪ Changes in contract work in progress		(160)			(668)	
▪ Capitalized costs and expenses		2,355			2,260	
▪ Other income and revenues:						
- revenue grants	0			0		
- profits on disposals	17			87		
- other	1,585			940		
		1,602			1,027	
			267,251			**279,792**
OPERATING COSTS						
▪ raw, ancillary and consumable materials and goods for resale		31,990			28,715	
▪ services		51,387			45,351	
▪ leases		5,119			4,980	
▪ payroll:						
- wages and salaries	42,715			57,453		
- social security	12,313			16,659		
- employee severance indemnities	3,249			4,535		
- other	529			568		
		58,806			79,215	
▪ Depreciation, amortization and write-downs:						
- amortization of intangible fixed assets	40,430			40,286		
- depreciation of tangible fixed assets	7,592			8,057		
				0		
- provisions for doubtful accounts	4,098			962		
		52,120			49,305	
▪ Changes in inventories of raw, ancillary and consumable materials and goods for resale		1,025			(301)	
▪ Provisions for risks		1,785			3,111	
▪ Other provisions		0			99	
▪ Sundry operating costs:						
- losses on disposals	0			0		
- license fees	17			29		
- other	2,191			3,899		
		2,208			3,928	
			(204,440)			**(214,403)**
Operating income			**62,811**			**65,389**
FINANCIAL INCOME AND EXPENSE						
▪ Other financial income:						
- from long-term receivables						
. other	9			26		
- other						
. interest and commissions from others and sundry revenues	4,240			5,326		
		4,249			5,352	
▪ Interest expense and other financial charges:						
- interest and commissions to others and sundry charges	42,795			47,200		
		(42,795)			(47,200)	
▪ Profits and losses on Exchange						
- Profits	47			132		
- Losses	4			24		
		43			108	
Total financial income (expense), net			**(38,503)**			**(41,740)**

CONSOLIDATED INCOME STATEMENT
for the period January-June 2007
(in thousands of euros)
(Translation from the original issued in Italian)

	First Half 2007			First Half 2006		
ADJUSTMENTS TO FINANCIAL ASSETS			**0**			**0**
EXTRAORDINARY INCOME AND EXPENSE						
▪ Income:						
- *gains on disposal*	0			0		
- *other*	374			349		
		374			349	
▪ Expense:						
- *taxes relating to previous period*	2			110		
- *other*	925			741		
		(927)			(851)	
Total extraordinary income (expense), net			**(553)**			**(502)**
Income before taxes			**23,755**			**23,147**
Income taxes of the period, current, defferred assets (liabilities) :						
- *current*		(18,656)			(16,853)	
- *deferred tax assets (liabilities)*		810			(1,815)	
			(17,846)			**(18,668)**
Net income (loss) for the period			5,909			4,479
of which:						
▪ minority interest			540			518
▪ Parent Company's share			**5,369**			**3,961**

MANAGEMENT REPORT AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MANAGEMENT REPORT ON OPERATIONS

GROUP OPERATING REVIEW

INTRODUCTION

During the first half of 2007 the Roman airport system continued to witness the same growth in passenger numbers seen over recent years.

Passenger growth was especially significant at Fiumicino airport, where there was an upturn of 7.1%.

- Despite traffic growth, Group revenues, totaling 263.3 million euros, were down by 4.8% compared with the first half of 2006 when the results reported by the subsidiary undertaking, Flightcare Italia SpA (formerly ADR Handling SpA), were still consolidated. This company was sold at the end of 2006.

- The Group achieved net income of 5.4 million euros, up 1.4 million euros compared with the first six months of 2006.

- Investment during the period totaled 34.0 million euros (up 10.1 million euros)

- The Group's net financial expense was 1,375.7 million euros, representing an increase of 25.7 million euros with respect to December 31, 2006 due to the payment of dividends totaling 51.5 million euros.

- The Parent Company, ADR SpA, closed the period with net income of 4.5 million euros, compared with 3.4 million euros in the first half of 2006.

One of the most important events taking place during the period was the presentation of the new Business Plan to the Board of Directors on January 26, 2007. This document outlines the strategies drawn up in the fall of 2006, based on an in-depth analysis of the efficiency of the airport system's infrastructure. It highlights a number of critical issues inherited from previous managements and calls for a significant upturn in investment in order to cope with continuous traffic growth.

The very question of renewed investment, one of the Business Plan's cornerstones, led to disagreement among shareholders. This ultimately resulted in a change in the Company's shareholder structure in June 2007, when Macquarie sold its holding in the Parent Company.

The need for renewed investment, indispensable to resolving infrastructural deficiencies that have developed over past years, was made evidently clear during the peak season (starting from April and May) when the problems and delays noted in the Plan came to the fore.

The resulting shareholder structure clearly provides the means to definitively resolve longstanding problems and to thereby make the system more efficient, especially as regards Fiumicino airport. Nonetheless, it should be noted that the delay in talks that ultimately resulted in the new shareholder structure also further delayed the start-up of long-needed investment. As a result, substantial investment activities will now have to be speeded up in order to make up, as much as possible, for lost time.

Talks with institutions regarding two other important issues also progressed. On the one hand, discussions centered on problems related to the new Planning Agreement, which is indispensable to ensuring development of the Company's investment plans within a clear and definite regulatory framework. On the other hand, talks also centered on the adoption of balanced and economically viable solutions regarding the new organization of the Roman airport system. This is necessary in view of the environmental concerns raised by local authorities regarding Ciampino, and the ever more likely construction of a third airport in Lazio to be used by low-cost carriers. Both situations can be resolved in a manner that is compatible with the Company's development goals and in a way that offers ADR the opportunity to safeguard earnings.

BACKGROUND

Analysis of economic trends

Initial data [2] pertaining to the first six months of 2007 confirm that the world economy is fundamentally solid.

The awaited slowdown in the United States turned out to be milder than feared and the last part of the period gave numerous signs of an upcoming recovery.
During the first half of 2007, sustained consumption kept other components of GDP from falling sharply. Thanks to a healthy and dynamic labor market, US consumers did not reduce their spending levels.
These signs of recovery indicate that sluggish growth will give way to a quick recovery, thanks in part to an attenuation of the factors causing the downturn.

This slowdown in the world's leading economy, the United States, did not have any significant repercussions on other economic regions. Japan was able to enjoy ongoing growth, whilst emerging markets continued to act as the new driving force, as demonstrated by intensified trading with more developed countries.

Europe enjoyed satisfying growth rates despite some warning signs during the period, such as the rise in interest rates and the growing strength of the euro against other currencies.
Europe also benefitted from a combined pickup in domestic demand and growth in world demand. The latter was especially apparent with the opening up of new export markets, such as in central Europe and emerging markets. On the domestic front, construction and manufacturing investment stayed on track whilst consumption benefitted from improvements in the labor market.
Outside the euro area, economic activity continued to flourish in central Europe, which boasted very high growth rates, sometimes reaching double digit figures.

[2] Source: Analysis of economic trends in Italy SYZ & Co – June 2007 and main economic institutions (Confindustria, Prometeia, etc.)

In Italy the sharp downturn between the fourth quarter of 2006 and the first quarter of 2007 reflects changing trends in demand, with an upturn in consumer demand and falls in exports and in investment in machinery and equipment and in new housing. These changes are reflected in the fall in industrial output (confirmed by data in April 2007), which once again widens the gap between Italy and some other leading European countries such as France and Germany. Forecasts at the end of the first half of 2007 expect to see average GDP growth in 2007 come in at around 1.8%.
Lombardy and Lazio are expected to post the best rates of GDP growth, at 2.3% and 2.2%, respectively, and this positive trend in the two regions should continue through the second half of the year.

Legal and regulatory context

- Planning Agreement as per the Ministerial Decree dated November 14, 2000 and CIPE (Interdepartmental Committee for Economic Planning) Resolution 86/2000

With its Resolution dated June 15, 2007, the CIPE expressed a favorable opinion as regards the "Directive pertaining to the regulation of fees charged for airport services provided on an exclusive basis" presented by the Minister of Transport and the Minister of the Economy and Finance.
This Resolution is now under review of Italy's Court of Auditors in order to be filed and subsequently published in the Official Gazzette.
The objective of the Directive is to establish the general criteria by which to implement Law no. 248/2005. It entrusts the Civil Aviation Authority with the task of drawing up the "guidelines containing the criteria set forth in the Directive" within 60 days from the date of publication of the above Resolution in the Official Gazette and following completion of a public consultation procedure with the various parties pursuant to art. 9 of Law no. 241/90.
Once the Minister of Transport and the Minister of the Economy and Finance approve the above guidelines, they will be used to draw up the planning agreements.

- Fire prevention and fire fighting service at airports

Art. 1, paragraph 1328 of Law no. 296 of December 27, 2006 (the Finance Act for 2007) raised the surtax on passenger boarding fees established in Law no. 350/2003 by 0.50 euros starting from 2007 "in order to reduce the costs incurred by the State to ensure fire prevention and fire fighting services at airports".
Consequently, to date, this surtax totals 2.50 euros.
The same paragraph also set up a "specific fund to be paid into by airport operators in proportion to the traffic generated". 30 million euros per year is to be taken from the fund to be utilized for the same purpose, in addition to the extra 50 cents to be charged to passengers.

- License fee

Art. 1, paragraph 258 of the Finance Act for 2007 establishes that, in conjunction with the Decree jointly issued by the Minister of Transport and the Minister of the Economy and Finance, the annual fee paid by airport operators is to be proportionally increased in order to provide tax authorities with additional revenues totaling 3 million euros in 2007, 9.5 million euros in 2008 and 10 million euros in 2009.

Both the above-mentioned fund of 30 million euros to be allocated to firefighters in service at airports and the increase in the license fee described in the previous paragraph represent new charges to be borne by airport operators from 2007. The total additional cost for ADR SpA is estimated to total around 4.5 million euros for the first half of 2007.
Recovery of these additional costs, which have been imposed on operators in accordance with the law from 2007, must clearly be achieved via changes in airport charges, in line with the spirit of the legislation that introduced them, regardless of the year in which they are incurred. Otherwise airport operators will encounter serious operating and financial difficulties.

For this reason, ADR firmly believes, and this belief is backed up by expert opinions, that the time lag between the introduction of the increased cost (2007) and its recognition for the purposes of setting airport charges (with the entry into effect of the new Planning Agreement) is no reason not to fully recover the new costs, regardless of the year in which they are incurred, via increased charges.
Thus, considering that the approval procedure for the new Planning Agreement, which will give rise to the new regime for charges, is still underway, and, it being impossible to reasonably predict the outcome of this procedure, it was deemed prudent to recognize the additional costs in the income statement for the period. ADR will continue to monitor negotiations aimed to finalizing the Planning Agreement and the item regarding these additional costs will be re-analyzed during the preparation of the annual financial statements.

- Surcharges on catering activities– obligations connected to Law no. 248/05

Following the entry into effect of Law no. 248/05, in February 2007 the Civil Aviation Authority launched a preliminary study to determine the underlying costs of the charges that airport operators levy on caterers for the use of shared airport assets.
The study regarded all entities involved in supplying airport catering services and concluded, for Fiumicino and Ciampino airports, with a Civil Aviation Authority ruling (no. 0035898 of June 5, 2007) in which charges for the use of shared assets are provisionally fixed with effect from January 1, 2007. They are as follows:
- 5.53 euros per flight supplied at Ciampino airport;
- 19.50 euros per medium/long-haul flight supplied at Fiumicino airport;
- 38.53 euros per long-haul flight supplied at Fiumicino airport.

- Sub-concession Cargo building - call for tenders

With reference to the call for tenders for the cargo building sub-concession, as of January 30, 2007, the official closing date for the procedure, none of the three pre-qualified bidders had presented an offer. ADR SpA only received one letter from Freschi & Schiavoni Srl stating that an offer would not be made due to the withdrawal of ATI's Parent Company.
ADR SpA provided the Civil Aviation Authority with the necessary information regarding the results of the procedure on February 2, 2007.

- Ciampino Airport Regulations

With Ordinance no. 7/2007 of March 6, 2007, the Director of Ciampino Airport adopted new Regulations for Ciampino Airport, which came into effect on March 15, 2007.

- Data Protection Code – Security Planning Document

On March 27, 2007 the Security Planning Document was updated pursuant to Legislative Decree no. 196/2003.

- Public tenders

Legislative Decree no. 163/2006 entitled "The code for public contracts for works, services and supplies in implementation of Directives 2004/17/CE and 2004/18/CE" (published in the Ordinary Supplement to the Official Gazette of May 2, 2006, no. 100, in force as of July 1, 2006 with certain exceptions) implements a historic reorganization of the body of legislation that governs public tenders. By taking advantage of an option provided for in the Code, on May 23, 2007 ADR SpA adopted a set of regulations by which to outsource calls for tenders regarding works, supplies and services with a value lower than the threshold set by the European Community.
The regulations, which were announced on the Company's website, on Fiumicino's municipal noticeboard and in three national newspapers, govern the procedures by which to outsource calls for tenders with a value lower than the Community threshold, enabling the adoption of computerised procedures, including via the creation of an Official List of Suppliers.

ACTIVITIES

Aviation activities

Air traffic

During the first five months of 2007 there was a positive trend in world air traffic with a 5.1% increase in passengers.

Europe reported a slightly higher rate of growth in the passenger component, amounting to 5.5%.

In Italy the first 5 months of 2007 reported 9.3% growth in passengers (7.8% rise in movements) compared with the previous year.

Passenger traffic – monthly percentage increases compared with 2006

	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007
WORLD (a)	+5.2%	+6.4%	+6.8%*	+4.1%*	4.8%*	
Europe (a)	+7.1%	+7.6%	+9.4%*	+3.3%*	+3.5%*	
Italy (b)	+10.5 %	+9.1%	+12.7%	+8.4%	+6.5%	
FCO + CIA	**+7.9%**	**+7.8%**	**+10.6%**	**+8.3%**	**+5.2%**	**+10.5%**

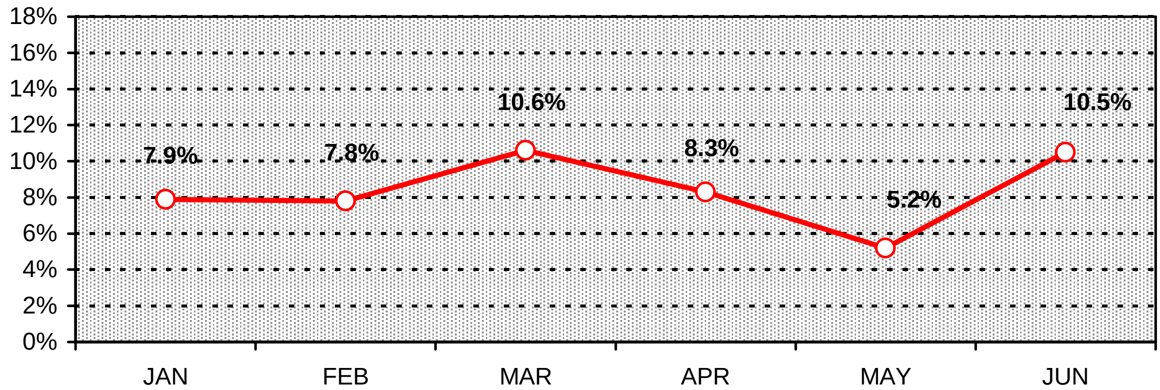
SOURCE: (a) ACI World Traffic Monthly Report (*) ACI Pax Flash Report
(b) ASSAEROPORTI

The Roman airport system

During the first five months of 2007 the main European airports[3] achieved the following passenger traffic results: Madrid (up 13.8%), London (up 0.3%), Paris (up 4.5%), Amsterdam (up 4.7%) and Frankfurt (up 3.1%). During the same period the Roman airport system reported growth of 8.4% (6 months), confirming its position as one of Europe's fastest growing airport systems.

Monthly performances are shown in the following graph:

THE ROMAN AIRPORT SYSTEM
Total Passengers - Monthly percentage changes compared with 2006



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

Information regarding trends in traffic components is provided below.

Data up to June 30, 2007

	ROME SYSTEM	Ciampino	Fiumicino	Domestic	International
Movements	194.738	33.582	161.156	88.715	106.023
D% vs PY	+5,6%	+8,2%	+5,0%	+1,8%	+8,9%
Mtow	13.593.664	1.625.406	11.968.258	5.041.554	8.552.110
D% vs PY	+5,8%	+11,6%	+5,0%	+2,9%	+7,6%
Total Pax	18.013.290	2.717.060	15.296.230	6.832.620	11.180.670
D% vs PY	+8,4%	+16,1%	+7,1%	+5,4%	+10,3%
Freight (Kg)	74.162.129	12.020.785	62.141.344	5.618.079	68.544.050
D% vs PY	+2,4%	+2,7%	+2,4%	+26,8%	+0,8%
Mail (Kg)	15.555.035	346	15.554.689	12.346.314	3.208.721
D% vs PY	-25,1%	-98,3%	-25,1%	-25,1%	-25,2%

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

	International	Intl' EU	Intl' Extra EU
Movements	106.023	79.100	26.923
D% vs PY	+8,9%	+13,6%	-2,9%
Mtow	8.552.110	5.217.981	3.334.129
D% vs PY	+7,6%	+12,4%	+0,7%
Total Pax	11.180.670	7.956.985	3.223.685
D% vs PY	+10,3%	+13,3%	+3,4%
Freight (Kg)	68.544.050	21.279.157	47.264.893
D% vs PY	+0,8%	+7,4%	-1,9%
Mail (Kg)	3.208.721	1.666.103	1.542.618
D% vs PY	-25,2%	-32,8%	-14,8%

At Fiumicino traffic performance was characterized by an increase in capacity (total movements up 5.0% and aircraft tonnage up 5.0%), accompanied by an even greater increase in passenger levels (7.1%), resulting in an improved load factor (up from 62.7% in 2006 to 64.0% in 2007).

Breakdowns for the different areas are as follows:

Domestic traffic: Overall growth in this sector was up 4.7% in terms of passengers, whilst growth in capacity was slightly lower with movements up 2.4% and aircraft tonnage up 2.8%.
This sector, representing 42.8% of total passenger traffic, reported the following performances, with Alitalia and other carriers analyzed separately:

- Domestic, Alitalia (59.1% of passenger market share): the carrier reported an increase in passenger levels (up 3.6%) and in capacity (movements up 0.4% and aircraft tonnage up 0.9%);
- Domestic, other carriers (40.9% of passenger market share): the other carriers also reported increases both in passenger levels (up 6.3%) and in capacity (movements up 4.6% and aircraft tonnage up 5.1%);

International European Union traffic: overall growth in this sector was up 11.0% in terms of passengers, whilst capacity in terms of movements and aircraft tonnage grew by 11.8% and 10.6%, respectively.

This sector, representing 37% of total passenger traffic, reported the following performances, with Alitalia and other carriers analyzed separately:

- European Union, Alitalia (28.8% of passenger market share): the carrier reported an increase in passenger levels (up 5.6%) and in capacity (movements up 6.7% and aircraft tonnage up 6.6%);
- European Union, other carriers (71.2% passenger market share): other carriers also reported an increase in passenger levels (up 13.3%) due to a rise in capacity (movements up 14.2%, aircraft tonnage up 12.3%);

International traffic outside the European Union: overall growth in this sector was up 5.6% in terms of passengers, whilst capacity was down in terms of movements (down 1.9%) and up in terms of aircraft tonnage (up 1.9%).

This sector, representing 20.2% of total passenger traffic, reported the following performances, with Alitalia and other carriers analyzed separately:

- Traffic outside the European Union, Alitalia (21.8% of passenger market share): the carrier reported an increase in passenger levels (up 2.5%) and a decrease in capacity (movements down 8.3% and aircraft tonnage down 5.0%);
- Traffic outside the European Union, other carriers (78.2% of passenger market share): other carriers, however, reported an increase in passenger levels (up 6.5%) and in movements (up 1.2%) and in aircraft tonnage (up 3.7%).

It should be noted that as of January 1, 2007 the EU has two new member states, Romania and Bulgaria. This expansion resulted in greater traffic growth during the first half of 2007, compared with the first half of 2006, and, consequently, lower growth in international traffic outside the EU.
Shorn of this change (i.e. considering Romania and Bulgaria as still being outside the EU), growth would have been 7.0% for international EU traffic and 12.7% for international traffic outside the EU.

In terms of network development, a series of new routes and destinations were introduced.

The domestic sector saw AirOne begin operating new daily flights to Brescia and step up its existing service to Trapani. It also saw the start of cargo and mail flights by the carriers, Miniliner and Mistral, which previously operated out of Ciampino.

Within the European Union new flight were started up by SkyEurope to Bucharest, by Air One to London City Airport and to Vienna, by Finnair to Helsinki, by Air Baltic to Riga and to Vilnius and, most recently, by Bmibaby to Birmingham, Flyglobespan to Edinburgh and by Vueling to Paris CDG. More over, British Airways increased its service to London and Vueling did the same for its flights to Barcelona and Madrid.

Regarding non-European traffic, new flights were launched by Eurofly to Delhi, by United Airlines to Washington and by Air Canada to Montreal. This sector also saw the stepping up of the frequency of existing flights, including Alitalia to Moscow and New York JFK, Malaysian to Kuala Lampur and Turkish to Istanbul.

At Ciampino airport, the increase in passengers during the first six months of 2007 (up 16.1%), compared with the same period of 2006, was once again due to the expansion of low-cost traffic. Ryanair introduced new flights to Madrid and Saragozza, easyJet launched new flights to Lyons and Madrid, and Centralwings introduced new flights to Lodz and Danzig.
Other airlines also introduced new services: WIzz Air to Bucharest, Tirgu and Sofia, Sterling to Gothenburg and Myair to Sofia.

Cargo traffic performance at the airport, mainly arising from the activities of the express couriers, DHL, TNT and UPS, registered an increase of 2.7% with respect to the same period of 2006.

Airport fees

In the first half of 2007 revenues from airport fees, amounting to 73.3 million euros, reported an increase of 6.0% compared with the same period of 2006.

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

- landing and take-off fees: the increase of 5.5% is essentially due to an increase in movements and aircraft tonnage;
- passenger boarding fees: total revenues rose by 6.5% due to growth in passenger levels during the period, which was partially offset by a drop in revenues due to the introduction of new fees on February 1, 2006.

Management of centralized infrastructures

The management of centralized infrastructures and terminal services, which is carried out directly by the Parent Company, ADR SpA, reported revenues of 16.4 million euros in the first half of 2007, representing a slight increase (up 1%) compared with the same period of 2006.

This performance was due essentially to two factors:

- lower revenues for loading bridges (down 0.2 million euros) due primarily to the reduction in fees for some types of aircraft introduced in the second part of 2006 and the first three months of 2007. This drop was partially offset by improved use of infrastructures, made possible by an increase in movements, especially as regards domestic and European traffic;
- an increase in revenues (up around 0.4 million euros) from the baggage handling system and other centralized infrastructures, due mainly to the rise in passenger levels.

As regards loading bridge infrastructure, in the first six months of the year the number of flights served totaled 76,797 (up 2.7% with respect to 2006), representing a total number of passengers of 8,725,374 and an increase of 391,340 (4.7%) compared with 2006.

The automated baggage handling system (BHS) processed around 3,025,000 bags in the period under review, representing an increase of 10.1% with respect to 2006.

Security

During the period, the security activities carried out by the Parent Company, ADR SpA (security checks on passengers and carry-on baggage, 100% screening of checked luggage, explosive detection checks, other security services requested and surveillance of the airport system) generated revenues of 30.6 million euros, a 7.8% increase on 2006.

This performance resulted from the positive trend in passenger levels and greater demand for services, partially offset by the elimination of checks on transit passengers coming from countries included in the Schengen agreement, as ordered by the Civil Aviation Authority and in force from March.

Operational safety

At Fiumicino and Ciampino airports, operational safety was carried out according to procedure (ISO 9001/2000 certificate), responding to the increase in traffic and the rising number of infrastructures 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, with notification of any infringements.

Real estate management

Sub-concessions

Revenues from sub-concessions, deriving from fees and utilities at Fiumicino and Ciampino airports, amounted to 14.5 million euros, up slightly on the first half of 2006 (up 2.9%).
Revenues from other fees charged at Fiumicino and Ciampino airports amounted to 5.0 million euros, down 2.9 % compared with the first half of 2006.

The main reason relates to the drop in fees charged to oil companies due to the lower amount paid for aircraft tonnage and the lower fees charged to catering companies, the final determination of which has been postponed until the actual implementation of the guidelines issued by the Civil Aviation Authority on June 5, 2007, which presuppose that ADR SpA will be provided with the elements on which to base the relevant calculation (the flights served).

Non-aviation activities

Direct sales

Revenues from direct sales totaled 35.5 million euros, up 21.6% with respect to the same period of 2006 and compared with an increase of 8.2% in outgoing passenger traffic. The average passenger spend rose by 12.4% compared with 2006.

Fiumicino registered revenue growth of 19.0%, equal to an increase in average passenger spend of 11.3%. This result was achieved thanks to the restructuring programs launched in 2006, which made it possible to open the new shop in the B11-B21 area in April 2007. Special mention should be made of the performance of the new shop located on the mezzanine in Terminal A, which made it possible to more than double both revenues and average spend compared with the first six months of 2006.
In terms of the different product segments, 'Skincare' reported the greatest revenue growth (up 31.1%), followed by those of 'Wines' (up 24.1%), 'Confectionary' (up 19.6%) and 'Perfumes' (up 18.6%). Restructuring also made it possible to reduce the negative effect of the restrictions placed on the sale of liquid items, introduced in August of last year. Shorn of this factor, the performance would have been even better.

Ciampino registered revenue growth of 39.3% compared with the first half of 2006, slightly greater than traffic growth (up 20.3% in average spend). This performance benefitted from the restructuring of the shop, concluded in October 2006, which included an increase in sales space.

Outlets managed by sub-concessionaires

Revenues from outlets managed by sub-concessionaires totaled 20.6 million euros, up 12.0% on the first half of 2006, registering substantially higher growth than passenger traffic which stood at 8.4%.

The "Food & beverage" segment posted the best performance (up 16.2% or 0.9 million euros) where the results were as follows: Cremonini (up 26.1%), Caffè Tazza d'Oro (up 19.1%) and Frescobaldi (up 18.7%). June saw the opening of Rustichelli (baked goods and pastries) in the domestic arrivals area, which has turned in a good performance since the very first day of opening.
The "Retail" category also reported a good performance (up 10.4%). The first six months of the year also saw the opening of new retail outlets: Gallo, Think Pink and L'angelo dello sport in the clothing sector, the delicatessen, Morgante, in the arrivals area in Terminal C, and a second Just Design outlet (replacement) in Area B, as well as a Laundromat in the domestic arrivals area.

The item "Other Royalties" also performed well (up 8.8%), especially as regards baggage wrapping (Secure Bag) activities, which were up 39.8%.

New outlets are expected to open during the second half of the year, one of which will sell clothing under the prestigious Dolce&Gabbana brand.

Advertising

Revenues from advertising were up 6.9% on the same period of 2006, deriving mainly from the sale of advertising space at Pier A/B and around the airport grounds.

Management of car parks

Management of the parking systems registered revenue of 15.0 million euros, up 9.8% on the same period of the previous year, deriving mainly from a strong upturn at Ciampino (up 43.6%) due to growth in traffic at the airport (up 16.1%) and greater parking space capacity (up 412 extra spaces).

Fiumicino also reported an upward trend (up 6.3%), even if it did not match that of traffic at the airport (up 7.1%). This result was positively influenced by the installation of metered parking spaces, even if the related revenues are expected to drop sharply in the second half of the year due to the closure of the parking spaces in front of the Terminal starting on June 25, 2007. The long-stay covered parking segment continued to do well (up 35%), whilst the long-stay uncovered segment continued to perform poorly (down 0.9%) as it continues to suffer the effects of increasingly aggressive price competition. Actions undertaken to develop new business have included continued advertising inside the airport (advertising signs, distribution of brochures) and outside the airport (magazine advertisements, radio campaigns and advertising on buses, etc.). Moreover, a new shuttle bus will soon be available from the long-stay car park in order to facilitate and speed up transfers to the air terminals.

The medium stay segment also reported an upward trend (up 4.2%), even if such growth was slower than airport traffic (up 7.1%): the definition of distribution agreements with companies and airlines is still underway and the agreement previously reached with Alitalia will come into effect in July.

Technical and IT services

Information Technology

During the first half of 2007 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 period under review include the following:

- recorded announcements: the first three months of the year saw completion of the new system that automatically manages recorded announcements made in Fiumicino's air terminals. The system can receive requests for announcements via an automatic responder and subsequently manage them;
- treasury system: development of the treasury management and reporting system, for both final and estimated data, was completed in February 2007. This system has been integrated with other administrative areas (general accounting, customers, suppliers);
- taxi system: in order to make it possible for ADR SpA to adequately manage taxi coordination services starting from May 1, 2007, a control room was set up, payment points were prepared, and internal ADR SpA personnel were trained in order to ensure the smooth running of activities previously carried out by another operator;
- information kiosks for employees: May 2007 saw completion of the software development project and related rollout of three kiosks in air terminal operational areas where security personnel can use their badge to access in-house communications and information on work shifts;
- porter service via palmtop computer: May 2007 also saw completion of the system to manage the porter service with the automatic issue of vouchers and to program and determine the actual costs of the luggage porter service for handlers, carriers and tour operators;
- mobile check-in: April 2007 saw expanded coverage of the mobile check-in service equipped with scales and access to the network through WiFi coverage.

Activities that were either continued or launched during the first six months of the year included the following:

- consolidation of corporate applications on new platforms: work went ahead on the transfer of corporate applications from the old to the new technology platforms, which has started up after the EDP outsourcing contract was stipulated. The migration of airport systems is scheduled for completion by the end of the summer of 2007. Afterwards, in a manner compatible with both corporate and airports operational needs, the disaster recovery system will be tested and receive final approval;
- new Adr.it portal: work also went ahead on the creation of the new Adr.it portal bearing a new graphic format and a new contents structure in compliance with existing regulations regarding accessibility to websites (the "Stanca Law"). Moreover, the technological infrastructure will be beefed up in order to handle ever greater use of the portal;
- credit card management: the analytical phase, therein including a feasibility study, is currently being completed. The objective is to revise the electronic payment system in use at all corporate payment points (duty free/duty paid, car parks, etc.) in line with technological developments;
- document filing and backup system: the period saw the startup and completion of analytical phase involving preliminary activities aimed at setting up a corporate documentation system. Preliminary activities needed for its implementation are currently underway;
- new common user system: a call for bids has been prepared and launched for the replacement of the current common user system (the platform that allows carriers to utilize their own check-in systems, wherever they are physically located) with a new system providing a three-year management and maintenance contract.

Environmental protection

During the period, maintenance and development activities regarding the ISO 14001 Environmental Management Systems (EMS) at Fiumicino and Ciampino airports were planned and completed (re-examinations, audit plan, training program): the systems will be re-audited during the second half of the year.

Sorted waste collection of solid urban waste and other types of widely produced materials (glass, landscape prunings and packaging materials) was expanded at both airports, with subsequent transfer of the sorted wastes to recycling plants.

The fourth ADR Environmental Report, soon to come out, contains information on environmental performance in 2006.

As regards the lowering of CO_2 emissions (Kyoto Protocol), Italy's Ministry of the Environment has certified ADR SpA's compliance with the objectives in 2006.

Quality

Implementation of the ADR Quality System

During the period, the Quality System was implemented through the adoption of new instruments, designed to support the activities carried out by ADR SpA in order to promote and develop the airport system. Specifically, the following were defined:

- The Quality Policy: this document testifies to the Company's commitment to its own customers as regards ensuring adequate levels of service and constantly verifying their level of satisfaction;
- Certification of the quality monitoring system, which certifies that the methods, organization, and operational procedures adopted by ADR SpA to carry out objective controls and customer satisfaction surveys ensure all airport operators the maximum transparency, objectivity, and impartiality.

The benchmark project was launched by ADR SpA together with leading European airports in order to facilitate exchanges of information on airport infrastructures, and, especially, on organization and the quality systems adopted. As part of this project, bilateral meetings were held airports operating in Paris, Munich and Zurich. A workgroup was set up with representatives from leading European airports (Paris, Amsterdam, Copenhagen, Frankfurt, Munich, Milan and Zurich) with the task of putting together a series of quality indicators. The objective is to allow for a confidential exchange of information, on a quarterly basis, regarding the results of the measurements taken in each airport.

Monitoring of quality

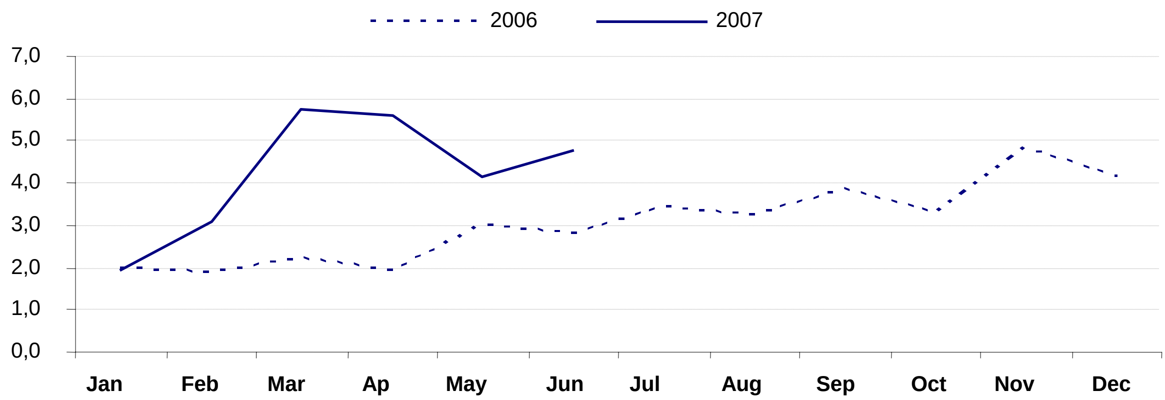
Checks on service quality at Fiumicino were carried out during the first half of 2007 by means of:

- more than 270,000 objective controls, through a total of around 19,000 observations, based on daily monitoring of the level of quality provided for the main passenger services (baggage claim, check-in, carry-on baggage security checks, passport control and restroom cleanliness);
- 5,600 customer satisfaction interviews, conducted in conjunction with objective checks of individual services;
- 3,000 questionnaires given to arriving and departing passengers, in order to verify the level of satisfaction regarding both the airport structure as a whole and the individual services utilized, not included in the activity described above;
- participation in the Airport Service Quality program, managed by the world association of airport operators (ACI), which compares the valuations expressed by passengers at the world's leading airports.

Monitoring of quality provided

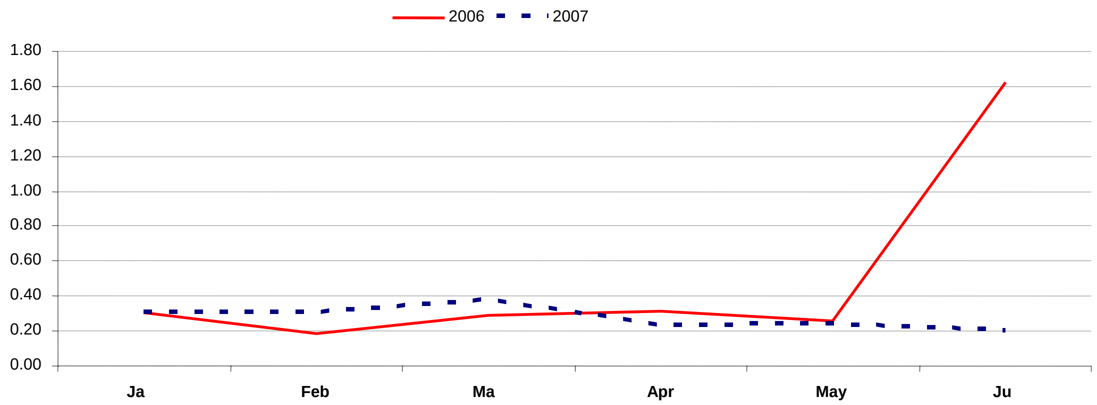
Monitoring activities revealed that the level of quality provided to passengers was generally lower than that provided in the first half of the previous year.

In the period from January to June 2007, 88% of passengers underwent waiting times for carry-on baggage security checks of between 9 to 15 minutes, 2 percentage points below the service standard published in the Service Charter (90% of passengers).



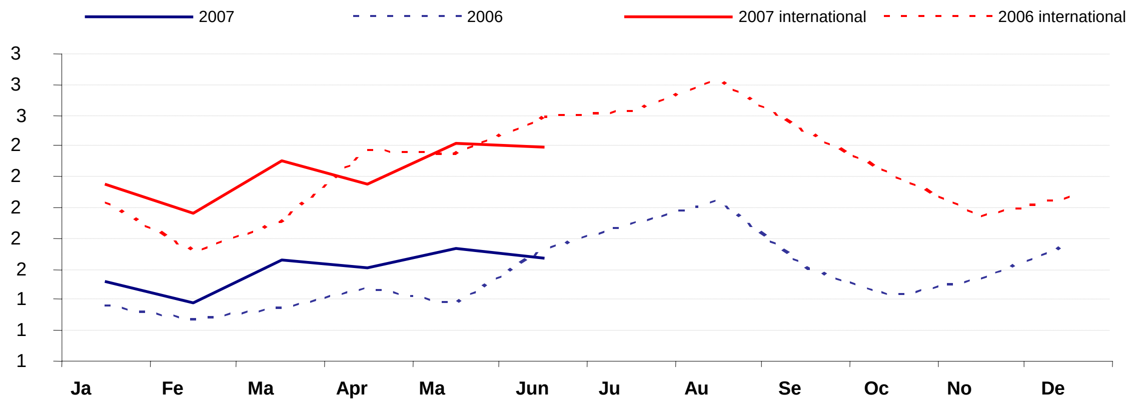
Graphic 1: average waiting times for carry-on baggage security checks. Comparison between 2007 and 2006 (times expressed in minutes).

Positive trends were also reported for the baggage handling system and 100% baggage screening: the number of misdirected bags for every 1,000 passengers boarded was 0.27. The level of service was stabilized over the months and kept consistently below the defined standard (0.5 bags for every 1,000 passenger boarded). During the period the percentage of misdirected bags remained in compliance with this standard (0.5‰).



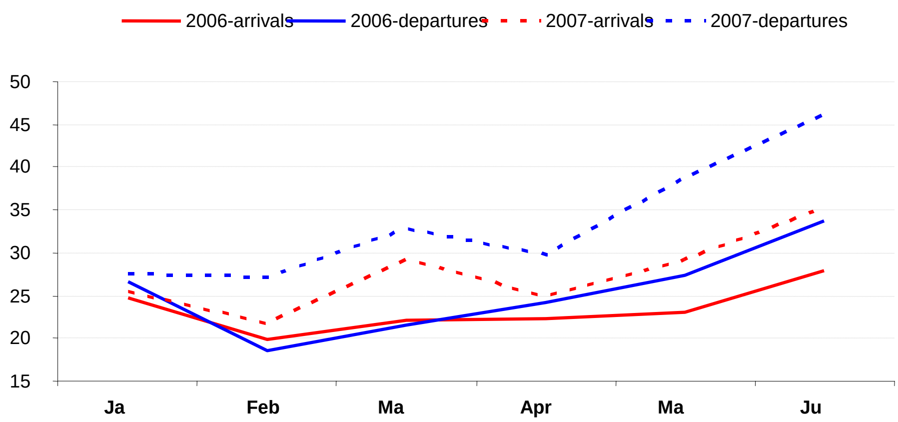
Graph 2: number of bags mishandled by the BHS system and 100% baggage screening (‰). Comparison between 2007 and 2006.

The percentage of flights with baggage reclaim times within the set Service Charter standards was 86% for the first piece of luggage and 88% for the last (the standard is 90%). Compared with the first six months of 2006, the average service time was 3 minutes longer in both cases.



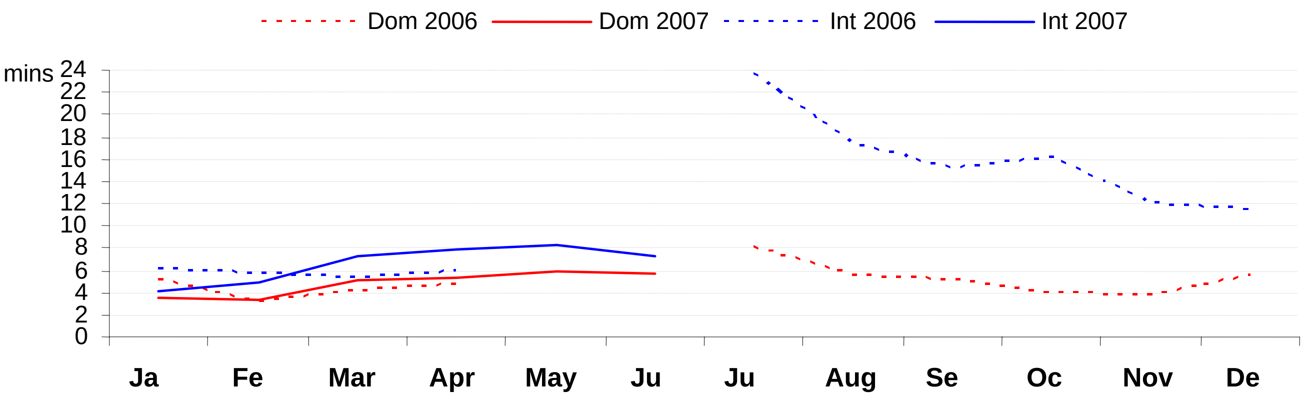
Graph 3: trend in average times for delivery of last bag. Comparison between 2007 and 2006 (times expressed in minutes).

The percentage of outgoing flights with delays of more than 15 minutes was 34%, 9 percentage points higher with respect to both the previous year and the published standard (25%). The trend in the percentage of incoming flights with delays of more than 15 also worsened (28% compared with 23% in the first half of 2006).
The "recovery of airport transit times" (the difference between delays to incoming and outgoing flights with respect to scheduled time) was negative compared with the set value (+1%).
On the contrary, ADR continued to report a positive performance as it was responsible for delays to outgoing flights in only 0.1% of all cases (standard: 0.3%).



Graph 4: comparison between the percentage of delays of more than 15 minutes for incoming and outgoing flights. Comparison between 2007 and 20006.

The average waiting time for check-in operations was 6 minutes and 28 seconds, compared with 5 minutes and 7 seconds in the first six months of 2006. Consequently, the percentage of check-ins carried out within the times set by the Service Charter fell from 83% in the first half of 2006 to 76% in the first half of 2007 (standard: 90% of cases).
The most critical area regarded international flights, where check-in operations were carried out in 7 minutes and 4 seconds and where 5% of the operations lasted an average 22 minutes.



Graph 5: trend in average waiting times in lines at check-in desks. Comparison between 2007 and 2006 (times expressed in minutes).

At Ciampino airport, quality monitoring activities have shown that:

- carry-on baggage security checks were completed within the set standard time of 9 minutes and 50 seconds in 93.3% of all cases, three percentage points better than the standard set in the Service Charter;
- the percentage of outgoing flights with delays of more than 15 minutes was 29%, whilst the percentage of incoming flights with delays of more than 15 minutes was 23%. The airport did not respect either the standard regarding delays to outgoing flights (17%) or that regarding the recovery of airport transit time (1%);
- the percentage of flights with baggage reclaim times within the set Service Charter standards was 82% for the first piece of luggage and 83% for the last (the standard is 90%);
- passenger check-in operations were completed within 10 minutes in 50% of cases (the standard is 90%).

Monitoring of perceived quality

The results of daily surveys show that Fiumicino continues to receive good evaluations: passengers' judgments were up compared with 2006 as the airport received an average score of 4.56 compared with the previous 4.48 (valuation scale 6=excellent 1= poor).

As regards air terminals, Terminals C and A received the highest scores (4.64 and 4.58, respectively) whilst Terminal B received a score of 4.44. More generally, the scores were higher for outgoing flights (4.62) than for incoming flights (4.44).

As regards the classes of service analyzed, retail services received a particularly positive judgment (4.56), whilst waiting times continued to be the airport's biggest problem in terms of service quality (3.86).

Moreover, the surveys made it possible to draw up a profile of passengers at the airport:

- 39.5% are younger than 35, 41.4% are between the ages of 36 and 55 and 12% are over 55,
- 61.2% are upper-middle class professionals (managers, freelance professionals, entrepreneurs, office workers, teachers);
- 46% travel on business and 54% travel for pleasure;

- 63.2% are Italian, with 25.9% residing in central regions, 16.6% in northern regions and 19.5% in southern regions and on the islands;
- 36.8% are not Italian, with 19.8% residing in Europe, 13.1% in North America, 2% in the Asia Pacific region, 1.6% in South America, 0.9% in the Middle and Far East and 0.4% in Africa;
- 38.7% have flown at least 7 times in the last year and 62% have been to Fiumicino at least 4 times in the same period;
- of those departing from Fiumicino, 24.7% arrived by train, 29.7% by private car and 25.3% by taxi.

According to research carried out by ACI, Fiumicino is judged to be a good airport, also in comparison with other leading European airports. Passengers ranked Fiumicino ahead of Frankfurt, London Heathrow and Paris (Charles de Gaulle and Orly) and after those airports deemed "excellent" (Zurich, Amsterdam and Copenhagen).

As part of the Quality Plan, daily surveys of customer satisfaction regarding services used at Ciampino airport have been launched over the past months. Preparation and analysis of the results of the first sample of interviews conducted are underway and will be published during the upcoming quarter.

GROUP INVESTMENT

During the period under consideration, the ADR Group carried out investment totaling 34,022 thousand euros (23,946 thousand euros in the same period in 2006).

Terminals

Work to improve the image and retail layout of terminals at Fiumicino continued, with the upgrading of the B11-B21 area still underway. Civil and plant engineering works also began at the East Pier. The contract for work to replace carpeting at Pier A/B was also assigned.
Steps to raise comfort levels inside the airport included works to upgrade the Domestic and European Piers' air conditioning systems, whilst those at the East Pier are currently being completed. Contracts to replace the flooring and false ceilings in the West Pier (including replacement of the electricity and air conditioning plants) are currently being awarded. New restrooms have been built in the International Terminal's departure hall and the older restrooms are being renovated.
Plans to unite the boarding gates at Terminals B and C have been completed and are currently being approved. The related work should get underway in the coming months.
Plans to turn the old ADR cargo building into an auxiliary terminal for "sensitive" flights are being completed. The related works were approved by the Board of Directors on August 2, 2007 and are scheduled to start soon.

As part of the program to improve and rationalize the airport's sign system, work on Terminal A's access signs has been completed ahead of schedule. Work on the external part is being assigned and a call for tenders for work on the internal part will be published in the next months.

As regards handling and security checks on checked luggage, the new BHS linking Alitalia's check-in island in Terminal A with the new building previously used only for transit is now operational. As a result, airlines now enjoy an abundance of systems and greater flexibility in the use of resources. Moreover, the new control room for baggage security personnel working in Terminals B and C has been opened.

As regards the infrastructure development plan that aims to increase terminal capacity, the executive design phase and related validation are underway for Pier C.

At Ciampino airport, the enlarged terminal is now open to the public and the new baggage control system is operational, allowing for a substantial improvement in the level of service offered.

Infrastructures and buildings

Upgrading of the perimeter of the customs area to meet standards set in the National Security Plan has been completed with the fencing of the perimeter area. The contract has also been assigned for the construction of a new portion of the road running parallel to runway 2, near the fencing.

The GOS system that automatically clocks and invoices aircraft parking times has been installed at aprons equipped with boarding bridges. The system will be extended to remote stands by the end of the year.

Construction of the new Epua 2 office building is underway and is scheduled for completion by the end of the summer of 2008.

Construction of the new co-generation plant is in progress and should be completed by the end of 2008.

The period under review also saw a series of activities, mostly at the planning level, regarding other areas of Fiumicino airport.
A feasibility study regarding the construction of ADR's new office building was completed.
As to the agreement between ADR and Alitalia to move the airline's cargo activity to the Cargo City, the Parent Company's technical department launched a project to convert Cargo AZ to a BHS specifically for flights at Terminal A, whilst plans are being drawn up to organize the cargo warehouse so that it can house AZ's activities. The creation of this new BHS in the AZ cargo area is especially important as, starting from 2009, this new BHS will work alongside the existing one, thereby greatly improving the related service.
Finally, the period saw completion of the feasibility study, partially financed by the European Community, regarding the use of an automated train to connect different areas of the airport.

Runways and Aprons

Widening of the Bravo taxiway at the future Pier C in the Northern sector continued. Work should be completed by October 2007, thereby making the new runway system available before the start of works connected to Pier C.
Work was completed as regards the construction of new aprons in the south-eastern area and the area devoted to ramp vehicle parking was also expanded.

Work began on runway 3 after the Delta taxiway became operational as the 16C/34C central runway, which is also available for the landing of flights from the south. Runway 3 is also undergoing upgrading works and the paving is being improved to fully meet transversal slope regulations. Work has been completed as regards the upgrading of the runway's luminous strips and the touchdown lights at the two runway heads, so that the runway and related infrastructure are also operational in conditions of low visibility (ICAO's Cat. III). Following completion of these works (July 2007) and works pertaining to lighting on the Bravo and EG taxiways, runway 3 will reopen with operational conditions in full compliance with related legislation and the regulations for low visibility up to the aircraft aprons in the eastern area.

Contracts have been awarded for pavement works on the BA connecting runway, utilized by aircraft taking off from runway 2. This runway is especially subject to the heat and chemicals emitted by aircraft waiting to take off. The work should be completed by the end of July 2007.

The first phase of the "Pavement Management System (PMS)" regarding runways and taxiways has almost been completed. Afterwards, it will be possible to determine the residual useful life of the pavement and to draw up the best program for future maintenance works.
Contracts have also been awarded for reconstruction and upgrading works on the horizontal sign system for Fiumicino's three runways, so that it is in accordance with the Civil Aviation Authority's related regulations. The work will be carried out at night and should be completed by July 2007.

At the design level, mention should be made of the completion of the preliminary design for runway 1 and theAlfa taxiway between the AC and AF connecting runways. This work involves the structural upgrading of the runway's pavement, of the taxiway and the related connecting runways, upgrading of the strip, construction of two new "fast exits" for landings from the south, thereby increasing the runway's capacity for landings from the south, and implementation of the luminous sign system for operations carried out in conditions of low visibility for all infrastructure connected to the runway. Plans are also on the drawing board to enlarge the anti-dust strips for the taxiway and connecting runways so that runway 1 is capable of handling new generation class F aircraft (A 380).

RESEARCH AND DEVELOPMENT

The ADR Group did not carry out any research and development activities during the first half of 2007.

GROUP PERSONNEL

The headcount as of June 30, 2007, including staff on temporary contract, was **2,529** broken down as follows:

	HEADCOUNT			AVERAGE FTEs		
CATEGORY	**June 30, 2007**	**Dec 31, 2006**	**Change**	**H1 2007**	**H1 2006**	**Change**
Managers	58	55	3	57	54	3
Supervisors	196	190	6	191	191	0
White-collar	1,615	1,477	138	1,423	1,854	(431)
Blue-collar	660	553	107	556	1,210	(654)
Total Group	**2,529**	**2,275**	**254**	**2,227**	**3,309**	**(1,082)**
including:						
on permanent contracts	1,813	1,752	61	1,737	2,588	(851)
on temporary contracts	716	523	193	490	721	(231)

and broken down by company as follows:

HEADCOUNT	June 30, 2007			Dec 31, 2006			Change	Change	Change
	Perm. contract	Temp. contract	TOTAL	Perm. contract	Temp. contract	TOTAL	Perm. contract	Temp. contract	TOTAL
ADR SpA	1,746	715	2,461	1,690	521	2,211	56	194	250
ADR Engineering SpA	38	0	38	30	1	31	8	(1)	7
ADR Tel SpA	20	0	20	21	0	21	(1)	0	(1)
ADR Advertising SpA	9	1	10	11	1	12	(2)	0	(2)
Total Group	**1,813**	**716**	**2,529**	**1,752**	**523**	**2,275**	**61**	**193**	**254**

AVERAGE FTES	H 1 2007			H 1 2006			Change	Change	Change
	Perm. contract	Temp. contract	TOTAL	Perm. contract	Temp. contract	TOTAL	Perm. contract	Temp. contract	TOTAL
ADR SpA	1,670	489	2,159	1,692	395	2,087	(22)	94	72
Flightcare Italia SpA (formerly ADR Handling SpA)	0	0	0	836	325	1,161	(836)	(325)	(1,161)
ADR Engineering SpA	37	0	37	28	1	29	9	(1)	8
ADR Tel SpA	21	0	21	20	0	20	1	0	1
ADR Advertising SpA	9	1	10	12	0	12	(3)	1	(2)
Total Group	**1,737**	**490**	**2,227**	**2,588**	**721**	**3,309**	**(851)**	**(231)**	**(1,082)**

With respect to December 31, 2006, the Group's headcount increased by 254 (up 11.1%), equal to an increase in full time equivalents of 60.8, and this change relates entirely to ADR SpA. Specifically, the number of staff on permanent contracts rose by 61 essentially due to a change in the mix between permanent and temporary contracts. This occurred following application of the agreements reached with labor unions on April 10, 2006 to transform 54 temporary contracts into permanent contracts for ADR SpA.

The increase in the number of staff on temporary contracts (up 193) was due to greater staff requirements linked to traffic growth at both Fiumicino and Ciampino airports, to the implementation of specific services designed to improve quality standards, to new regulations and legislation regarding airport security and to the opening of new retail outlets at the airports.
For the sectors most influenced by traffic (Terminal, Security, Cargo and Duty Free), recourse was made to the use of temporary, part-time contracts, in place of the previously used full-time contracts, with consequent reductions in FTEs and an apparent increase in the headcount.

- Industrial relations

In application of the above agreement signed with labor union representatives in February 2006, relating to conclusion of talks begun with implementation of the lay off procedure as per Law 223/91, in January 2007 another agreement was signed calling for implementation of the early retirement scheme throughout all of 2007.
As regards industrial relations, talks with labor union representatives regarding organizational matters led to the signing of agreements that have allowed for greater organizational flexibility in different corporate areas.
Moreover, in application of the comprehensive agreement entered into with labor union representatives, which has paved the way for, amongst other things, a more efficient staff transportation system and lower related costs, the program to meet organizational needs via the transformation of 175 temporary contracts into permanent contracts was concluded.

- Organizational aspects

The first half of 2007 saw completion of the reorganization of the Department of General and Legal Affairs and Real Estate and the Department for the Development and Management of Non-aviation activities. The objective is to strengthen the supervision of legal matters and to better respond to business opportunities and procurement policies.

The Image Committee was set up, roles and responsibilities regarding the quality certification process were defined and the related committee set up.
In the first half of 2007 overall updating of the procedures system also continued.

- Operational aspects

Fiumicino and Ciampino Security Areas, Terminals and Cargo at Fiumicino (the headcount as of June 30, 2007 was 1,312). Compared with the first half of 2006, those sectors in which operations are primarily linked to traffic, such as security, cargo and terminal activities, occupying around 50% of the Company's employees and around 75% of ADR's operating staff, reported a significant increase in output, calculated as the ratio of personnel to final traffic figures.
Specifically, in order to handle rising traffic levels and to carry out the projects planned for the period, the percentage of average output rose 5.7% in the security segment, 4.8% in the cargo segment and 13.4% in the terminal segment.
This result was achieved thanks to targeted actions that reduced absenteeism by an average of 2.5 days per person and greater recourse to part-time contracts, in that this type of contract more effectively meets staff needs in relation to traffic trends, along with a revised recruitment program that better responds to operational trends.
Maintenance Areas (the total headcount as of June 30, 2007 was 418). At the same time, steps were taken to boost awareness of operational needs and to ensure turnover in the maintenance areas, which, with the exception of duty-free, constitute the Company's operational areas. Consequently, the period January to June 2007 saw a 3.7% reduction in long-serving permanent staff, made possible also via recourse to trainees with previous experience in other areas.
Retail Area: In order to improve shelf stocking activities without hampering sales activities and the normal flow of passengers inside terminals, improvements were made to the supply procedures for duty-free and duty-paid sales points. This produced an increase of 10 FTEs including warehouse personnel and direct sales staff, as previously approved by the Management Committee.

- Recruitment and selection activities

During the first six months of 2007 selection activities were conducted in order to maintain the pool of temporary staff for ADR SpA, entailing the recruitment of 583 handlers, 290 airport staff and 804 security staff.
The Group hired approximately 593 staff (333 white-collar and 260 blue-collar) during the period. Around 80 new university and high school graduates were interviewed to take part in possible company training programs. Moreover, around 54 people were hired on permanent contracts (33 white-collar, 18 blue-collar and 3 supervisors).
For new staff hired for Flightcare Italia SpA, in addition to the normal activity for the correct use of the pool of permanent staff, medical checkups, courses on security and safety and courses for airport workers and for airport operators were provided for a total of 257 participants.
During the period, 996 company badges were issued (646 for ADR SpA and 350 for Flightcare Italia SpA).
Moreover, 850 airport badges were issued (600 for ADR SpA and 250 for Flightcare Italia SpA).

- Training and refresher courses

During the first half of 2007, ADR SpA provided 16 training courses for ADR SpA and Flightcare Italia SpA personnel, for a total of 194 participants. Training courses for blue-collar and white-collar workers for around 500 staff employed at the airports of Ancona, Genoa, Catania and Palermo and the handling operator, Aviapartner, were sold and conducted.
Training regarding communication between "team leaders" and their teams also continued with three one-day follow-up seminars for 72 middle managers. Three one and a half day workshops pertaining to the same theme were also held and focused on the new skills required by "team leaders". A total of 59

staff with managerial responsibilities, including managers and supervisors, took part. It was also possible to take advantage of special financing provided by existing legislation for this type of training.

Moreover, subsequent to the annual evaluation review and the consequent update of training requirements so as to ensure compatibility with the Company's needs, a seminar on creativity and time management was held for around 40 staff.
Organization of another seminar regarding decision-making and problem-solving processes has almost been completed, in terms of both didactics and logistics. The seminar should be held in the middle of July of this year.
Finally, in agreement with the parties involved, two training and communciation initiatives were organized. Each initiative involved three editions for a total of 127 in-house personnel and included one initiative on airport regulations (half a day) and one on operational quality (one day).

- Health and safety at the workplace

An analysis of the first half of 2007 reveals constant reduction in the level of seriousness of accidents and thus in the number of hours lost due to accidents and injuries (compared with previous years), also following implementation of specific initiatives.
Practical training on "emergency management" also continued. Fire and anti-terrorism drills were conducted in collaboration with the Combined Police Force, the Fire Brigade and First Aid staff.
After several meetings with all of the competent authorities, the macro-process by which to implement all of the emergency plans at both Fiumicino and Ciampino airports was standardized.
As regards legislation to protect privacy, the security planning document was drawn up within the prescribed time limit (March 31 2007). Moreover there is constant contact with all company units to ensure that assignments are updated based on changes in both production processes and the company's organizational setup. As usual, special attention was paid to training personnel as regards all of the above matters.
A total of 65 courses were held, involving 1,568 participants (including personnel from other companies) and a total of 9,000 hours, with a per capita average of 5.7 hours.

CORPORATE TRANSACTIONS

In a meeting held on February 15, 2007, ADR SpA's Board of Directors resolved to take steps in order to spin off cargo activities. In line with the general strategy for disposing of non-core areas of business, this will involve the setting up a separate company that will take over this part of the business, before being sold off by year end.

GROUP FINANCIAL POSITION AND OPERATING RESULTS

Reclassified consolidated income statement

2006		First half 2007	First half 2006
567,279	A.-	263,294	276,505
4,927	Capitalized costs and expenses	2,355	2,260
572,206	B.- REVENUES FROM ORDINARY ACTIVITIES	265,649	278,765
(167,927	Cost of materials and external services	(89,394	(78,597
404,279	C.- GROSS MARGIN	176,255	200,168
(147,624	Payroll costs	(58,797	(79,215
256,655	D.- GROSS OPERATING INCOME	117,458	120,953
(99,424	Amortization and depreciation	(48,022	(48,343
(3,844	Other provisions	(4,098	(962
(2,327	Provisions for risks and charges	(1,785	(3,210
(4,957	Other income (expense), net	(742)	(3,049
146,103	E.- OPERATING	62,811	65,389
(113,014	Financial income (expense), net	(38,503	(41,740
33,089	F.- INCOME BEFORE EXTRAORDINARY ITEMS AND TAXES	24,308	23,649
60,491	Extraordinary income (expense), net	(553)	(502
93,580	G.- INCOME BEFORE TAXES	23,755	23,147
(28,055	Income taxes for the period	(18,656	(16,853
(4,481	Deferred tax assets (liabilities)	810	(1,815
61,044	H.- NET INCOME FOR THE PERIOD	5,909	4,479
	including:		
1,058	- Minority interest	540	518
59,98	**- Group interest**	**5,36**	**3,96**

During the first half of 2007 the Roman airport system reported an upward trend in traffic regarding all components: passengers (up 8.4%), movements (up 5.6%) and aircraft tonnage (up 5.8%).

A comparison between the Group's operating performance in the first six months of 2007 with the same period of 2006 is affected by the consolidation of Flightcare Italia SpA (formerly ADR Handling SpA) during the latter. The company was sold at the end of 2006.

Due to the Group's decision to no longer carry out handling activities, total revenues fell by 4.8%, the net result of an 18.8% drop in "aviation" earnings and a 17.2% rise in "non-aviation" earnings.

As regards the aviation component, the drop in revenues from handling activities (down 41.2 million euros due to the disposal of handling) was somewhat offset by the increase in airport fees and security charges, which benefitted from the increase in traffic, rising 6% and 7.9%, respectively.

Growth in the "non-aviation" segment (up 17.2%) primarily reflected growth in sales by directly managed retail outlets (up 21.6%), which outstripped traffic growth due to a 12.4% increase in average passenger spend.
Revenues from "sub concessions and utilities" rose 11.2% thanks to the excellent performance posted by sub-concessionaires in the "food and beverage" sector.
Revenues from the management of car parks and advertising space were also up compared with the same period of 2006, rising 9.8% and 6.9%, respectively.

The consumption of materials and external services, amounting to 89.4 million euros, was up 13.7% primarily due to an increase in the cost of goods for resale, linked to growth in turnover, and in service costs.
Specifically, costs linked to external services include new costs incurred by airport operators with effect from January 1, 2007 regarding fire prevention services and a license fee surtax.
Based on the reasons explained in the section "Legal and regulatory context", these expenses, estimated at 4.1 million euros for fire prevention services and at 0.4 million euros for the license fee, were prudently charged to the income statement.
Although exclusion of ADR Handling SpA from the basis of consolidation had only a minor impact on the consumption of materials and external services due to these costs primarily relating to ADR SpA, it produced a significant drop in payroll costs (down 25.8%).

Consequently, EBITDA for the period was 117.5 million euros. Compared with the first half of 2006, this figure represents a drop in absolute terms of 2.9%, but an improvement of almost one percentage point in terms of the related margin (from 43.7% to 44.6%).

Despite the decrease in net sundry expenses and in provisions for risks and charges, which offset the increase in provisions for doubtful accounts, EBIT totals 62.8 million euros, down 3.9% with respect to the same period of 2006.

Despite rising interest rates, net financial expense, totaling 38.5 million euros, was down 3.2 million compared with the first half of 2006, resulting in a positive impact on pre-tax income. This result is in line with the objectives set at the end of 2006 and to be achieved via various initiatives: early repayment of a significant amount of bank borrowings and realignment of fixed rate hedges with market rates.

The Group thus closed the first half of 2007 with net income of 5.4 million euros, up 1.4 million euros compared with the first half of 2006.

Reclassified consolidated balance sheet

(€000

06-30-2006		06-30-2007	12-31-2006	Chang
	A. – NET FIXED ASSETS			
2,071,473	Intangible fixed assets *	2,031,179	2,050,619	(19.440
131,67	Tangible fixed assets	126,88	122,75	4.12
4,17	Non-current financial assets	3,31	3,75	(432
2,207,326		2,161,378	2,177,123	(15.745
	B. – WORKING CAPITAL			
18,37	Inventory	19,83	21,02	(1.191
145,68	Trade receivables	151,70	128,89	22.80
38,96	Other assets	41,28	39,26	2.01
(113,155	Trade payables	(133,203	(126,763	(6.440
(40,035	Provisions for risks and charges	(28,254	(29,350	1.09
(57,711	Other liabilities	(75,755	(52,922	(22.833
(7,875		(24,391	(19,847	(4.544
2,199,451	C. – INVESTED CAPITAL, minus short-term liabilities (A+B)	2,136,987	2,157,276	(20.289
60,92	D. – EMPLOYEE SEVERANCE INDEMNITIES	41,25	41,68	(428
2,138,527	**E. – INVESTED CAPITAL, minus short-term liabilities and E.S.I (C-D)**	**2,095,733**	**2,115,594**	**(19.861)**
	financed by:			
	F. – SHAREHOLDERS' EQUITY			
707,62	- Group interest	718,54	763,64	(45.102
1,42	- Minority interest	1,48	1,96	(482
709,05		720,03	765,61	(45.584
1,640,019	G. – MEDIUM/LONG-TERM BORROWING	1,512,519	1,512,519	0
	H. –NET SHORT-TERM (NET CASH AND CASH EQUIVALENTS)			
4,60	.Short-term borrowing	4,29	15,89	(11.597
(215,146	.Cash and current receivables	(141,115	(178,435	37.32
(210,542		(136,817	(162,540	25.72
1,429,477	(G+H)	1,375,702	1,349,979	25.72
2,138,527	**I. – TOTAL AS IN "E" (F+G+H)**	**2,095,733**	**2,115,594**	**(19.861)**
1,872,779	*(*) including: the value of the concession totaling*	*1,823,495*	*1.848.137*	*(24.642)*

As of June 30, 2007 the ADR Group's invested capital amounted to 2,095.7 million euros, representing a decrease of 19.9 million euros compared with the end of the previous year. This change was primarily due to a drop in fixed assets, in turn due to amortization and depreciation which exceeded investments carried out during the period.

Working capital also fell compared with the end of 2006 (down 4.5 million euros) as a net result of varying trends in the different components.
In particular, there was a 6.4 million euro increase in trade payables and a 22.8 million euro increase in "Other liabilities". The latter was due to an increase in estimated tax for the period (around 11.9 million euros), greater amounts due to tax authorities for the municipal surcharge on passenger boarding fees due to the 50 cent increase in effect from January 1, 2007 (up 2.3 million euros) and an increase in deferred income (3.2 million euros).
The drop in working capital was offset by the 22.8 million euro rise in trade receivables, in turn due to the increase in turnover, which is typical during the first part of the year, and to the temporary postponement of some collections relating to early July.

In terms of funding, there was a 45.6 million euro reduction in shareholders' equity due to the payment of dividends totaling 51.5 million euros, in part offset by net income for the period of 5.4 million euros.

The Group's net debt totals 1,375.7 million euros, representing an increase of 25.7 million euros relating entirely to short-term debt.
Specifically, there was a 11.6 million euro decrease in short-term debt due exclusively to the differing trend regarding payment of interest on existing lines of credit, and a reduction in net liquidity due primarily to the aforementioned payment of dividends.

Statement of cash flows

(€000

2006		First half 2007	First half 2006
290,260	A.- NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	162,540	290,260
	B.-CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
61,04	Net income (loss) for the period	5,90	4,47
99,42	Amortization and depreciation	48,02	48,34
(64,964	(Gains) losses on disposals of fixed assets	(17	(87
(27	((Revaluations) write-downs of fixed	(9	(26
(27,164	Net change in working capital (1)	4,54	(36,472
(2,453	Net change in severance indemnities (1)	(428	(1,109
65,86		58,02	15,12
	C.- CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
	Investment in fixed		
(38,828	.intangibl	(21,748	(14,859
(18,429	.tangible	(12,274	(9,086
(438	.financia	0	(428
63,10	Proceeds from disposal, or redemption value of fixed assets	1,77	1,02
5.41		(32,251	(23,352
	D.- CASH FLOW FROM (FOR) FINANCING ACTIVITIES		
(127,500	Repayment of loans	0	0
(127,500		0	0
(71,494	E.- DIVIDENDS PAID	(51,493	(71,494
(127,720	F.- CASH FLOW FOR THE PERIOD (B+C+D+E)	(25,723	(79,718
162,540	G.- NET CASH AND CASH EQUIVALENTS (NET SHORT-TERM DEBT) AT END OF PERIOD (A+F)	136,817	210,542

(1) changes in working capital and in staff severance indemnities in 2006 are reported net of the effect of the exclusion of Flightcare Italia SpA (formerly ADR Handling SpA) from the basis of consolidation, totally 2.7 million euroS and -17.9 million euros, respectively.

(2) In 2006 this item included the sale price (72.5 million euros, including transaction costs) of the holding in Flightcare Italia SpA (formerly ADR Handling SpA) net of cash and cash equivalents transferred (10.9 million euros).

The Group's operating cash flow amounted to 58.0 million euros in the first half of 2007, after servicing of debt falling due.

Internally generated resources made it possible to entirely cover the net cost of self-financed investments during the period, totaling 32.3 million euros.

As a result of the payment of dividends, totaling 51.5 million euros, cash flow for the first half of 2007 was a negative 25.7 million euros. Thus, net liquidity as of June 30, 2007 was 136.8 million euros.

Analysis of net debt

2006	(€000	First Half 2007	First Half 2006
(1,349,759)	**A.- NET DEBT AT BEGINNING OF PERIOD**	**(1,349,979)**	**(1,349,759)**
256,65	EBITDA	117,45	120,95
9,66	Net change in operating working capital (1)	(19,273	(15,678
(2,453	Net change in employee severance indemnities (1)	(428	(1,109
(5.136	Other income (expense),	(759	(3,136
(4,481	Extraordinary income (expense),	(553	(579
(44,220	Current taxes paid	(6,820	(24,374
(31,116	Other assets/liabilities (included provisions for risks and charges) (1)	8,62	(17,466
178,909	**B.- OPERATING CASH FLOW**	**98,252**	**58,611**
(57,695	Capex (tangibles, intangibles and	(34,022	(24,373
63,10	Proceeds from disposal or redemption value of fixed asset (2)	1,77	1,02
184,323	**C.- FREE CASH-FLOW**	**66,001**	**35,259**
(113,049	Financial income (expense),	(40,231	(43,483
(71,494	Dividends paid	(51,493	(71,494
(220)	**D.- NET CASH FLOW FOR THE PERIOD**	**(25,723)**	**(79,718)**
(1,349,979)	**E.- NET DEBT AT END OF PERIOD (A+D)**	**(1,375,702)**	**(1,429,477)**

MAIN GROUP COMPANIES

ADR Engineering SpA - Unipersonale

The Company operates in the field of airport engineering, i.e. design, works supervision and technical consultancy services. In the first half of 2007 it reported net income of 253 thousand euros, more or less unchanged from the same period of 2006 (down 18 thousand euros).

Total revenues from ordinary activities rose by 695 thousand euros (up 24.2%) as a result of activities commissioned by the Parent Company, ADR.

In contrast, operating costs rose by 9.7%. Consequently, EBITDA rose 221.1% to stand at 644 thousand euros (207 thousand euros in the first six months of 2006).

ADR Tel SpA

This company, which builds and manages telecommunications systems used by the Roman airport system, reported net income of 291 thousand euros for the first six months of 2007, representing an increase of 62 thousand euros with respect to the corresponding period in 2006.

Revenues were up 18.7% and totaled 4,442 thousand euros, essentially due to an increase in revenues from standard services. The most significant increase regarded Intranet and Internet services.
Operating costs amounted to 3,142 thousand euros, an increase of 290 thousand euros, or 10.2%, with respect to the first half of the previous year. This was primarily due to the rise in direct termination and mobile operating costs (up 142 thousand euros) linked to increased consumption.
EBITDA stood at 1,362 thousand euros, an increase of 35.4%.

Growth in EBIT was slightly lower (up 34.9%) due to an increase in amortization and depreciation for the period (up 185 thousand euros).

ADR Advertising SpA

This company, which manages advertising space at Rome's airports, reported net income of 697 thousand euros, substantially in line with the same period of the previous year (up 28 thousand euros).

Revenues, totaling 12,778 thousand euros, were up 7.6% on the same period in 2006, whilst EBITDA stood at 1,390 thousand euros, representing an increase of 16.9% thanks to slower growth in operating costs (up 6.6%).

EBIT, totaling 1,213 thousand euros, grew by 6.8%, reflecting greater amortization and depreciation and a worsening of net sundry income (expense).

NOTICE REGARDING MANAGEMENT AND COORDINATION AS PER ARTICLE 2497 ET SEQ. OF THE ITALIAN CIVIL CODE

With reference to the company law reform introduced by article 2497 and subsequent articles of the Italian Civil Code, as of June 30, 2007, the Parent Company, ADR SpA, is not subject to "management and coordination" by its shareholder Leonardo S.r.l. which, despite holding a controlling interest pursuant to art. 2359 of the Italian Civil Code, does not exercise influence over the subsidiary undertaking's management strategies and operations.

From August 2, 2007, ADR SpA is subject to "management and coordination" by Gemina SpA, which wholly owns Leonardo Srl.

In turn, with the entry into force of the changes made to the Company's articles of association, ADR SpA "manages and coordinates" its subsidiary undertakings, ADR Engineering SpA and ADR Tel SpA.

RELATIONS WITH PARENT COMPANIES AND OTHER RELATED PARTIES

Transactions carried out by ADR SpA with related parties in the first half of 2007 refer primarily to the supply of goods, trade and centralized treasury services. All of the transactions were carried out on an arm's length basis.

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 (in thousands of euros).

TRADING RELATIONS

	balances as of June 30, 2007				First Half 2007						
					Revenues			*Costs*			
	Receivables	*Payables*	*GuaranteesI*	*Commitments*	*Goods*	*Services*	*Other*	*Goods*	*Services*	*Other*	*Investments*
Subsidiary undertakings subject to management and coordination .											
ADR Engineering S.p.A.	22	7,01	25	3,23	3	11	9	0	29	0	3,74
ADR Tel S.p.A.	20	1.76	35	3	0	28	4	0	2,11	0	44
	434	**8,777**	**600**	**3,268**	**3**	**408**	**142**	**0**	**2,413**	**0**	**4,188**
Other subsidiary undertakings											
ADR Advertising S.p.A.	9,11	3	0	0	0	10.48	2	0	3	0	0
Airport Invest B.V.	0	0	0	0		0	0	0	0	0	0
	9,115	**36**	**0**	**0**	**0**	**10,483**	**22**	**0**	**36**	**0**	**0**
Associated undertakings											
Ligabue Gate Gourmet Roma S.p.A. in fall.	0	96	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 six months of 2007 for work commissioned by ADR SpA amounted to 4,038 thousand euros (2,527 thousand euros in the same period in 2006). ADR SpA charged the company 215 thousand euros (126 thousand euros in the first six months of 2006) relating to sub-concessionaire fees, utilities, administrative services, etc..

From April 2003 the subsidiary undertaking, ADR Tel SpA, has managed telecommunications at the airports of Fiumicino and Ciampino. In the period under review, the company posted revenues from telephony services provided to ADR SpA of 2,118 thousand euros (1,688 thousand euros in the same period of 2006) and carried out upgrading works on the telephone network worth 445 thousand euros (563 thousand euros in the first half of 2006). ADR SpA charged the company an amount of 338 thousand euros (269 thousand euros in the first half of 2006) in royalties and rentals on the lease of telecommunications assets and premises, and for utilities and staff services.

From 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 six months of 2007 amount to 10,310 thousand euros (9,722 thousand euros in the first half of 2006).
ADR SpA received additional revenues from the company, totaling 195 thousand euros (204 thousand euros in the first half of 2006), as lease rentals and as paym,ent for utilities and various services.

FINANCIAL RELATIONS

	Balances as of June 30, 2007			First Half	
	Receiv.	*Payables*	*Guarantees*	*Income*	*Expense*
Subsidiary undertakings (man. and coor.)					
ADR Engineering S.p.A. Unipersonale	1,195	0	0	14	0
ADR Tel	1,560	0	0	31	0
	2,75	**0**	**0**	**45**	**0**
Other subsidiary undertakings					
Airport Invest	0	3,274	0	0	68
	0	**3,27**	**0**	**0**	**68**

Financial relations with the subsidiary undertakings, ADR Engineering SpA, ADR Tel SpA 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 inter-company trading relations.

SUNDRY

	Balances as of June 30, 2007	
	Receivables	*Payables*
Subsidiary undertakings (managed and coor.)		
ADR Engineering S.p.A.	0	35
ADR Tel S.p.A.	0	14
	0	**491**
Other subsidiary undertakings		
Airport Invest B.V.	0	0
ADR Advertising S.p.A.	0	0
	0	**0**
Associated undertakings		
Ligabue Gate Gourmet Roma S.p.A. in liquidation	53	0
La Piazza di Spagna S.r.l.	0	3
	530	**34**

Sundry relations include ADR SpA's payable to Group companies (491 thousand euros) deriving from the decision to adhere to the consolidated tax regime introduced by the so-called Tremonti Reform. The regime was adopted in 2004 for the three-year period 2004-2006 and involves ADR SpA, as the consolidating company, and the subsidiary undertakings, ADR Engineering SpA and ADR Tel SpA (consolidated companies).
This payable corresponds to the amount accrued as of December 31, 2006 in that in 2007 ADR SpA decided not to exercise this option.

Nevertheless, given the existence of the prerequisites, ADR SpA and the Group companies, ADR Engineering SpA, ADR Tel SpA and ADR Sviluppo Srl, have opted to take part in a new regime for the three-year period 2007-2009 with the consolidating company, Gemina SpA.

Gemina SpA, as the consolidating company, has submitted the necessary documents to the tax authorities, electing to participate in the optional consolidated tax regime introduced by Legislative Decree no. 344/2003.

Relations with other related parties, including relations with Gemina due to consolidated taxation, break down as follows:

SUNDRY AND TRADING RELATIONS

	Balances as of June 30, 2007		First Half	
	Receivables	*Payables*	*Revenues*	*Costs*
Other related parties				
Gemina SpA	0	10,352	0	11,293
Macquarie Airport Luxembourg SA	0	99	0	34
	0	**10,45**	**0**	**11,32**

In particular, in relation to the taxable income transferred to Gemina SpA from the consolidated companies, ADR SpA, ADR Engineering SpA and ADR Tel SpA, consolidated tax charges of 10,841 thousand euros, 192 thousand euros and 206 thousand euros were posted, respectively. This results in a total charge of 11,239 thousand euros. In relation to the tax credits transferred from the consolidated companies, in addition to the above taxable income, a payable of 10,298 thousand euros to Gemina SpA was also posted.

The other expenses paid to Gemina SpA (53 thousand euros) include the fees paid to directors of ADR SpA, reimbursement of expenses and rent. The expenses paid to Macquarie Airport Luxembourg SA include fees paid to directors of ADR SpA and reimbursement of expenses.

TREASURY STOCK OR PARENT COMPANY'S SHARES IN 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 2007 or at the end of 2006. 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 2007.

FINANCIAL RISK MANAGEMENT

The Group uses interest rate swaps and interest rate caps to hedge interest rate risks.

The hedging policy, drawn up as part of ADR SpA's loan agreements, calls for at least 51% of debt to be protected from interest rate risk.

In line with this policy, the interest rate swaps entered into with Mediobanca, Barclays, UBM, Royal Bank of Scotland and Deutsche Bank in 2001 are still in effect. Said swaps are based on notional capital of 864 million euros and mature on October 2, 2009.

On October 1, 2004 interest rate swaps were entered into with a number of the above counterparties (Mediobanca, Barclays and Royal Bank of Scotland). The swaps are based on total notional capital of 468 million euros up to March 2008 and 495 million euros up to October 2, 2009. On the basis of the agreements, ADR receives a fixed rate of 3.3% and pays a floating 3-month Euribor rate capped at 6.0%. This transaction enables ADR SpA to balance its exposure to fixed and floating rates (reducing its fixed rate debt from 78% to 59% of the total), bringing it more into line with expected short- to medium-term movements in interest rates and fixing the maximum risk that may be incurred.

On May 16, 2006 ADR SpA signed two interest rate collar forward start contracts with Barclays and Royal Bank of Scotland, involving notional capital of 120 million euros each, on the basis of which 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.
With the signing of these contracts protection of interest risk has been extended by an additional three years.
On December 18, 2006 the above fixed interest rate swaps were renegotiated for notional capital of 864 million euros.

The above hedges, already adequate for the purposes of hedging the debt restructured in 2003, involve payment of a fixed rate of 5.075%.
Taking account of the favorable conditions offered by market interest rates and utilizing available liquidity, thanks also to income deriving from the sale of the subsidiary undertaking, Flightcare Italia SpA (formerly ADR Handling SpA), the fixed rate paid by ADR has been realigned with the market rate (3.8910%) up to the original maturity date (2009) against payment of the market value of the related instruments (27.4 million euros). This initiative has allowed for a reduction in the average cost of debt by almost one percentage point for the three year period 2007-2009.

The rating agencies, Moody's and Standard & Poor's both revised the rating given to ADR SpA during the last part of the six-month period.

The planned reorganization of ADR SpA's shareholders' structure, and especially potential risk resulting from uncertainties as to the related funding, convinced Moody's to lower the outlook from "positive" to "stable" (BAA3), whilst Standard & Poor's (BBB) placed ADR SpA on "negative watch" until such time as the uncertainties have been resolved.

SUBSEQUENT EVENTS

Information regarding trends for traffic components for the Roman airport system, during the period January-July 2007, broken down into segments for Fiumicino and Ciampino, and domestic and international traffic, is provided below:

Data as of July 31, 2007 and changes with respect to the same period of 2006

	SYSTEM	Ciampinc	Fiumicino	Domestic	International
Movements	231,974	39,918	192,056	105,048	126,926
D% vs	+5.8%	+7.7%	+5.4%	+1.8%	+9.3%
Mtow	16,244,445	1,913,070	14,331,375	5,956,361	10,288,084
D% vs	+5.9%	+11.0%	+5.3%	+3.2%	+7.6%
Total Pax	21,838,627	3,225,182	18,613,445	8,190,197	13,648,430
D% vs	+8.8%	+15.3%	+7.7%	+6.2%	+10.4%
Freight (Kg)	89,062,392	14,030,637	75,031,755	6,520,007	82,542,385
D% vs	+3.6%	+1.9%	+3.9%	+28.5%	+2.1%
Mail (Kg)	17,046,426	346	17,046,080	13,351,693	3,694,733
D% vs	-29.6%	-98.3%	-29.6%	-30.7%	-25.7%

	International	UE	Extra UE
Movements	126,926	94,294	32,632
D% vs	+9.3%	+13.9%	-2.2%
Mtow	10,288,084	6,215,158	4,072,926
D% vs	+7.6%	+12.3%	+1.0%
Total Pax	13,648,430	9,641,881	4,006,549
D% vs	+10.4%	+13.3%	+4.1%
Freight (Kg)	82,542,385	25,222,157	57 ,320,288
D% vs	+2.1%	+8.4%	-0.5%
Mail (Kg)	3,694,733	1,896,732	1,798,001
D% vs	-25.7%	-33.3%	-15.6%

July, with a total of 37,236 movements and 3,825,337 passengers, was the Roman airport system's busiest month ever since the two airports (Fiumicino and Ciampino) opened, with an increase of around 330,000 passengers on the previous peak (July 2006). On July 30 the system also registered its highest ever peak for daily traffic (a total of 136,237 passengers).

At Fiumicino airport, the first seven months of 2007 passenger levels rose 7.7% compared with the same period in 2006 due to increases in capacity (movements up 5.4% and aircraft tonnage up 5.3%) and in load factors.

In July, with a total of 3,317,215 passengers, Fiumicino reported its busiest month ever since the airport opened.

The sharp rise in traffic placed airport infrastructures under particular stress.
On July 7, 2007 a serious mechanical breakdown blocked one of the automated baggage handling system's sorters. Work on resolving the problem was concluded on July 11, when the system was returned to full working order.
In the days following the breakdown up until its resolution, the Parent Company, ADR, utilized alternative methods to ensure baggage flow. Workers were stationed at critical points (check-in desks, bays, collectors) in order to keep baggage flowing and prevent further blocks.
Such procedures made it possible to limit the damage and ensure the continuity of operations during a period of particularly heavy traffic.
In the night between Saturday July 28 and Sunday July 29 a series of drops in voltage (6 between the hours of 2am and 6am) in the airport's electricity supply system blocked almost all the mechanical systems and damaged some of the baggage system's control panels.
The resulting problems (mishandled and delayed luggage) were considerable, despite the extraordinary steps taken by ADR with teams of baggage handlers and maintenance workers. The problems continued until Monday July 30.
The two events taking place on July 7 and 29 were due to different factors, but the underlying cause had to do with insufficiencies in airport infrastructure.
The construction of a new terminal for auxiliary flights and of a backup belt for Terminal B will, starting from the first half of 2008, be stopgap solutions preventing a repeat of the same problems. The problems will be definitively resolved with the construction of two additional automated baggage handling systems in the AZ cargo area and in the new Pier C, scheduled to enter service at the end of 2009 and during the first half of 2011, respectively.
As regards the airport's electricity supply system, the problems were caused by additional connections, over previous years, to the line that should only serve Fiumicino airport. These connections serve the retail and residential areas linked to Rome's new exhibition centre and the Parco Leonardo district. The result of such overloading is unreliable service. The solution is to use the new co-generation power plant now under construction, thanks to an industrial cooperation agreement between ADR and Sistemi di Energia. The new plant should be become operational in the middle of 2008.

July also saw the signing of an agreement governing Performance-related bonuses for 2006 which, in application of the agreement signed on April 10, 2006 regarding a review of the criteria used to calculate the bonuses, sets out different amounts for each of the different areas of business. The new criteria also envisage the payment of bonuses calculated on the basis of specific weightings for temporary staff.

As regards the procedure leading to the sale of the cargo business, which began on April 18, 2007, two companies made binding offers on July 9, 2007.
During the course of the Parent Company's Board meeting on August 2, 2007, it was decided to continue negotiations with one of the two companies, in order to complete the sale.

As to the audit of the Parent Company, ADR SpA, carried out by the Rome Tax Office on August 2, 2007, the office issued 8 demands for payment of a total of 879 thousand euros, regarding failure to pay the tax on electricity consumption and the related surtax for 2002. 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 1,505 thousand euros, concerning the sanctions imposed in relation to the failed payment of the above taxes.
Deeming the Tax Office's findings unfounded, the Company took steps to appeal the demands in question before Rome's Provincial Tax Commission.

As concerns regulated fees and, especially, with reference to the procedure underway in order to enter into the Planning Agreement, on July 26, 2007 the Civil Aviation Authority sent trade associations, including Assaeroporti, a draft of the "guidelines", specifying that, as soon as the CIPE resolution is filed at with the Court of Auditors, there will be a period of consultation lasting 20 days during which parties affected by the resolution will be able to submit their observations and proposals.

On July 18, 2007 the shareholder, Leonardo Srl, purchased Macquarie Airports Luxembourg S.A.'s entire holding in ADR SpA. Consequently, as of July 18, 2007, Leonardo Srl holds 59,668,245 shares with a par value of 1 euro each and totaling 95.761% of the share capital.

Since the close of the six-month period, the macroeconomic backdrop has been characterized by growing volatility in financial markets, sparked by the sub-prime credit crisis that exploded in the US at the end of July.
Constant and continuous intervention by central banks has not yet restored confidence in the banking sector, and it is currently difficult to forecast how long the crunch will last, and, thus, to predict the effects that this situation will have on the credit market over the medium-term.

OUTLOOK

The outlook for the second half of the year remains positive as regards traffic growth, despite uncertainties as to Alitalia's future development, which might also include reorganization of the Company's network and a greater presence at Fiumicino airport.

Nonetheless, the ongoing difficulties concerning the fees applied by airport operators, which have worsened since the issue of the draft legislation in 2005 on "System Requirements", make it impossible to ease the growing cost pressures connected to the increasing volumes of traffic handled by the "aviation" segment.

The impact of such an obvious imbalance is significant in terms of profitability and places the urgently needed upgrading of the airport's infrastructure increasingly in question.

In this sense the utmost efforts must be made to rapidly define the new regulatory context, which, following recent approval by CIPE of the directive pertaining to regulated fees, should lead to an agreement that adjusts, in the sense indicated, the level of fees to be applied.

THE BOARD OF DIRECTORS

BASIS OF PRESENTATION

GENERAL PRINCIPLES

The report and accounts for the six months ended June 30, 2007 have been prepared in accordance with law, as applicable to interim financial statements, interpreted and integrated by the accounting standards issued by the Italian Accounting Profession and the Italian Accounting Standards Setter (OIC), with particular reference to OIC n° 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, the notes to the consolidated accounts and the accounts of the Parent Company.

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, 2007, 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 S.p.A. The accounts of subsidiary undertakings used for consolidation purposes refer to the period ended June 30, 2007, as approved by the respective boards of directors.

The reconciliation of shareholders' equity and net income as of and for the six months ended June 30, 2007, 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.

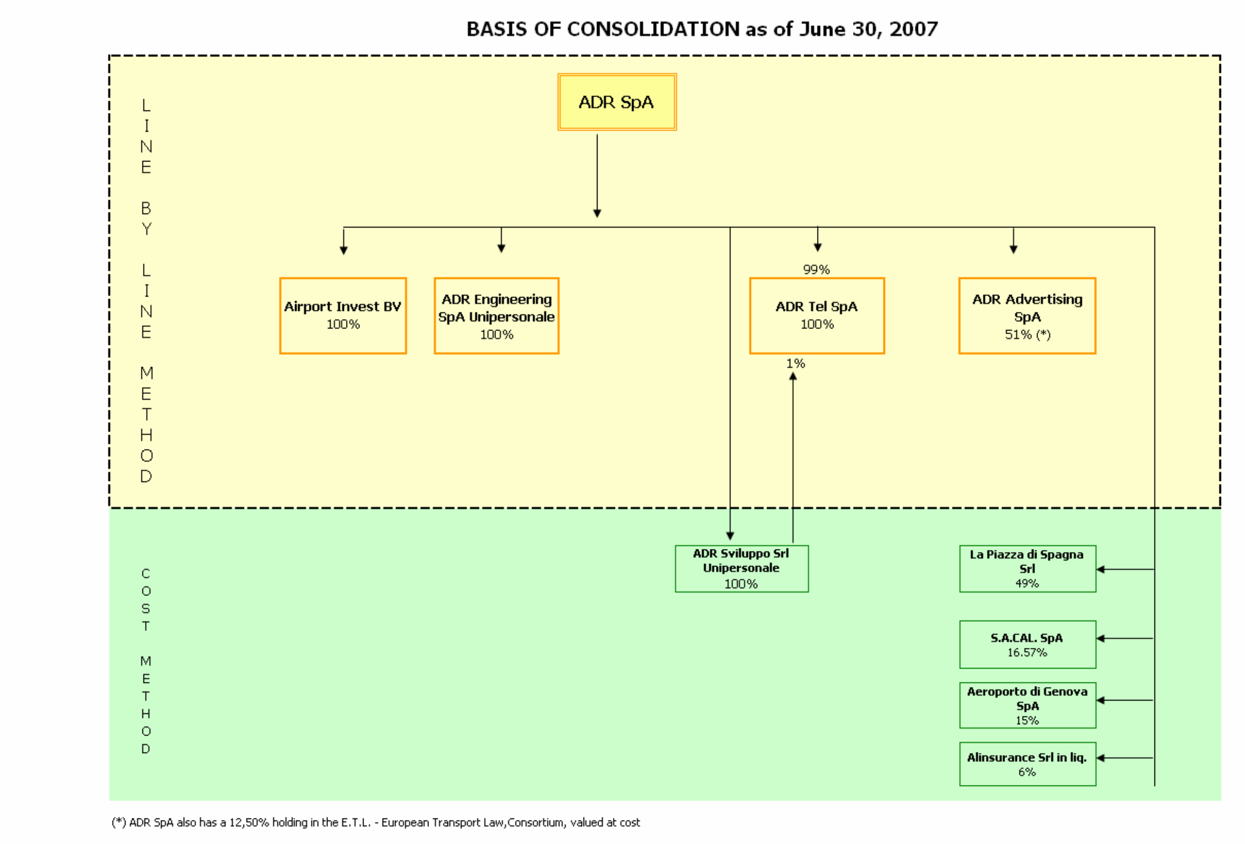
Income statement data for the first half of 2007 are compared with the amounts for the same period of the previous year; balance sheet data as of June 30, 2007 are compared with the corresponding amounts as of December 31, 2006.

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

The income statement and balance sheet items, preceded by Arabic numerals, showing zero balances across the periods used for comparison are not shown.

BASIS OF CONSOLIDATION

The consolidated accounts as of and for the six months ended June 30, 2007 include the accounts for the same period, consolidated on a line-by-line basis, of the Parent Company, Aeroporti di Roma S.p.A., and the Italian and overseas subsidiary undertakings in which the Parent Company holds, either directly or indirectly, the majority of the voting rights.



As of June 30, 2007 the basis of consolidation includes the following companies:

COMPANIES consolidated on a line-by-line basis	REGISTERED OFFICE	CURRENCY	SHARE CAPITAL	Group %	Via: Company	%
Aeroporti di Roma SpA	Fiumicino (Rome)	EUR	62,309,801	Parent Company		
Airport Invest BV	Amsterdam (Holland)	EUR	101,039.90	100%	Aeroporti di Roma	100%
ADR Engineering SpA Unipersonale	Fiumicino (Rome)	EUR	774,690	100%	Aeroporti di Roma	100%
ADR Tel SpA	Fiumicino (Rome)	EUR	600,000	99%	Aeroporti di Roma	99%[4]
ADR Advertising SpA	Fiumicino (Rome)	EUR	1,000,000	25.5%[5]	Aeroporti di Roma	25.5%

With respect to December 31, 2006, Flightcare Italia SpA (formerly ADR Handling SpA) has been excluded from the basis of consolidation. In 2006 only the company's income statement was consolidated for the period January 1, 2006-September 30, 2006, as the company was disposed of on November 3, 2006.

[4] The remaining 1% stake is held by ADR Sviluppo Srl Unipersonale

[5] Equity investment in the company's total share capital of 1,000,000 euros (including preference shares). The interest in the ordinary shares amounts to 500,000 euros (51%).

The following equity investments are valued at cost:

COMPANIES valued at cost	REGISTERED OFFICE	CURRENCY	SHARE CAPITAL	Group %	Via Company	%
ADR Sviluppo Srl Unipersonale	Fiumicino (Rome)	EUR	100,000	100%	Aeroporti di Roma	100%
La Piazza di Spagna Srl	Fiumicino (Rome)	EUR	100,000	49%	Aeroporti di Roma	49%
Ligabue Gate Gourmet Roma SpA in liquidation	Tessera (Venice)	EUR	103,200	20%	Aeroporti di Roma	20%
S.A.CAL. SpA	Lamezia Terme (Catanzaro)	EUR	7,755,000	16.57%	Aeroporti di Roma	16.57%
Aeroporto di Genova SpA	Genova Sestri	EUR	4,648,140	15%	Aeroporti di Roma	15%
E.T.L. (European Transport Law) Consortium	Rome	EUR	82,633.04	12.5%	Aeroporti di Roma	12.5%
Alinsurance Srl in liquidation	Rome	EUR	104,000	6%	Aeroporti di Roma	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 holding in the associated undertaking, La Piazza di Spagna Srl, has been valued at cost and not using the equity method, as the company, which was incorporated on December 17, 2003, is not yet operational. The holding in the associated undertaking, Ligabue Gate Gourmet Roma S.p.A., has also been valued at cost, due to the fact that the company is in liquidation.

CONSOLIDATION PRINCIPLES

The main consolidation principles are described below:

- the book value 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;
- inter-company 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;
- 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 by 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;

- financial statements denominated in foreign currency have been translated into euros using current exchange rates. Balance sheet items, with the exception of those forming shareholders' equity, have been translated using period-end exchange rates, whilst average exchange rates for the period were applied to income statement items. Any exchange rate differences arising have been recorded among consolidated shareholders' equity at a specific item, "Reserve for foreign currency translation adjustments";
- 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 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 six-month accounts as of June 30, 2007 are those required by the relevant legislation, interpreted and integrated by the accounting principles established by the Italian Accounting Profession and the Italian Accounting Standards Setter (collectively referred to as Italian GAAP),with particular reference to the principle n. 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 accumulate 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 rights*

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 duration of the concession, 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;
- *Ancillary charges on loans:* the charges sustained 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 no. 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 on expiry of the concession (in 2044) when the assets are to be transferred to the Ministry 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, 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.

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 Ministry of Transport, 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.

Accruals and deferrals

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 the Company's employees and in accordance with governing legislation. This amount was calculated for indemnities matured up to June 30, 2007 and is shown net of any advance payments and of amounts taking the form of supplementary social security contributions or amounts paid to the to the Treasury Fund set up at the Italian Social Security Institution (INPS).

Payables

Payables are recorded at their nominal value.

Receivables and payables recorded in foreign currency

In line with the new provisions introduced by company law reform (article 2426 - c.8 bis of the Italian Civil Code), 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".

Finance leases

Finance leases are recorded in the financial statements in accordance with the "operating lease method", which means that the lease rental is charged to the income statement. The notes report the effects, if significant, on shareholders' equity and the income statement that would have been produced had finance leases been recorded according to the "finance lease method".

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.
In accordance with the "operating lease method" used to record finance leases in the financial statements, this item also includes the value of future commitments for leases rentals to be paid at the balance sheet date, in addition to the price to be paid in order to redeem the asset.

- 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".

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

The positive and negative interest rate differentials, deriving from Interest Rate Swaps entered into for hedging purposes, accrued at the end of the period are recorded on an 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

	12/31/2006			Changes during the period			06-30-2007		
	Cost	Amortization	Book value	Purchases/ Capitalization	Reclassifications	Amortization	Cost	Amortization	Book value
- Incorporation and development costs	1,879	(1,580)	299	0	0	(120)	1,879	(1,700)	179
	1,879	(1,580)	299	0	0	(120)	1,879	(1,700)	179
- Industrial patents and intellectual property rights	5,599	(3,075)	2,524	180	51	(449)	5,830	(3,524)	2,306
	5,599	(3,075)	2,524	180	51	(449)	5,830	(3,524)	2,306
- Concessions, licenses, trademarks and similar rights	2,183,572	(331,497)	1,852,075	405	184	(25,809)	2,184,161	(357,306)	1,826,855
	2,183,572	(331,497)	1,852,075	405	184	(25,809)	2,184,161	(357,306)	1,826,855
- Leasehold improvements in process and advances:									
. Leasehold improvements in process	37,671	0	37,671	15,460	(7,966)	0	45,165	0	45,165
	37,671	0	37,671	15,460	(7,966)	0	45,165	0	45,165
- Others									
. Leasehold improvements	400,497	(271,763)	128,734	5,703	6,973	(12,326)	413,172	(284,087)	129,084
. Ancillary charges for loans	53,383	(24,067)	29,316	0	0	(1,726)	53,383	(25,793)	27,590
	453,880	(295,830)	158,050	5,703	6,973	(14,052)	466,555	(309,880)	156,674
	2,682,602	(631,982)	2,050,619	21,748	(758)	(40,430)	2,703,591	(672,410)	2,031,179

An analysis of the most important changes during the period reveals the following:

- "Concessions, licenses, trademarks and similar rights" include the value of the airport concession, amounting to 1,823,495 thousand euros as of June 30, 2007. The decrease of 25,220 thousand euros is due to amortization for the period (25,809 thousand euros), partly offset by investment (405 thousand euros) and transfers from work in process and reclassifications (184 thousand euros);

- "Leasehold improvements in process" increased by 7,494 thousand euros due to investment totaling 15,460 thousand euros, which was partly offset by improvements entering service during the period and accounted for in "leasehold improvements" , "concessions, licenses, trademarks and similar rights" and "industrial patents";

- "Other" intangible fixed assets decreased by 1,376 thousand euros. "Leasehold improvements" rose by 350 thousand euros due to purchases during the period totaling 5,703 thousand euros and transfers from work in process and reclassifications (up 6,973 thousand euros), which was partly offset by amortization for the period totaling 12,326 thousand euros.
  "Transaction costs on loans" fell by 1,726 thousand euros due to amortization for the period.

The principal leasehold improvements in process (amounting to 15,460 thousand euros) include:

- aircraft aprons south-eastern "ECHO" area – first phase (240 thousand euros);
- widening of the Bravo taxiway (3,001 thousand euros);
- upgrading of the paving of aircraft aprons (849 thousand euros);
- Runway 3 – improvement of the surface drainage in the southern area (1,720 thousand euros);
- Terminal B – civil and plant engineering works in Area B11/B 21 (1,593 thousand euros);
- Runway 3 – construction of roadways and upgrading of the strip (3,332 thousand euros);

- extraordinary maintenance of the Bravo boarding bridges (195 thousand euros);
- implementation of the AVL system (254 thousand euros);
- Terminal B – improvement of the appearance of the East Pier (200 thousand euros);
- extension of telephone and LAN network (1,817 thousand euros).

The main leasehold improvements completed during the period (totaling 5,703 thousand euros) include:

- upgrading of airport fencing (443 thousand euros);
- renovation of B11/B21 Area shops in Terminal B (288 thousand euros);
- extraordinary maintenance of terminal evaporator towers (244 thousand euros);
- extraordinary maintenance external road network (182 thousand euros);
- Terminal C – new control room (218 thousand euros);
- Terminal A-B – upgrading of offices and loading ramps (245 thousand euros);
- Terminal C and Europa Pier – extraordinary maintenance of fan coils (469 thousand euros);
- upgrading of BHS software and hardware systems (160 thousand euros);
- Runways 3 and 4 – upgrades to comply with ICAO requirements (162 thousand euros);
- Terminal B – works regarding paving and security areas (141 thousand euros).

Once again in the first half of 2007, investment in airport infrastructure development was funded by increased boarding fees received during the period (in accordance with paragraphs 9 and 10 of art. 10, Law no. 537/93).

Tangible fixed assets

	12/31/2006				Changes during the period				06/30/2007			
	Cost	Reval. Law (72/1983)	Allowances for depreciation	Book value	Purchases./Capital.	Reclassi-fication	Disposals/Retirements	Amortization	Cost	Reval. Law (72/1983)	Allowances for depreciation	Book value
- Land and buildings	20,380	465	(17,544)	3,301	152	(1)	0	(287)	20,531	465	(17,831)	3,165
- Plant and machinery	86,658	0	(60,134)	26,524	6,512	3,892	0	(2,979)	96,996	0	(63,047)	33,949
- Industrial and commercial equipment	7,777	0	(6,097)	1,680	126	0	0	(247)	7,903	0	(6,344)	1,559
- Fixed assets to be relinquished	160,957	1,908	(82,891)	79,974	274	(114)	0	(3,117)	161,115	1,908	(86,006)	77,017
- Other assets	40,047	0	(35,449)	4,598	448	462	(3)	(962)	40,952	0	(36,409)	4,543
- Work in progress and advances	6,676	0	0	6,676	4,762	(4,791)	0	0	6,647	0	0	6,647
	322,495	2,373	(202,115)	122,753	12,274	(552)	(3)	(7,592)	334,144	2,373	(209,637)	126,880

Tangible fixed assets rose by 4,127 thousand euros due primarily to investment during the period (12,274 thousand euros), which was partially offset by depreciation (7,592 thousand euros), write-downs (552 thousand euros) and disposals (3 thousand euros).

The most significant capitalizations during the period include:

- within the category "plant and machinery" (6,512 thousand euros), the acquisition of baggage screening and security equipment (2,126 thousand euros), air conditioning and heating equipment (695 thousand euros), special airport equipment (1,670 thousand euros), advertising equipment for ADR Advertising SpA (306 thousand euros);

- within the category "tangible fixed assets in progress and advances" (4,762 thousand euros), purchase of a system for identifying burnt out bulbs and a stop bar control system (417 thousand euros), development and integration of the noise monitoring system (240 thousand euros), the new Office Tower (1,250 thousand euros) and upgrading of Terminal C's air conditioning system (598 thousand euros).

As security for the loans governed by agreements with Romulus Finance Srl, a syndicate of banks and Banca OPI described in detail in the notes to "Payables", the Parent Company has granted the lenders 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

	12-31-2006	changes during the period	06-30-2007
Equity investments in:			
▪ unconsolidated subsidiary undertakings			
ADR Sviluppo Srl Unipersonale	100	0	100
	100	0	100
▪ associated undertakings:			
La Piazza di Spagna Srl	49	0	49
Ligabue Gate Gourmet Roma SpA in fall.	0	0	0
	49	0	49
▪ other companies:			
Alinsurance Srl in liquidation.	6	0	6
Aeroporto di Genova SpA	930	0	930
S.A.CAL. SpA	1,307	0	1,307
E.T.L. Consortium	10	0	10
	2,253	0	2,253
	2,402	**0**	**2,402**

For further information regarding the performance of the Group's principal equity investments during the first half of 2007, reference should be made to the section "Main Group companies" in the Management Report on Operations.

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

Receivables due and other items under non-current financial assets

	12-31-2006	changes during the period	06-30-2007
Receivables:			
▪ due from others:			
Public bodies for licenses	24	0	24
other	1,325	(432)	893
	1,349	**(432)**	**917**

The reduction in receivables classified among non-current financial assets, amounting to 432 thousand euros, is due to payments of 441 thousand euros, net of revaluation of the amount due from the tax authorities in relation to the payment of withholding tax on employee severance indemnities as required by Law no. 662/96. This item is classified under "Other" and totals 9 thousand euros.
There are no receivables falling due beyond five years.

CURRENT ASSETS

Inventories

	12-31-2006	changes during the period	06-30-2007
▪ Raw, ancillary and consumable materials	2,853	(33)	2,820
▪ Finished goods and goods for resale			
goods for resale	10,353	(991)	9,362
▪ Contract work in progress	7,814	(160)	7,654
less accumulated write-downs	0	0	0
	7,814	(160)	7,654
▪ Advances	7	(7)	0
	21,027	**(1,191)**	**19,836**

Compared with December 31, 2006 the 1,191 thousand euros reduction in inventories is primarily due to the item "goods for resale" (directly managed duty-free and duty-paid shops). Stocks decreased by 991 thousand euros, despite the increase in sales volumes, due to both seasonal factors and to improved managements of stocks.

As security for the loans governed by agreements with Romulus Finance Srl, a syndicate of banks and 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

	12-31-2006	changes during the period		06-30-2007
		Increases (+) Repayments (-)	provisions (-) value recoveries (+)	
▪ Due from clients	168,768	23,988	0	192,756
less				
allowance for doubtful accounts	(31,926)	3,280	(4,098)	(32,744)
allowance for overdue interest	(7,946)	112	(476)	(8,310)
	128,896	27,380	(4,574)	151,702
▪ Due from associated undertakings	530	0	0	530
▪ Due from tax authorities	13,541	(2,173)	0	11,368
▪ Deferred tax assets	18,002	810	0	18,812
▪ Due from others:				
sundry	52,318	12,773	0	65,091
advances to suppliers for services	33	(32)	0	1
	52,351	12,741	0	65,092
	213,320	**38,758**	**(4,574)**	**247,504**

The item "Due from clients", net of allowances for doubtful accounts, amounts to 151,702 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 increase of approximately 22.8 million euros, compared with December 31, 2006, reflects growth in turnover and primarily regards receivables not yet matured or maturing.

As of June 30, 2007 receivables sold without recourse totaled 4.2 million euros (5.1 million as of December 31, 2006).

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

"Deferred tax assets" totaling 18,812 thousand euros as of June 30, 2007, rose by 810 thousand euros compared with the end of the previous year.

A comparison of deferred tax assets and changes during the period are shown in the following table.

Balance sheet item	Balance as of 12.31.2006 (A)		Increase (B)		Decrease (C)		Balance as of 06.30.2007 (A+B-C+D+E)	
	Tax base	Tax	Tax base	Tax	Tax base	Tax	Tax base	Tax
DEFERRED TAX ASSETS								
Allowances for risks and charges	19,604	7,006	1,805	679	2,881	1,005	18,528	6,680
Accumulated inventory write-downs	673	259	362	139	30	11	1,005	387
Allowance for doubtful accounts	31,147	10,278	3,159	1,042	2,500	825	31,806	10,495
Provisions for personnel	3,767	1,243	2,797	923	1,639	541	4,925	1,625
Accelerated depreciation	1,395	533	0	0	167	64	1,228	469
Consolidated adjustment	11,927	4,562	1,116	427	537	205	12,506	4,784
Other	3,511	1,304	564	207	357	130	3,718	1,381
Total deferred tax assets	**72,024**	**25,185**	**9,803**	**3,417**	**8,111**	**2,781**	**73,716**	**25,821**
DEFERRED TAX LIABILITIES								
Dividends	(74)	(24)	0	0	(74)	(24)	0	0
Gains	(70)	(26)	(14)	(5)	(32)	(12)	(52)	(19)
Advance depreciation	(18,647)	(7,133)	(34)	(13)	(409)	(156)	(18,272)	(6,990)
Total deferred tax liabilities	**(18,791)**	**(7,183)**	**(48)**	**(18)**	**(515)**	**(192)**	**(18,324)**	**(7,009)**
TOTAL	**53,233**	**18,002**	**9,755**	**3,399**	**7,596**	**2,589**	**55,392**	**18,812**

NET DEFERRED TAX (ASSETS) LIABILITIES IN INCOME STATEMENT	**810**

"Amounts due from others: sundry" rose by 12,773 thousand euros mainly due to increased liquidity deposited in the term account denominated the "Debt Service Reserve Account" (12,542 thousand euros) in accordance with obligations set out in current loan agreements.

As of June 30, 2007, the balance of the term account in the name of the security agent for ADR SpA's loans, denominated the "Debt Service Reserve Account", amounted to 60,572 thousand euros. In accordance with the procedures established in the relevant agreement, ADR SpA has deposited a sum in this account to guarantee repayment during the period.

As security for the loans taken out via contracts entered into with Romulus Finance Srl, a syndicate of banks and Banca OPI, the Parent Company, ADR, has granted the lenders 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 contracts with clients, and with ADR Tel and ADR Advertising and insurance policies.

Amounts due as of June 30, 2007 (247,504 thousand euros) comprise trade receivables (151,702 thousand euros), financial receivables (61,262 thousand euros) and sundry receivables (34,540 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	146,563	4,139	784	95	92	29	**151,702**
	146,563	4,139	784	95	92	29	**151,702**

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

Cash on hand and in banks

	12-31-2006	changes during the period	06-30-2007
▪ Bank and post office deposits	128,254	(49,500)	78,754
▪ Checks	1	(1)	0
▪ Cash and notes in hand	1,216	(117)	1,099
	129,471	**(49,618)**	**79,853**

The Group's cash on hand and in banks decreased by 49,618 thousand euros during the period. This was primarily due to the payment of dividends (50.5 million euros) in June.

It should be noted that bank deposits include the balance of the account required by the Parent Company's loan agreements and denominated the "Recoveries Account". Cash from extraordinary transactions must be deposited in this account. Thus, in 2006, the amount received in return for the sale of the holding in Flightcare Italia SpA (formerly ADR Handling SpA), after the related costs, was deposited in this account. This amount was used to finance investments carried out by ADR. As of June 30, 2007 the account presents a remaining balance of 46.0 million euros.

As security for the loans governed by agreements with Romulus Finance Srl, a syndicate of banks and Banca OPI, the Parent Company, ADR, has granted the lenders a lien on all ADR's current accounts governed by a specific agreement. Such a guarantee is valid until the above loans have been fully repaid.

ACCRUED INCOME AND PREPAID EXPENSES

	12-31-2006	changes during the period	06-30-2007
▪ **Accrued income**	0	518	518
▪ **Prepaid expenses**			
Service costs	651	343	994
Leased assets	0	27	27
Payroll costs	19	208	227
Sundry operating costs	7	123	130
Financial charges	3,128	1,719	4,847
	3,805	**2,938**	**6,743**

The item "Financial charges", which rose by 1,719 thousand euros during the first six months of 2007, includes prepayment of the installment due for the monoline insurance premium paid to AMBAC Assurance UK, which has secured the bonds issued by Romulus Finance Srl that correspond to Facility A.

SHAREHOLDERS' EQUITY

	Share capita	Share premium reserve	Legal reserve	Retained earnings	Net income for the period	Consolidate shareholders' equity	Minority interest	Group minority interest in shareholders' equity
Balance as of 12.31.2005	**62,310**	**667,389**	**12,462**	**(47,780)**	**79,691**	**774,072**	**1,993**	**776,065**
Allocation of net income Net income for the year			0		(79,691	(70,410	(1,084	(71,494
Balance as of 12.31.2006	**62,310**	**667,389**	**12,462**	**(38,499)**	**59,986**	**763,648**	**1,967**	**765.615**
Allocation of net income Net income for the period			0		(59,986	(50,471	(1.022	(51,493
Balance as of 06.30.2007	**62,310**	**667,389**	**12,462**	**(28,984)**	**5,369**	**718,546**	**1,485**	**720,031**

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" decreased by 45,102 thousand euros compared with December 31, 2006, primarily due to the payment of dividends by the Parent Company, ADR SpA, totaling 50,471 thousand euros. Net income for the period, amounting to 5,369 thousand euros, only partly offsets this reduction.

"Minority interest in shareholders' equity" decreased by 482 thousand euros due to the payment of dividends to shareholders amounting to 1,022 thousand euros, partly offset by net income for the period of 540 thousand euros.

The reconciliation of shareholders' equity and net income for the period, as reported in the accounts 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 for the period		Shareholders' equity	
	H1 2007	**H 1 2006**	**06-30-2007**	**12-31-2006**
Balances in ADR SpA's accounts	**4,516**	**3,356**	**751,976**	**797,930**
Effect of consolidation of subsidiary undertakings	751	(955)	3,948	3,197
Realization (elimination) of inter-company profits and other adjustments	(526)	1,817	(12,116)	(11,589)
Effect of deferred tax assets	222	(663)	4,784	4,562
Merger effect[6]	406	406	(30,046)	(30,452)
Balances in consolidated accounts	**5,369**	**3,961**	**718,546**	**763,648**

ALLOWANCES FOR RISKS AND CHARGES

	12-31-2006	**changes during the period**		**06-30-2007**
		Provisions	Releases	
▪ **Other:**				
current and potential disputes	19,416	1,759	-1,175	20,000
insurance deductibles	1,328	26	0	1,354
restructuring	3,975	0	-1,706	2,269
fixed assets to be relinquished	4,631	0	0	4,631
	29,350	**1,785**	**(2,881)**	**28,254**

Allowances for risks and charges, totaling 28,254 thousand euros, decreased by 1,096 thousand euros compared with December 31, 2006.

The most important changes are analyzed below:

- the "allowance for current and potential disputes" reports a net decrease of 584 thousand euros, due to the combined effect of provisions of 1,759 thousand euros made in order to provide cover for likely potential liabilities during the period, and releases carried out in order to settle disputes with customers and personnel;
- releases from the "allowance for restructuring" amounting to 1,706 thousand euros were made for personnel leaving Group companies during the period, in implementation of the Group's restructuring program launched in 2005.

[6] The date of the merger differs from the date of first-time consolidation.

EMPLOYEE SEVERANCE INDEMNITIES

BALANCE AS OF 12-31-2006	**41,682**
changes during the period	
Provisions	3,249
Releases to pay indemnities	(690)
Releases to pay advances	(1,323)
Transfers of personnel	0
Other	0
Amounts allocated to social security allowances or to the Treasury Fund	(1,664)
BALANCE AS OF 06-30-2007	**41,254**

During the first six months of 2007 employee severance indemnities report a net decrease of 428 thousand euros, despite provisions of 3,249 thousand euros. This reduction reflects releases to pay indemnities and advances totaling 2,013 thousand euros and the amount allocated to social security allowances or to the Treasury Fund set up at INPS.

Following the entry into force of the reform of supplementary pensions pursuant to Legislative Decree no. 252/2005, in relation to the decisions taken by ADR SpA employees by June 30, 2007 (the only Group company with more than 50 employees), employee severance indemnities accruing from January 1, 2007 have been allocated either to a form of supplementary pension fund or to the Treasury Fund set up at INPS.

PAYABLES

	12-31-2006	changes during the period	06-30-2007
▪ Due to banks	248,851	1,018	249,869
▪ Due to other financial institutions	1,279,395	(12,447)	1,266,948
▪ Advances:			
- from clients:			
. from the Ministry of Transport	5,048	0	5,048
. other	3,714	2,547	6,261
- on invoices paid in installments			
. from clients	0	0	0
	8,762	2,547	11,309
▪ Due to suppliers	117,032	3,893	120,925
▪ Due to associated undertakings	1,003	0	1,003
▪ Taxes due	13,458	4,959	18,417
▪ Due to social security agencies	5,794	2,224	8,018
▪ Other payables: sundry creditors	28,427	12,325	40,752
	1,702,722	**14,519**	**1,717,241**

The Group's payables rose by 14,519 thousand euros during the period. The principal reasons for such a change are analyzed below.

"Amounts due to banks" total 249,869 thousand euros, of which 247.500 thousand euros represents the principal on long-term lines of credit denominated "Term Loan Facility" and "BOPI Facility". The remaining 2,369 thousand euros represents amounts due for interest, commissions, and swap differentials accrued during the period and not yet settled. The increase of 1,018 thousand euros compared with December 31, 2006 derives from the interest and swap differential component.

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

Lender	*Facility loan*	*Amount millions of EUR*	*Interest rate*	*Repayment*	*Term*	*Maturity date*
Syndicate of banks	**Term Loan Facility**	191.4	floating rate linked 'EURIBOR + margin	bulle	6	Feb.
	Revolving Facility	200	floating rate linked 'EURIBOR + margin	revolvin	6	Feb.
		391.				
Banca OPI	**BOPI Facility**	**56.**	floating rate linked EURIBOR+ margin	after 5 years in six-monthly installments	12	Mar.
	TOTAL	**447.5**				

As of June 30, 2007, 247,500 thousand euros of the long-term lines of credit "Term Loan Facility" (granted on September 20, 2005 by a syndicate of banks with the mandated lead arrangers comprising Barclays Capital, Calyon SA, Mediobanca – Banca di Credito Finanziario SpA, Unicredit Banca Mobiliare SpA and WestLB AG) and "BOPI Facility" (granted on February 19, 2003 by Banca OPI and secured by CDC IXIS Financial Guaranty Europe) has been drawn down. On the other hand, the "Revolving Facility" has not been used.

"Amounts due to other financial institutions" total 1,266,948 thousand euros. The item includes the principal of 1,265,019 thousand euros due from the Group to Romulus Finance Srl and 1,929 thousand euros in interest accrued on the above-mentioned loans and not yet repaid.
The decrease of 12,447 thousand euros compared with December 31, 2006 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.

The loan from Romulus Finance Srl breaks down into five 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 EUR	Interest rate	Repayment	Term	Maturity date
Romulus Finance Srl	**A1**	500	fixed	bullet	10 years	Feb. 2013
	A2	200	floating rate linked 'EURIBOR + margin	bullet	12years	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
	B	65	floating rate linked 'EURIBOR + margin	bullet	7 years	Feb. 2010
	TOTA	**1,26**				

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 (59.2% at fixed rate as of June 30, 2007). In accordance with this policy, the following interest rate swap agreements were entered into by ADR SpA in 2001, with the aim of hedging the interest rate risk associated with a portion of the loan. Such interest rate swaps – the counterparties for which in February 2003 are Mediobanca – Banca di Credito Finanziario SpA, Barclays, UBM, Royal Bank of Scotland and Deutsche Bank – are based on a notional capital of 864 million euros and mature on October 2, 2009.

On October 1, 2004, the Parent Company, ADR SpA, entered into interest rate swap agreements with a number of the above counterparties (Mediobanca – Banca di Credito Finanziario SpA, Barclays and Royal Bank of Scotland). The swaps are based on a total notional capital of 468 million euros up to 2007 and 495 million euros up to 2009. On the basis of the agreements, ADR SpA receives a fixed rate of 3.3% and pays a floating rate capped at 6.0%. This transaction enables ADR SpA to balance its exposure to fixed and floating rates, fixing the maximum risk that may be incurred.

Finally, on May 16, 2006, ADR SpA signed two interest rate collar forward start contracts with Barclays and Royal Bank of Scotland, with a notional capital of 120 million euros each, on the basis of which ADR SpA will receive a floating 3 months Euribor rate and pay a floating 3 months Euribor rate with a cap of 5% and a floor of 3.64% from October 2, 2009 until February 20, 2012.

On December 18, 2006 the interest rate swaps with a notional capital 864 million euros entered into in 2001 were renegotiated.
In particular, the fixed rate paid by ADR SpA (3.8910%) was realigned to the market rate up to the original date of maturity (2009) following payment of the market value of the related instruments (27.4 million euros). This initiative has made it possible to reduce the average cost of debt by almost one percentage point in the three-year period 2007-2009.

As of June 30 2007, the fair value of the swap agreements entered into in 2001 and renegotiated in 2006 is a positive 13.8 million euros, whilst the fair value of the swaps entered into in 2004 is a negative 13.9 million euros. The fair value of the above-mentioned collar contracts entered into in May 2006 is a positive 1.2 million euros. The characteristics of outstanding swaps are listed below:

(€000)	Notional	Fair value of derivates as of 06.30.2007	Purpose of derivates	Financial risk	Financial debt hedged
IRS of 2001 renegotiated in 2006 (CASH FLOW HEDGE)	864,000	13,769	hedging	interest rate	864,000
IRS of 2004 (FAIR VALUE HEDGE)	468,000	(13,858)	hedging	interest rate	468,000
COLLAR FWD of 2006 (CASH FLOW HEDGE)	240,000	1,204	hedging	interest rate	240,000

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

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.

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 contracts with clients, and with ADR Tel and ADR Advertising and insurance policies;
- a lien on all of ADR SpA's bank current accounts;
- a lien on ADR's shareholdings in ADR Tel SpA and ADR Advertising SpA;
- "ADR Deed of Charge" (a lien under British law on loans subject to British law, hedging agreements and insurance policies governed by British law).

In addition ADR SpA has undertaken to periodically meet specific covenants. Breach of the covenants will activate certain measures designed to protect the lenders. The measures are graduated according to the degree to which the Company has breached the covenants. Specifically, these measures limit the possibility to take out additional loans and to pay dividends and, in the event of default, can lead to the enforcement of the Company's guarantees.

The most important covenants in existing medium/long-term loan agreements measure the ratio between available cash flow and the cost of debt servicing, between discounted future cash flows and net debt and between net debt and EBITDA.

As of June 30, 2007 all the covenants have been complied with.

The item "taxes due" amounts to 18,417 thousand euros, representing an increase of 4,959 thousand euros mainly due to the greater amount due to tax authorities as municipal surtax on passenger fees (up 2,298 thousand euros). 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, bringing it up to a total of 2.50 euros, from January 1, 2007, in compliance with the provisions of Law no. 296 of December 27, 2006 (the Finance Act for 2007). The amount due to tax authorities as municipal surtax on passenger fees totaled 12,784 thousand euros as of June 30, 2007.

The residual increase in taxes due, totaling 2,661 thousand euros, includes around 1.6 million in IRAP.

"Other payables: sundry creditors" rose by 12,325 thousand euros mainly due to the inclusion in this item of the payable due to Gemina SpA for consolidated taxation (10,298 thousand euros). For more information, reference should be made to the section "Relations with parent companies and other related parties" in the Management Report on Operations.

In summary, as of June 30, 2007 total payables of 1,717,241 thousand euros include 1,516,817 thousand euros of a financial nature, 133,203 thousand euros of trade payables and 67,221 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 1,516,817 thousand euros (as described in the paragraph regarding amounts due to banks and other financial institutions).

Payables falling due beyond five years amount to 1,222,119 thousand euros and regard amounts due to banks totaling 22,100 thousand euros (the loan from Banca OPI) and amounts due to other financial institutions totaling 1,200,019 thousand euros.

Payables in currency exposed to exchange rate risks total 129 thousand euros and refer to services supplied.

ACCRUED EXPENSES AND DEFERRED INCOME

	12-31-2006	changes during the period	06-30-2007
· Accrued expenses			
. Sub concessions and license fees	3,132	3,171	6,303
. Other services	2,245	(14)	2,231
	5,377	**3,157**	**8,534**

NOTES TO THE CONSOLIDATED MEMORANDUM ACCOUNTS

GENERAL GUARANTEES

	06-30-2007			12-31-2006		
	Secured receivables	Unsecured receivables	Total	Secured receivables	Unsecured receivables	Total
Sureties						
. in the interest of third parties	0	111	111	0	111	111
Other:						
. in favor of clients	0	461	461	0	421	421
	0	**572**	**572**	**0**	**532**	**532**

COMMITMENTS ON PURCHASES AND SALES

	06-30-2007	12-31-2006
Commitments on purchases		
Investments:		
. information systems, other	322	322
. electronic equipment	405	727
. maintenance and services	1,709	2,218
. vehicles and equipment	0	644
. self-financed works	72,887	77,788
	75,323	**81,699**

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. Such 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. As the exercise price is equal to the pro rata book value of shareholders' equity, it may not be quantified.

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. 447/1995) 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 18 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.
In the Group's Management Report on Operations, the measures that the Parent Company, ADR SpA, has implemented - or intends to implement in the near future – with a view to alleviating the acoustic impact generated by aircraft in the vicinity of the airport, are listed in the section on "Environmental protection".

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 2006 with a contra-entry in allowances for risks and charges totaling around 1.7 million euros. The remaining amount, currently deemed unlikely to be incurred, will be re-assessed in future years.

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

	06-30-2007	12-31-2006
GENERAL GUARANTEES RECEIVED		
Sureties:		
. received from suppliers	47,365	48,880
. received from clients	52,641	53,583
	100,006	102,463
THIRD PARTY ASSETS ON FREE LOAN DEPOSIED IN CUSTODY, LEASED OR SIMILAR		
. leased assets	24	29
. 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	668,060	668,060
	817,189	817,194
	917,195	**919,657**

"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.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

TOTAL REVENUES

Revenues

	H1 2007	H1 2006	change
▪ *Revenues from sales:*			
. Non-aviation activities:			
Duty Free and Duty Paid	35,466	29,160	6,306
Other	1,612	618	994
	37,078	**29,778**	**7,300**
▪ *Revenues from services*			
. Aviation activities:			
Fees	73,297	69,168	4,129
Handling	8,077	49,129	(41,052)
Centralized infrastructures	16,354	16,184	170
Security	30,554	28,310	2,244
Other	8,858	6,093	2,765
	137,140	168,884	(31,744)
. Non-aviation activities:			
Sub-concessions and utilities	45,460	40,872	4,588
Car parks	14,993	13,660	1,333
Advertising	13,585	12,705	880
Refreshments	4,518	3,724	794
Other	10,680	7,550	3,130
	89,236	78,511	10,725
	226,376	**247,395**	**(21,019)**
▪ *Revenues from contract work*	**0**	**0**	**0**
Total revenues from sales and services	**263,454**	**277,173**	**(13,719)**
▪ *Changes in contract work in progress*	**(160)**	**(668)**	**508**
▪ *Contributions and grants*	**0**	0	**0**
TOTAL REVENUES	**263,294**	**276,505**	**(13,211)**

Revenues total 263,294 thousand euros. Of these, 52,1% derived from "aviation activities" carried out by the Group (61.1% in the first half of 2006) and 47.9% were generated by "non-aviation activities" (38.9% in the first half of 2006).

"Revenues from sales" amounted to 37,078 thousand euros, up 24.5% on the first half of 2006. This change was due to the increased turnover of directly managed shops, linked to the positive trend in traffic and increased average passenger spend.

"Revenues from services" amounted to 226,376 thousand euros, down 8.5% compared with the same period of 2006. A more detailed analysis is provided in the section of the Management Report on Operations devoted to the Group's financial position and operating results.

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;
- **Handling:** including handling contracts and supplementary services;
- **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/or 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, 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**	**Handling**	**Centralized infrastructures**	**Non-aviation activities**		**Other activities**	**Total**
				Sub-concessions	**Direct sales**		
H1 2007	73,297	8,077	16,354	45,460	37,078	83,028	**263,294**
H1 2006	69,168	49,129	16,184	40,872	29,778	71,374	**276,505**
change	4,129	(41,052)	170	4,588	7,300	11,654	**(13,211)**
% change	*6.0%*	*(83.6%)*	*1.1%*	*11.2%*	*24.5%*	*16.3%*	***(4.8%)***

Total revenues can be broken down into two macro-areas:

- "Aviation" (including fees, handling, management of centralized infrastructure, security services and left luggage) amounting to 137,140 thousand euros, compared with 168,884 thousand euros in the same period of 2006 (down 18.8%);
- "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 126,154 thousand euros, compared with 107,621 thousand euros in the same period in 2006 (up 17.2%).

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: other

	H1 2007	H1 2006
▪ **Gains on disposals**	17	87
▪ **Other:**		
. Releases		
release from allowance for overdue interest	103	23
release from other allowances	0	1
. Expense recoveries	78	69
. Recoveries of personnel expenses	66	108
. Other revenues	1,338	739
	1,585	940
	1,602	**1,027**

"Other revenues", amounting to 1.3 million euros, includes the effect 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 2007 amounted to 48,022 thousand euros (48,343 thousand euros in the first half of 2006), including amortization of intangible assets of 40,430 thousand euros (40,286 thousand euros in the first half of 2006) and depreciation of tangible fixed assets of 7,592 thousand euros (8,057 thousand euros in the first half of 2006). Amortization of intangible fixed assets includes the charge for the 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 4,098 thousand euros (962 thousand euros in the first half of 2006) and reflect an updated assessment of the recoverability of the Group's receivables.

Provisions for risks

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

	H1 2007	H1 2006
current and potential disputes	1,759	2,656
insurance deductibles	26	455
	1,785	**3,111**

Further information is provided in the note to allowances for risks and charges.
It should be born in mind that the 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 2007	H1 2006
▪ concession fees	17	29
▪ other	2,191	3,899
	2,208	**3,928**

The item "Other", amounting to 2,191 thousand euros, primarily regards membership fees (244 thousand euros), indirect taxes and duties (1,234 thousand euros) and updated valuations of costs and revenues recognized in the 2006 financial statements (607 thousand euros).

FINANCIAL INCOME AND EXPENSE

Other financial income

	H1 2007	H1 2006
▪ **Interest and commissions on long-term receivables:**		
Other	9	26
▪ **Other:**		
Interest on overdue current receivables:		
. Clients	476	164
Interest and commissions received from other companies:		
. Interest from banks	3,533	3,717
. Interest from clients	143	0
. Other	88	1,445
	4,240	5,326
	4,249	**5,352**

The item "Other" primarily regards accrued positive differentials on interest rate swaps. The decrease compared with the same period in 2006 (79 thousand euros compared with 1,426 thousand euros) is due to the effect that the raising of variable interest rates had on the interest rate swaps entered into in October 2004.

Interest expense and other financial charges

	H1 2007	H1 2006
▪ Interest and commissions due to others and sundry charges:		
. Interest and commissions paid to banks	5,893	6,359
. Interest and commissions paid to other financial institutions	34,560	29,925
. Provisions for overdue interest on doubtful accounts	475	164
. Other	1,867	10,752
	42,795	**47,200**

The reduction of 466 thousand euros in "interest and commissions paid to banks" is due to the partial repayment of bank loans in September 2006.

The increase in "interest and commissions paid to other financial institutions" (4,635 thousand euros) reflects the increase in market interest rates, which is partially offset (for the amount hedged at fixed rates) by lower expense for swap differentials, as explained below in the note to the item "Other" .

The item "Other" includes a sum of 1.8 million euros regarding swap differentials maturing during the period. The 8.8 million euro reduction compared with the first six months of 2006 (in which related expenses totaled 10.6 million euros) was also due to the renegotiation of fixed rate hedges carried out in December 2006. As a result of this renegotiation, the fixed rates were aligned with existing market rates, which were more favorable compared with those fixed in 2001.

Foreign exchange gains/(losses)

	H1 2007	H1 2006
. Foreign exchange gains	47	132
. Foreign exchange losses	4	24
	43	**108**

EXTRAORDINARY INCOME AND EXPENSE

Income

Extraordinary income for the period totaled 374 thousand euros and breaks down as follows:

	H1 2007	H1 2006
▪ Other:		
Income and recovery of expenses relating to previous years deriving from:		
. Total revenues	0	22
. Operating costs	52	89
. Financial income and expense	322	0
. Taxation relating to previous years	0	187
. Reversal of liabilities	0	51
	374	**349**

Expense

Extraordinary expense for the period totaled 927 thousand euros and breaks down as follows:

	H1 2007	H1 2006
▪ Taxes relating to previous years	**2**	**110**
▪ Other:		
Extraordinary expense derived from:		
Total revenues	0	115
Operating costs	197	449
Contingent liabilities	422	101
	619	**665**
Other extraordinary expense:		
Payments due for lost cargo	31	0
Fines	33	45
Damages and compensation paid to third parties	0	31
Antitrust sanctions	25	0
Other	217	0
	306	**76**
	925	**741**
	927	**851**

INCOME TAXES

This item reports the estimated expense for current taxes for the period totaling 18,656 thousand euros. Deferred tax liabilities of 810 thousand euros have also been recognized.

	H1 2007	H1 2006
▪ Current taxes		
. IRES	414	8,947
. Expenses relating to tax consolidation	11,239	0
. IRAP	7,003	7,906
	18,656	**16,853**
▪ Deferred tax (assets) liabilities, net		
. deferred tax assets	(636)	1,840
. deferred tax liabilities	(174)	(25)
	(810)	**1,815**
	17,846	**18,668**

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 and ADR Sviluppo Srl) along with the consolidating company, Gemina SpA, opted to adhere to the tax consolidation regime introduced by the Tremonti Reform for the three-year period 2007-2009.

Gemina SpA, as the consolidating company, has submitted the necessary documents to the tax authorities, electing to participate in the optional consolidated tax regime introduced by Legislative Decree no. 344/2003.

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 Engineering SpA and ADR Tel SpA, to Gemina SpA, tax consolidation expenses amounting to 10,841 thousand euros, 192 thousand euros and 206 thousand euros, respectively, making a total of 11,239 thousand euros, have been recorded.

IRES for the first half of 2007 refers exclusively to the subsidiary undertaking, ADR Advertising SpA, which does not take part in the consolidated tax regime. In contrast, IRES for the first half of 2006 included expenses relating to all of the Group's subsidiary undertakings.

In particular, IRES, accounting for 46.5% of pre-tax income, is higher than the expected rate of 33%. Reconciliation of the expected and effective rates is provided in the table below.

	H1 2007
Rate ordinarily applied (IRES)	**33.0%**
Effect of the increase (decrease) compared with the ordinary rate:	
non-deductible costs	13.3%
temporary differences and other differences	2.7%
Effective rate	**49.1%**

For further information on the calculation of deferred tax assets see the item "Deferred tax assets" in the section on "Receivables".

OTHER INFORMATION

HEADCOUNT

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

Average	H1 2007	H1 2006	change
Management	57	54	3
Administrative staff	1,614	2,045	(431)
Ground staff and other	556	1,210	(654)
Total	**2,227**	**3,309**	**(1,082)**

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

Average	H1 2007	H1 2006	change
ADR SpA	2,159	2,087	72
Flightcare Italia SpA (formerly ADR Handling SpA)	0	1,161	(1,161)
ADR Engineering SpA	37	29	8
ADR Tel SpA	21	20	1
ADR Advertising SpA	10	12	(2)
Total	**2,227**	**3,309**	**(1,082)**

It should be remembered that the Group's average headcount in the first half of 2006 took account of the subsidiary ADR Handling SpA, which was disposed of in November of last year.

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	324
Directors with positions required by Legislative Decree no. 231/2001	22
Statutory Auditors	128
Total	**474**

LITIGATION

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 Parent 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. The judgment is still pending.
  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 February 3, 2005 the Special Audit Team from the Regional Tax Police Headquarters for the Lazio Region instigated a general tax audit of the Parent Company, Aeroporti di Roma SpA, with respect to direct, indirect and other taxation due for the tax years 2003 and 2004.
  The audit was subsequently extended to include VAT for the tax years 2001 and 2002, limited to certain specific operations carried out by the Company.
  The tax inspectors then contested the applicability of IRPEG, IRAP and VAT deductions for so-called "Ancillary financial costs" incurred between 2001 and 2003.
  In particular, for the tax year 2003, the inspectors deemed that amortization of "transaction costs", amounting to 4.1 million euros, was inapplicable with regard to IRPEG and IRAP.
  With regard to VAT, the inspectors claim that VAT, totaling approximately 1.3 million euros, paid on the transaction costs incurred during the tax years 2001, 2002 and 2003, in relation to the assumption and restructuring of the above loans, is not deductible for tax purposes.

ADR submitted a memorandum containing its own observations to the Revenue Office, asking that the findings set forth in the report drawn up by the regional tax police be dismissed.
On December 29, 2005, the Rome 7 Revenue Office notified Aeroporti di Roma of two claims for back taxes and fines regarding VAT for the tax years 2001 and 2002.
Backed up by the opinions of its tax experts, and deeming that recognition of the legitimacy of its actions is highly likely, on March 15, 2006 the Company lodged an appeal with the Provincial Tax Commission against said claims.
During delays in the proceeding, the Rome 7 Revenue Office sent a request to the Revenue Office – Regional Office of Lazio, in which it asked for an opinion regarding its own valuations of the findings presented by the tax police.
In a note dated June 13, 2006 the Regional Office of Lazio responded to this request and recognized the legitimacy of ADR's practices deeming, "*the amount to be amortized during the year as deductible for the purposes of VAT in connection to the said costs* ". Specifically, in addition to pointing out the contradictory interpretation of the tax police in deeming the interest expense on the loans taken out in 2001 to be deductible but not the related transaction costs on the same loans, the Regional Head Office for Lazio clearly stated that, on the basis of the argument put forward by the Company pursuant to art. 11 of Law no. 212/2000 and the subsequent judgment by the Revenue Office's Disputed Claims Department, Resolution no. 240 of July 19, 2002 "*resolved the question, never having considered the deduction of the transaction costs to be questionable in any way whatsoever*".
Following this favorable judgment, the Rome 7 Revenue Office presented the Regional Tax Commission with a request to dismiss the claims, asking that the notices of assessment regarding the tax years 2001 and 2002 be revoked.
During the hearing on February 12, 2007 at the Provincial Tax Commission for Rome, the representative from the Rome 7 Revenue Office confirmed the Revenue Office's position expressed in the requests for the dismissal of the claims asking for a termination of the dispute.
On March 8, 2007 the sentences accepting the appeals lodged by ADR SpA were deposited at the offices of the Provincial Tax Commission of Rome.

- On November 3, 2006 Tax Office of Rome (UTF) initiated an audit of the Company's accounts regarding taxation of the consumption of electricity. In short, the revenue officers carry out a check "*aimed at quantifying the electricity purchased by the Company and sold, subject to reimbursement of expenses, to third parties operating at the airport, for uses different from those that are exempt from the tax on consumption*".
  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*".
  For the tax periods under review, ADR was exempted from paying the revenue taxes in that the same Office recognized the activities carried out by the Company as falling within the category of "industrial operators".
  On August 2, 2007 the Company received requests for payment regarding failed payment of the tax on electricity consumption and the related surtax due for 2002. More detailed information is provided in the Management Report on Operations in the section entitled "Subsequent events".

Administrative, civil and labor 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, 2007, 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.

Significant disputes are summarized below:

- With regard to relations with public bodies, subsequent to Supreme Court sentence no. 15023/01, which, on the one hand, established that public bodies should have rent-free access to the premises needed to carry out their legally required duties regarding aircraft, passenger and cargo movements, whilst, on the other hand, requiring such bodies to pay for the services and utilities relating to said premises, ADR applied to the Ordinary Court for injunctions allowing it to recover receivables due from the various ministries. The later have opposed such injunctions, not questioning that payment is due for use of services, but challenging the determination of amounts and the methods of calculation. Three of the four judgments were made in first instance. In all cases the Civil Court rejected the ministries' opposition. The time limits in which to appeal one of the three judgments is expiring and the other two the sentences in first instance have become final given that no appeals were made. In particular, the Ministry of the Interior has begun, of its own accord, to pay ADR SpA the amount set by the sentence, whilst, as regards the Ministry of Finance, the Parent Company is working to ensure that the judgment is respected and carried out. As regards the fourth judgment, on March 6, 2007 a hearing was held in order to specify the conclusions. Handing down of sentence is awaited.
- On May 26, 1999 ADR SpA appealed the 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 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.

- On March 3, 2003 ADR SpA, together with Assaeroporti and leading Italian airport operators, submitted an extraordinary appeal to the President of the Republic for annulment, with prior suspension, of the Civil Aviation Authority Regulations dated September 30, 2002 regarding "the construction and operation of airports", with which the Authority intends to apply ICAO Annex 14. The Civil Aviation Authority has subsequently published a new version of the Regulation and additional amendments applicable to all operators, including ADR SpA. Thus the dispute is to be considered closed.
- 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 consequences of this judgment are summarized below.

  The Appeal Judge, citing grounds that are partially different from those on which the appealed sentence was based, 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 (see the section of the Management Report on Operations dealing with Environmental protection: Noise abatement);
  - 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 19, 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 July 2003 ADR 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 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.

  In ADR's opinion, the surcharges are not due for the period in which the Antitrust Authority's penalty was "suspended" following acceptance by the Lazio Regional Administrative Court of ADR's request for a suspension in 1993 (as part of the appeal in which ADR contested the Antitrust Authority ruling), and until the sentence handed down by the court in July 2000.

With sentence no. 198/2004, handed down on May 6, 2004, the Lazio Regional Administrative Court accepted ADR's appeal and, in particular: 1) annulled the disputed act (the letter from the Antitrust Authority dated May 12, 2003 in which the Authority laid claim to a sum of 1.7 million euros rather than 0.5 million euros; 2) ruled that ADR was not liable for payment of the surcharge stipulated in said act; and 3) ordered payment of legal interest to ADR for the period of the dispute (thirteen six-month periods, unless a different interpretation of the letter containing the grounds for the sentence emerges).

In October 2004 the Antitrust Authority appealed the Lazio Regional Administrative Court sentence before the Council of State. The date of the hearing has yet to be announced.

- 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. In fact, pursuant to local airport authority ordinance 14/2002, as interpreted by the local airport authority's letter of January 9, 2003, ADR SpA was obliged, as of February 1, 2003, to carry out 100% screening of hold baggage with no possibility of charging fees for the service. Such fees were belatedly determined by the Ministerial Decree published in the Official Gazette on June 3, 2003. 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).
- 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, among others, 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 S.p.A. 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".
- 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. The date of the related hearing has yet to be announced.
- 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. The next hearing is scheduled to take place on March 20, 2009 in order to finalize the conclusions.

- A further action relating to "system requirements" regards the appeal filed by ADR SpA at the Administrative Court in February 2006, 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.
- Moreover, in March 2006 ADR SpA appealed to the Lazio Administrative Court, without a request for revocation, 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.
- Finally, ADR SpA lent its support to the appeals brought before the Constitutional Court by the Campania, Emilia-Romagna, Piedmont, Tuscany and Sicily regional authorities in order to have Law 248/2005 declared unconstitutional.

The hearing to discuss the appeal brought by the Piedmont Regional Authority was held on January 1, 2007. In May 2007 the Constitutional Court decided to "adjourn the case for trial" proposing to set a new hearing to discuss the appeal.

- Assaero (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) (and another decision dated November 31, 2006 that does not concern Roman airports) with which the Civil Aviation Authority communicated the results of the controls carried out on airports' total operations "in order to analyze the cost correlation of what airport operators request from oil companies on a lump sum basis".

  At the hearing on December 14, 2006 the appellant revoked the request for revocation and requested an adjournment. The parties agreed to request that a hearing on the matter be fixed shortly.
- 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". At the hearing on January 11, 2007 IBAR revoked its request for revocation and is awaiting judgment.
- 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 June 31, 2006), as yet unpaid. The next hearing has been set for November 7, 2007.

- On December 19, 2006 the Antitrust Authority notified ADR of the start (with decision no. 16246 of December 14, 2006) of proceedings against the Company, following:
  - reports from IBAR regarding the methods applied by ADR SpA to determine some fees for the use of airport infrastructures and capital goods used to service air transportation and passenger and aircraft assistance operations;
  - a complaint (also on the part of ALAS, ASSODOR and ANAMA) regarding the cargo sector, which focused on the anti-competitive aspect of the methods of determining fees for office space sub-concessions as well as the limits put forward by ADR regarding competitors' access to the cargo services assistance market.

  The Authority holds that ADR has abused its dominant position, pursuant to art. 82 of the EC Treaty, in the airport infrastructure management market at Fiumicino and Ciampino airports and in the cargo assistance services market at Fiumicino.
  The maximum fine allowed by law cannot exceed 10% of the value of total revenues ADR earned in the last year prior to the investigative proceedings (for a theoretical maximum of approximately 51 million euros). At this time, the proceeding has only recently begun and the Company has not yet been notified of the results. Therefore, it is objectively difficult to predict the outcome. In any case, the possibility of the fine exceeding the legally set limits can be deemed remote.
  March 19, 2007 was the deadline by which ADR could exercise the faculty pursuant to art. 14ter of Law no. 287/90, enabling it to give the Authority commitments that would resolve the issue of the anti-competitive practices forming the subject of the investigation. Taking account of ADR SpA's reasonable and defendable stance in the face of the accusations put forward, it was decided not to make any such commitments and to fully defend the Company's stance.
  On April 23 and on June 14 2007, ADR SpA gave evidence during an Antitrust Authority hearing as part of the proceedings.
  Following the second hearing the Authority asked ADR SpA to present documentation backing the facts that had emerged: the documentation will be presented on July 20, 2007.
  The Authority set the deadline for an end to the investigation as January 31, 2008.
- On February 20, 2007 the Parent Company, ADR SpA was notified of the start of proceedings on the part of the Antitrust Authority involving a claim that the Company has violated art. 8, paragraphs 2*bis* and 2*ter* of Law no. 287/90, "for not having carried out cargo handling activities at Rome's Fiumicino airport via a separate company".
  ADR SpA gave evidence during a hearing called by the Authority on March 20, 2007.
  On June 1, 2007 the Authority issued its closing decision and ordered ADR SpA to pay a fine of 25 thousand euros (the maximum for this type of proceeding is 51,645 euros) deeming that ADR SpA had failed to set up a separate company for the cargo handling activities carried out at Fiumicino airport and, subsequently, had omitted to inform the Authority of the situation.
  The Company is considering possible steps to be taken, including an appeal against this decision to be lodged with the Lazio Administrative Court, also in relation to possible impacts on the other proceedings regarding airport fees underway before the Antitrust Authority.
  The fine was paid in July 2007.
- On June 18, 2007 ADR SpA was notified of the start of proceedings, and of a concomitant request for information, initiated by the Antitrust Authority in relation to alleged misleading advertising (pursuant to Legislative Decree no. 206/05, the so-called "Consumers' Code") regarding the advertising aimed at promoting a special fare for parking in the multi-story car park E.
  A defensive memorandum is currently being prepared and will be presented, together with the information and documents requested, by the end of July 2007.

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

- At the hearing on January 10, 2007 ATI Alpine Bau, awarded the contract for works relating to the structural and operational upgrading of runway 16/34L (runway 3) at Leonardo da Vinci Airport in Fiumicino, 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 (a hearing is to be held on October 2, 2007 for final judgment).
  At the hearing on January 10, 2007 ATI Alpine's legal experts 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 to 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 October 2, 2007.
- A lawsuit 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. At a hearing on June 16, 2004 the judge, taking into account the plaintiffs' request for an enquiry and ADR SpA's response, adjourned the case until a hearing on November 18, 2004. At this hearing judgment was withheld regarding admission of the evidence presented. The appointed judge has rejected the requests for an investigation from the parties and adjourned the case until the final hearing to be held on September 21, 2006. The hearing was then postponed until May 23, 2007 due to the abstention of ELSAG's defending counsel from the hearings. This stage of the legal process is expected to be concluded in 2007.
- 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. A hearing has been scheduled for May 20, 2008 for final judgment.
- In the parallel civil judgment instigated by Consorzio Aerest to obtain, amongst other things, restitution from ADR SpA of the so-called withholding on accidents and injuries, equal to 0.5% of the entire amount of the contact describe in the above paragraph, with sentence no. 2691/2007 of June 6,2007, Rome's civil court order ADR SpA to pay the amount of 280 thousand euros, in addition to legal interest and court expenses accruing from the time of the claim. The appeal is going forward in consideration of the fact that ADR SpA has already paid the contested amount on the basis of the inspection certificate approved at that time, even if the nature of said amounts was not specified in said certificate, thereby causing the judgment in first instance to be erroneous.
- A civil lawsuit brought by 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 (Terminal A) at Leonardo da Vinci airport in Fiumicino. At the hearing for admission of evidence held on June 6, 2006, the judge adjourned the proceedings to a hearing on October 16, 2007 for final judgment.
- 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 at a hearing on March 30, 2005. 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. In view of the positive

outcome of the initial hearing, the Group believes the likelihood of a negative outcome to be remote. The case was adjourned until November 27, 2007.

- 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. At a preliminary hearing on May 3, 2005 before the second section of the Appeal Court of Rome, the judge adjourned the hearing until February 5, 2008 for pronouncement of sentence.
- On March 31, 2006 a summons was issued in which ATI Opere Pubbliche SpA - Opere Idriche SpA, the company contracted to carry out works on the multistory car park (fifth module)at Leonardo da Vinci airport in Fiumicino, requests that ADR be ordered to pay the 17 reserves recorded in the accounts regarding said works, for a total of 2.0 million euros, plus legal interest, as well as legal costs and fees.

  The request submitted from the alleged design error which obliged the contractor, ATI, to use greater quantities of material than those provided for in the design and, above all, the increase in the prices of materials used for the work in question, primarily metals (iron, steel, copper, etc.). With the order of April 3, 2007, the judge accepted the preliminary and prejudicial questions raised by ADR SpA during the hearing on March 30, 2007, rejecting, at the same time, the requests put forward by the plaintiff. The hearing was adjourned until May 20, 2009 for final judgment.

In the Parent Company'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 the Six-Month Report presents a true and fair picture of the Group's financial position and results of operations for the period.

THE BOARD OF DIRECTORS

ADR GROUP: COMPARATIVE FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET
as of June 30, 2007

(€000)

ASSETS	**06-30-2007**			**12-31-2006**			**06-30-2006**		
UNPAID SHARE CAPITAL DUE FROM SHAREHOLDERS			0			0			0
FIXED ASSETS									
INTANGIBLES FIXED ASSETS									
Incorporation and development costs		179			299			427	
Industrial patents and intellectual property rights		2,306			2,524			785	
Concessions, licenses, trademarks and similar rights		1,826,855			1,852,075			1,876,189	
Goodwill arising from consolidation		0			0			922	
Leasehold improvements in progress and advances		45,165			37,671			31,512	
Others		156,674			158,050			161,638	
			2,031,179			2.050.619			2,071,473
TANGIBLE FIXED ASSETS									
Land and buildings		3,165			3,301			3,292	
Plant and machinery		33,949			26,524			32,868	
Industrial and commercial equipment		1,559			1,680			2,665	
Fixed assets to be relinquished		77,017			79,974			83,115	
Other assets		4,543			4,598			4,603	
Work in progress and advances		6,647			6,676			5,135	
			126,880			122,753			131,678
NON-CURRENT FINANCIAL ASSETS									
Equity investments in:									
- unconsolidated subsidiary undertakings	100			100			100		
- associated undertakings	49			49			49		
- other companies	2,253			2,253			2,242		
		2,402			2,402			2,391	
Receivables due from others:									
. within 12 months	3			3			3		
beyond 12 months	914			1,346			1,781		
		917			1,349			1,784	
			3,319			3,751			4,175
Total fixed assets			**2,161,378**			**2,177,123**			**2,207,326**
CURRENT ASSETS									
INVENTORY									
Raw, ancillary and consumable materials		2,820			2,853			2,790	
Contract work in progress		7,654			7,814			7,456	
Finished goods and goods for resale:									
- goods for resale	9,362			10,353			8,129		
		9,362			10,353			8,129	
Advances		0			7			0	
			19,836			21,027			18,375
RECEIVABLES									
Due from clients		151,702			128,896			145,687	
Due from associated undertakings		530			530			530	
Due from tax authorities		11,368			13,541			787	
Deferred tax assets		18,812			18,002			25,560	
Due from others:									
- various									
within 12 months	65,091			52,318			68,438		
- advances to suppliers for services to be rendered	1			33			3		
		65,092			52,351			68,441	
			247,504			213,320			241,005
MARKETABLE SECURITIES			0			0			0
CASH ON HAND AND IN BANKS									
Bank and post office deposits		78,754			128,254			149,983	
Checks		0			1			2	
Cash and notes in hand		1,099			1,216			1,001	
			79,853			129,471			150,986
Total current assets			**347,193**			**363,818**			**410,366**
ACCRUED INCOMER AND PREPAID EXPENSES									
Accrued income and other prepaid expenses			**6,743**			**3,805**			**7,806**
TOTAL ASSETS			**2,515,314**			**2,544,746**			**2,625,498**

CONSOLIDATED BALANCE SHEET
as of June 30, 2007

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

LIABILITIES AND SHAREHOLDERS' EQUITY

	06/30/2007			12/31/2006			06/30/2006		
SHAREHOLDERS' EQUITY									
SHARE CAPITAL:									
ordinary shares		62,310			62,310			62,310	
SHARE PREMIUM RESERVE		667,389			667,389			667,389	
REVALUATION RESERVES		0			0			0	
LEGAL RESERVE		12,462			12,462			12,462	
STATUTORY RESERVES		0			0			0	
RESERVE FOR OWN SHARES		0			0			0	
OTHER RESERVES		0			0			0	
RETAINED EARNINGS (ACCUMULATED LOSSES)		(28,984)			(38,499)			0	
GROUP NET INCOME (LOSS) FOR THE PERIOD		5,369			59,986			(38,499)	
			718,546			763,648		3,961	
MINORITY INTEREST									707,623
• Share capital, reserves and net income (loss) for the period		1,485			1,967			1,427	
			1,485			1,967			1,427
GROUP AND MINORITY INTEREST IN CONSOLIDATED SHAREHOLDERS' EQUITY			720,031			765,615			709,050
ALLOWANCES FOR RISKS AND CHARGES									
• For Taxes		0			0			1,948	
• Other		28,254			29,350			38,087	
Total allowances for risks and charges			28,254			29,350			40,035
EMPLOYEE SEVERANCE INDEMNITIES			41,254			41,682			60,924
PAYABLES									
• Due to banks									
. within 12 months	2,369			1,351			2,949		
. beyond 12 months	247,500			247,500			375,000		
		249,869			248,851			377,949	
• Due to other financial institutions:									
. within 12 months	1,929			14,376			1,655		
. beyond 12 months	1,265,019			1,265,019			1,265,019		
		1,266,948			1,279,395			1,266,674	
• Advances:									
- from clients									
. from the Ministry of Transport:									
. within 12 months	278			278			278		
. beyond 12 months	4,770			4,770			4,770		
. other	6,261			3,714			6,835		
- prepayment of invoices to be paid in installments									
. from clients	0			0			0		
		11,309			8,762			11,883	
• Due to suppliers:									
. within 12 months	117,614			114,072			94,423		
. beyond 12 months	3,311			2,960			5,880		
		120,925			117,032			100,303	
• Due to associated undertakings		1,003			1,003			1,003	
• Taxes due:									
.within 12 months	18,417			13,458			12,025		
		18,417			13,458			12,025	
• Due to social security agencies		8,018			5,794			8,713	
• Other payables: various creditors									
. within 12 months	39,614			27,402			28,028		
. beyond 12 months	1,138			1,025			928		
		40,752			28,427			28,956	
Total payables			1,717,241			1,702,722			1,807,506
ACCRUED EXPENSES AND DEFERRED INCOME									
• Accrued expenses and other deferred income			8,534			5,377			7,983
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			2,515,314			2,544,746			2,625,498

MEMORANDUM ACCOUNTS
as of June 30, 2007
(in thousands of euros)
(Translation from the original issued in Italian)

	06/30/2007		12/31/2006		06/30/2006	
General guarantees						
• Sureties	111		111		111	
• Other	461		421		346	
		572		532		457
Collateral guarantees		0		0		0
Commitments on purchases and sales		75,323		81,699		10,690
Other		917,195		919,657		905,841
		993,090		**1,001,888**		**916,988**

CONSOLIDATED INCOME STATEMENT
for the first half 2007
(€000)

	H 1 2007			H 1 2006			2006		
TOTAL REVENUES									
Revenues from sales and services:									
- revenues from sales	37,078			29,778			65,856		
- revenues from services	226,376			247,395			501,649		
- revenues from contract work	0	263,454		0	277,173		77	567,582	
Changes in contract work in progress		(160)			(668)			(310)	
Capitalized costs and expenses		2,355			2,260			4,927	
Other income and revenues:									
- revenue grants	0			0			7		
- profits on disposals	17			87			179		
- other	1,585			940			3,592		
		1,602			1,027			3,778	
			267,251			**279,792**			**575,977**
OPERATING COSTS									
Raw, ancillary and consumable materials and goods for resale		31,990			28,715			64,520	
Services		51,387			45,351			96,385	
Leases		5,119			4,980			10,110	
Payroll:									
- wages and salaries	42,715			57,453			107,419		
- social security	12,313			16,.659			30,922		
- employee severance indemnities	3,249			4.535			8,097		
- other	529			568			1,244		
		58,806			79,215			147,682	
Depreciation, amortization and write-downs:									
- amortization of intangible fixed assets	40,430			40,286			83,395		
- depreciation of tangible fixed assets	7,592			8,057			16,029		
- provisions for doubtful accounts	4,098			962			3,844		
		52,120			49,305			103,268	
Changes in inventories of raw, ancillary and consumable materials and goods for resale		1,025			(301)			(2,588)	
Provisions for risks		1,785			3,111			2,298	
Other provisions		0			99			29	
Sundry operating costs:									
- license fees	17			29			39		
- other	2,191			3,899			8,131		
		2,208			3,928			8,170	
			(204,440)			**(214,403)**			**(429,874)**
Operating income			**62,811**			**65,389**			**146,103**
FINANCIAL INCOME AND EXPENSE									
Other financial income:									
- from long-term receivables									
. other	9			26			27		
- other									
. interest and commission from others and sundry revenues	4,240			5,326			8,961		
		4,249			5,352			8,988	
Interest expense and other financial charges:									
- interest and commissions to others and sundry charges	42,795			47,200			122,130		
		(42,795)			(47,200)			(122,130)	
Profits and losses on exchange									
- profits	47			132			172		
- losses	4			24			44		
		43			108			128	
Total financial income (expense), net			**(38,503)**			**(41,740)**			**(113,014)**

CONSOLIDATED INCOME STATEMENT
for the First Half of 2007
(€000)

	H1 2007			**H1 2006**			**2006**		
ADJUSTMENTS TO FINANCIAL ASSETS									
			0			**0**			**0**
EXTRAORDINARY INCOME AND EXPENSE									
Income:									
- gains on disposals	0			0			64,785		
- other	374			349			890		
		374			349			65,675	
Expense:									
- taxes relating to previous periods	2			110			237		
- other	925			741			4,947		
		(927)			(851)			(5,184)	
Total extraordinary income (expense), net			**(553)**			**(502)**			**60,491**
Income before taxes			**23,755**			**23,147**			**93,580**
Income taxes for the period, current, deferred assets (liabilities):									
- current		(18,656)			(16,853)			(28,055)	
- deferred tax assets (liabilities)		810			(1,815)			(4,481)	
			(17,846)			**(18,668)**			**(32,536)**
Net income (loss) for the period			5,909			4,479			61,044
of which:									
minority interest			540			518			1,058
Group interest			**5,369**			**3,961**			**59,986**

AEROPORTI DI ROMA SPA: FINANCIAL STATEMENTS

BALANCE SHEET
as of June 30, 2007
(in euros)

ASSETS		**06/30/2007**			**12/31/2006**	
UNPAID SHARE CAPITAL DUE FROM SHAREHOLDERS			0			0
FIXED ASSETS						
INTANGIBLE FIXED ASSETS						
Industrial patents and intellectual property rights		2.306,450			2,524,391	
Concessions, licenses, trademarks and similar rights		1,856,817,256			1,882,391,004	
Leasehold improvements in process and advances		50,567,910			42,515,872	
Other		156,639,621			157,580,125	
			2.066.331.237			2,085,011,392
TANGIBLE FIXED ASSETS						
Land and buildings		3,,165,049			3,300,529	
Plant and machinery		32,253,810			24,972,151	
Industrial and commercial equipment		1,556,941			1,678,421	
Fixed assets to be relinquished		78,862,712			81,785,132	
Other assets		4,452,742			4,511,354	
Work in progress and advances		7,491,999			7,374,319	
			127,783,253			123,621,906
NON-CURRENT FINANCIAL ASSETS						
Equity investments in:						
- subsidiary undertakings	4,378,132			4,378,132		
- associated undertakings	49,001			49,001		
- other companies	2,252,718			2,252,718		
		6,679,851			6,679,851	
Receivables due from others:						
. within 12 months	3,099			3,099		
. beyond 12 months	909,865			1,336,025		
		912,964			1,339,124	
			7,592,815			8,018,975
Total fixed assets			**2,201,707,305**			**2,216,652,273**
CURRENT ASSETS						
INVENTORY						
Raw, ancillary and consumable materials		2,819,813			2,853,106	
Contract work in progress		7,225,352			7,225,352	
Finished goods and goods for resale:						
- goods for resale	9,361,745			10,353,173		
		9,361,745			10,353,173	
Advances		0			949	
			19,406,910			20,432,580
RECEIVABLES						
Due from clients		138,695,334			115,942,351	
Due from subsidiary undertakings		12,305,244			14,726,827	
Due from associated undertakings		529,543			529,543	
Due from tax authorities		10,956,068			13,248,132	
Deferred tax assets		13,855,846			13,256,846	
Due from others:						
- various						
. within 12 months	64,947,971			52,180,431		
- advances to suppliers for services to be rendered	0			32,095		
		64,947,971			52,212,526	
			241,290,006			209,916,225
MARKETABLE SECURITIES			0			0
CASH ON HAND AND IN BANKS						
Bank and post office deposits		78,320,624			125,847,689	
Checks		0			1,361	
Cash and notes in hand		1,096,640			1,215,739	
			79,417,264			127,064,789
Total current assets			**340,114,180**			**357,413,594**
ACCRUED INCOME AND PREPAID EXPENSES						
Accrued income and other prepaid expenses			**6,971,691**			**4,493,198**
TOTAL ASSETS			**2,548,793,176**			**2,578,559,065**

BALANCE SHEET
as of June 30, 2007
(in euros)

LIABILITIES AND SHAREHOLDERS' EQUITY	**06/30/2007**			**12/31/2006**		
SHAREHOLDERS' EQUITY						
SHARE CAPITALE						
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
STATUTORY RESERVES			0			0
RESERVE FOR OWN SHARES			0			0
OTHER RESERVES			416,300			416,300
RETAINED EARNINGS (ACCUMULATED LOSSES)			4,881,808			19,377,394
NET INCOME (LOSS) FOR THE PERIOD			4,515,697			35.975.352
Total shareholders' equity			**751,975,061**			**797,930,302**
ALLOWANCES FOR RISKS AND CHARGES						
Other		28,254,231			29,350,494	
Total allowances for risks and charges			**28,254,231**			**29,350,494**
EMPLOYEE SEVERANCE INDEMNITIES			**39,760,918**			**40,235,313**
PAYABLES						
Due to banks						
. within 12 months	1,369,469			1,350,946		
. beyond 12 months	247,500,000			247,500,000		
		248,869,469			248,850,946	
Due to other financial institutions:						
. within 12 months	1,929,242			14,376,351		
. beyond 12 months	1,265,018,896			1,265,018,896		
		1,266,948,138			1,279,395,247	
Advances:						
- from clients						
. from the Ministry of Transport:						
. within 12 months	278,106			278,106		
. beyond 12 months	4,770,000			4,770,000		
. other	6,245,176			3,713,522		
		11,293,282			8,761,628	
Due to suppliers:						
. within 12 moths	110,318,542			106,079,788		
. beyond 12 months	3,310,751			2,960,490		
		113,629,293			109,040,278	
Due to subsidiary undertakings:						
. within 12 months	12,578,037			11,749,074		
		12,578,037			11,749,074	
Due to associated undertakings:						
. within 12 months	1,002,980			1,002,980		
		1,002,980			1,002,980	
Taxes due:						
. within 12 months	18,035,862			13,177,702		
		18,035,862			13,177,702	
Due to social security agencies		7,529,489			5,352,814	
Other payables: various creditors						
. within 12 months	38,625,815			26,823,646		
. beyond 12 months	1,138,090			1,025,122		
		39,763,905			27,848,768	
Total payables			**1,719,650,455**			**1,705,179,437**
ACCRUED EXPENSES AND DEFERRED INCOME						
Accrued expenses and other deferred income			**9,152,511**			**5,863,519**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			**2,548,793,176**			**2,578,559,065**

BALANCE SHEET
as of June 30, 2007
(in euros)
(Translation from the original issued in Italian)
MEMORANDUM ACCOUNTS

	06/30/2007		31/12/2006	
• General guarantees:				
- Sureties	110,522		110,522	
- Other	790,050		749,607	
		900,572		860,129
• Collateral guarantees:		0		0
• Commitments on purchases and sales		78,268,907		87,774,883
• Other		913,608,845		915,256,703
TOTAL MEMORANDUM ACCOUNTS		**992,778,324**		**1,003,891,715**

INCOME STATEMENT
for the first half of 2007
(in euros

	H 1 2007			H 1 2006		
TOTAL REVENUES						
Revenues from sales and services:						
- revenues from sales	37,081,068			30,644,226		
- revenues from services	222,415,335			212,291,170		
		259,496,403			242,935,396	
Changes in contract work in progress		0			2,134	
Other income and revenues:						
- profits on disposals	13,700			86,852		
- other	1,508,414			855,959		
		1,522,114	**261,018,517**		942,811	**243,880,341**
OPERATING COSTS						
Raw, ancillary and consumable materials and goods for resale		31,258,899			28,044,841	
Services		50,844,886			43,467,250	
Leases		5,059,224			4,252,904	
Payroll:						
- wages and salaries	40,873,893			37,328,177		
- social security	11,739,144			10,671,892		
- employee severance indemnities	3,105,109			3,035,032		
- other	514,982			396,457		
		56,233,128			51,431,558	
Depreciation, amortization and write-downs:						
- amortization of intangible fixed assets	40,467,940			40,212,715		
- depreciation of tangible fixed assets	7,536,043			7,284,850		
- provisions for doubtful accounts	4,067,656			798,361		
		52,071,639			48,295,926	
Changes in inventories of raw, ancillary and consumable materials and goods for resale		1,024,720			(300,894)	
Provisions for risks		1,785,011			2,518,419	
Other provisions		0			80,000	
Sundry operating costs:						
- license fees	17,193			28,534		
- other	2,065,184			3,880,745		
		2,082,377	**(200,359,884)**		3,909,279	**(181,699,283)**
Operating income			**60,658,633**			**62,181,058**
FINANCIAL INCOME AND EXPENSE						
Other financial income:						
- from long-term receivables						
. other	9,435			25,920		
- other						
. Interest and commissions from subsidiary undertakings	44,798			10,875		
. Interest and commission from banks	3,519,436			3,703,091		
. Interest and commissions from clients	619,275			163,357		
. Interest and commissions from others	87,328			1,445,177		
		4,280,272			5,348,420	
Interest expense and other financial charges:						
- interest and commissions due to subsidiary undertakings	67,798			1,231,824		
- interest and commissions due to banks	5,877,630			6,359,091		
- interest and commissions due to other financial institutions	34,559,644			29,925,274		
- interest and commissions due to others	1,863,985			10,779,306		
- provisions for overdue interest on written down receivables	476,303			163,389		
		(42,845,360)			(48,458,884)	
Profits and losses on Exchange						
- profits	46,990			130,147		
- losses	3,618			23,938		
		43,372			106,209	
Total financial income (expense), net			**(38,521,716)**			**(43,004,255)**

INCOME STATEMENT
for the first half of 2007
(in euros)

	H 12007			H1 2006		
'						
ADJUSTMENTS TO FINANCIAL ASSETS			**0**			**0**
EXTRAORDINARY INCOME AND EXPENSE						
Income:						
- other	373,852			235,194		
		373,852			235,194	
Expense:						
- other	1,023,592			506,786		
		(1,023,592)			(506,786)	
Total extraordinary income (expense), net			**(649,740)**			**(271,592)**
Income before taxes			**21,487,177**			**18,905,211**
Income taxes for the period, current, deferred assets (liabilities):						
- current		(17,570,480)			(14,983,662)	
- deferred tax assets (liabilities)		599,000			(566,000)	
			(16,971,480)			**(15,549,662)**
Net income (loss) for the period			**4,515,697**			**3,355,549**

REPORT OF THE INDEPENDENT AUDITORS

Deloitte.

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REPORT OF THE INDEPENDENT AUDITORS
ON THE REVIEW OF THE SIX-MONTH REPORT AS OF JUNE 30, 2007

To the Shareholders
of Aeroporti di Roma S.p.A.

1. We have performed a review of the consolidated accounting schedules and related explanatory notes included in the six-month report as of June 30, 2007 of Aeroporti di Roma S.p.A.. The six-month report is the responsibility of the Company's Directors. Our responsibility is to issue this report based on our review of the six-month report. We have also checked the part of the report related to the information on operations with the sole purpose of verifying the consistency thereof with the rest of the six-month report.

2. Our review was made in accordance with the criteria for reviews recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("CONSOB") under Resolution No. 10867 of July 31, 1997. Our review consisted principally of obtaining the information regarding the items reported in the accounting schedules and the consistency of the valuation criteria through discussion with company management and of applying analytical procedures to the data contained in the accounting schedules. Our review did not include those audit procedures such as compliance tests and substantive tests of assets and liabilities and was significantly less in scope than an audit conducted in accordance with generally accepted auditing standards. As a consequence, unlike the auditors' report accompanying the annual consolidated financial statements, we do not express an opinion on the six-month report.

3. With regard to the comparative information related to the annual consolidated financial statements as of December 31, 2006 and to the six-month report as of June 30, 2006, reference should be made to our reports issued on March 28, 2007 and September 25, 2006, respectively.

4. Based on our review, we are not aware of any material modifications or additions that should be made to the consolidated accounting schedules and related explanatory notes identified in paragraph 1. of this report, for them to be in conformity 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
September 27, 2007

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