QUARTERLY REPORT as of March 31, 2008

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

www.adr.it

CONTENTS

Corporate Officers

Aeroporti di Roma SpA

Board of Directors
(after the General Meeting and the Board of Directors' meeting of September 21, 2007 and April 16, 2008)

Chairman	Fabrizio Palenzona
Deputy Chairman	Massimo Pini
Deputy Executive Chairman	Guido Angiolini *(from April 16, 2008)*
Managing Director	Maurizio Basile *(until April 16, 2008)*
Directors	Guido Angiolini *(until April 16, 2008)* Giovanni Castellucci *(from March 11, 2008)* Alessandro Grimaldi Gianni Mion Aldo Minucci Andrea Mondello *(from January 9, 2008)* Piergiorgio Peluso Clemente Rebecchini Paolo Roverato Claudio Sposito *(until February 27, 2008)*
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 *(until April 16, 2008)*
Deputy General Manager	Emanuele Ludovisi *(from January 1, 2008)*

Independent Auditors	Deloitte & Touche SpA

HIGHLIGHTS

The following table summarizes main traffic data for the Roman airport system for the first quarter of 2008, showing changes with respect to the same period of 2007.

TRAFFIC PERFORMANCE

Traffic component	SYSTEM (°)	% Change
Movements (no.)	93,314	+0.6%
Aircraft tonnage (tons)	6,566,079	+2.8%
Total passengers (no.)	8,207,061	+4.6%
Total freight (kg)	33,832,168	(1.8%)

(°) Fiumicino + Ciampino

The following table summarizes key economic, financial and operational data for the ADR Group for the first quarter of 2008.

ADR GROUP

Key consolidated economic, financial and operational data (€000)			
	Q1 2008[1]		**Q1 2007**
Revenues	119,890		119,067
EBITDA	46,033		51,707
EBIT	18,234		26,341
Net income for the period:			
minority interest	9		254
Group share	(5,947)		(111)
Investment (€000)	45,193		10,585
	March 31, 2008	***Dec 31, 2007***	***March 31, 2007***
Invested capital	2,049,581	2,055,473	2,116,524
Shareholders' equity (including minority interest)	727,101	733,039	765,758
Group shareholders' equity	725,121	731,068	763,537
Net debt	1,322,480	1,322,434	1,350,766
Headcount at the end of the period	2,345	2,321	2,406
Ratios			
	March 31, 2008		**March 31, 2007**
Revenues/Average headcount (€000)	55		55
No. of passengers/Average headcount	3,842		3,596

[1] The income statement for the first quarter of 2008 includes the expenses introduced by the "2007 Finance Act" (1.7 million euros for fire fighting and protection services and a 0.6 million euro increase in the license fee, amounting to a total of 2.3 million euros). It should be noted that the above expenses, totaling 2.3 million euros, were not registered in the income statement for the first quarter of 2007.

ADR GROUP: CONSOLIDATED ACCOUNTS

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(€/000)

2007		First Quarter 2008	First Quarter 2007
556,616	A.- REVENUES	119,890	119,067
5,309	Capitalized costs and expenses	2,112	1,138
561,925	B.- REVENUES FROM ORDINARY ACTIVITIES	122,002	120,205
(187,314)	Cost of materials and external services	(46,908)	(40,155)
374,611	C.- GROSS MARGIN	75,094	80,050
(118,276)	Payroll costs	(29,061)	(28,343)
256,335	D.- GROSS OPERATING INCOME	46,033	51,707
(98,070)	Amortization and depreciation	(25,820)	(23,807)
(5,524)	Other provisions	(191)	(540)
(7,311)	Provisions for risks and charges	(1,154)	(508)
(1,085)	Other income (expense), net	(634)	(511)
144,345	E.- OPERATING INCOME	18,234	26,341
(78,557)	Financial income (expense), net	(20,465)	(19,140)
65,788	F.- INCOME BEFORE EXTRAORDINARY ITEMS AND TAXES	(2,231)	7,201
(425)	Extraordinary income (expense), net	(792)	(168)
65,363	G.- INCOME BEFORE TAXES	(3,023)	7,033
(42,914)	Income taxes for the period	(5,554)	(5,735)
(3,531)	Deferred tax assets	2,639	(1,154)
18,918	H.- NET INCOME FOR THE PERIOD	(5,938)	144
	including:		
1,027	- Minority interest	9	254
17,891	**- Group interest**	**(5,947)**	**(111)**

RECLASSIFIED CONSOLIDATED BALANCE SHEET

(€/000)

03-31-2007		03-31-2008	12-31-2007	Change
	A. - NET FIXED ASSETS			
2,037,326	Intangible fixed assets *	2,026,571	2,020,140	6,431
122,748	Tangible fixed assets	150,239	137,665	12,574
3,421	Non - current financial assets	3,458	3,121	337
2,163,495		2,180,268	2,160,926	19,342
	B. - WORKING CAPITAL			
20,113	Inventory	18,282	19,059	(777)
141,786	Trade receivables	158,061	149,913	8,148
34,679	Other assets	26,385	24,463	1,922
(119,353)	Trade payables	(177,650)	(148,422)	(29,228)
(27,421)	Allowances for risks and charges	(31,343)	(29,637)	(1,706)
(54,173)	Other liabilities	(86,584)	(82,986)	(3,598)
(4,369)		(92,849)	(67,610)	(25,239)
	C. - INVESTED CAPITAL, minus			
2,159,126	short-term liabilities (A+B)	2,087,419	2,093,316	(5,897)
42,602	D. - EMPLOYEE SEVERANCE INDEMNITIES	37,838	37,843	(5)
	E. - INVESTED CAPITAL, minus short-term			
2,116,524	**liabilities and E.S.I. (C-D)**	**2,049,581**	**2,055,473**	**(5,892)**
	financed by:			
	F. - SHAREHOLDERS' EQUITY			
763,537	- Group interest	725,121	731,068	(5,947)
2,221	- Minority interest	1,980	1,971	9
765,758		727,101	733,039	(5,938)
1,512,519	G. - MEDIUM/LONG-TERM BORROWING	1,413,369	1,512,519	(99,150)
	H. - NET SHORT-TERM BORROWING			
	(NET CASH AND CASH EQUIVALENTS)			
24,338	.Short-term borrowing	22,620	17,471	5,149
(186,091)	.Cash and current receivables	(113,509)	(207,556)	94,047
(161,753)		(90,889)	(190,085)	99,196
1,350,766	(G+H)	1,322,480	1,322,434	46
2,116,524	**I. - TOTALE AS IN "E" (F+G+H)**	**2,049,581**	**2,055,473**	**(5,892)**
1,835,816	*(*) including the value of the concession totaling*	*1,786,532*	*1,798,853*	*(12,321)*

MANAGEMENT REPORT FOR THE FIRST QUARTER OF 2008

OPERATING REVIEW

Group operations

A review of operations during the first quarter of 2008 in the various areas of business in which the Group is involved is provided below.

Aviation activities

An analysis of traffic figures for the Roman airport system for the first quarter of 2008, compared with the same period of 2007, revealed the following performance, broken down by airport - Ciampino and Fiumicino - and segment – domestic and international:

Data as of March 31, 2008

	ROME SYSTEM	Fiumicino	Ciampino	Domestic	International
Movements	93.314	79.296	14.018	42.516	50.798
D% vs PY	+0,6%	+2,8%	-10,4%	-3,5%	+4,3%
Mtow	6.566.079	5.869.720	696.359	2.496.885	4.069.194
D% vs PY	+2,8%	+4,5%	-10,1%	-1,4%	+5,5%
Total Pax	8.207.061	7.086.868	1.120.193	3.174.800	5.032.261
D% vs PY	+4,6%	+7,2%	-9,7%	+2,9%	+5,6%
Freight (Kg)	33.832.168	28.964.502	4.867.666	2.032.953	31.799.215
D% vs PY	-1,8%	+1,9%	-19,0%	-29,9%	+0,8%

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

	International	Intl' EU	Intl' Extra EU
Movements	50.798	37.642	13.156
D% vs PY	+4,3%	+2,8%	+8,5%
Mtow	4.069.194	2.489.893	1.579.301
D% vs PY	+5,5%	+3,7%	+8,4%
Total Pax	5.032.261	3.552.534	1.479.727
D% vs PY	+5,6%	+4,4%	+8,6%
Freight (Kg)	31.799.215	9.166.101	22.633.114
D% vs PY	+0,8%	-10,7%	+6,4%

There was a rise in the number of passengers compared with the same period of 2007 (up 4.6%), together with increases in movements (up 0.6%) and aircraft tonnage (up 2.8%), resulting in an increase in the load factor, which stood at 61.1% (up 1.1 percentage points on the same period of 2007).

Fiumicino registered a rise in the number of passengers (up 7.2%) as well as capacity, in terms of both movements (up 2.8%) and aircraft tonnage (up 4.5%).

This performance derives from a reduction in the number of passengers transported by Alitalia (down 5.5%) and an increase in the number transported by other carriers (up 16.5%).

During the first quarter of 2008 new flights to and from Fiumicino were added to the wide range of flights operated and destinations served by this airport, including a new service to Belfast operated by Air Lingus and a new flight to Brescia operated by Air Bee. The service to Seville operated by Vueling was also stepped up.

As of March 30 2008, with the launch of the new summer season, Alitalia reorganized its operating network, opting for Fiumicino airport as its single integrated hub (domestic, international and intercontinental), as officially announced at a press conference held on February 5, 2008.
Implementation of this strategy has led to a substantial increase in the number of flights at Fiumicino, especially in the international segment, regarding both short/medium- and long-haul flights.

Ciampino, on the other hand, reported a drop in the number of passengers (down 9.7%), primarily due to the measures taken by the Civil Aviation Authority to reduce the airport's commercial aviation capacity to a maximum of 100 movements per day.

In the first three months of 2008 revenues from airport fees amounted to 33.8 million euros, representing an increase of 3.7% with respect to 2007.

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 4.4% is essentially due to a rise in movements and aircraft tonnage;
- passenger boarding fees: total revenues rose by 3.5% on the back of an increase in the number of passengers boarded.

Moreover, the scheduled transfer of certain flights from Ciampino to Fiumicino airport, due to the above-mentioned restriction on the expansion of Rome's second airport, led to changes in the revenue breakdowns regarding the two airports compared with the previous year.

Also in the aviation sector, the disposal of the cargo handling business at the end of 2007 resulted in the elimination of handling revenues, which in the first quarter of 2007 amounted to 3.6 million euros.

The management of centralized infrastructures and terminal services, which is carried out directly by the Parent Company, ADR SpA, reported revenues of 7.7 million euros, representing an increase of 3.6% on the first quarter of 2007.

This performance was due essentially to two factors:

- a 3.8% rise in loading bridge revenues, primarily due to improved use of infrastructures (especially in the international segment), partly offset by a reduction in fees for some types of aircraft introduced in the first quarter of 2007;
- a 3.4% increase in revenues from the baggage handling system and other centralized infrastructures due to the rise in passenger levels, partly offset by the total transfer of Alitalia Schengen flights from Terminal B to Terminal A.

During the first quarter of 2008, the security activities carried out by the Parent Company, ADR SpA (security checks on passengers and carry-on baggage, 100% screening of checked baggage, explosive detection checks, other security checks requested and surveillance of the airport system) generated revenues of 13.4 million euros, an increase of just over 0.5% on the same period of 2007. This performance resulted from the positive trend in passenger numbers, which was offset by the negative effects of the reduction of certain checks ordered by the Civil Aviation Authority (the elimination of checks on transit passengers coming from countries included in the Schengen agreement, a review of additional measures regarding security forms and a reduction in revenues from on demand cargo services).
An additional increase of 0.3 million euros in security revenues on the previous year derives from ancillary activities regarding training and the issue of airport badges, cargo surveillance, etc.

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

Activities continued regarding the periodic updating of documents with the development, completion and revision of the matters dealt with in the Fiumicino Airport Regulations in January 2008 and gradual adoption of the new regulations issued by the management of Ciampino airport.

Real estate management

Revenues from sub-concessions, deriving from fees and utilities at Fiumicino and Ciampino, amounted to 7.8 million euros, up substantially on the first quarter of 2007 (11.2 %).

This performance is largely due to the disposal of the cargo business which, as of January 1, 2008, resulting in the granting of a sub-concession to Cargo Merci Fiumicino Srl for the portion of the cargo building previously used directly by ADR SpA as an operating asset.

Revenues from other fees charged to third-parties at Fiumicino and Ciampino amounted to 3.2 million euros, an increase of 9.8% with respect to the same period of the previous year. This result is largely due to the improved performance of "jet fuel". The number of liters supplied at the two airports rose by 12.0%, outstripping the 2.8% increase in aircraft tonnage using the system during the same period.

Non-aviation activities

Revenues from direct sales grew by 4.6% in the first quarter of 2008, compared with the same period of the previous year, against an increase of 4.7% in outgoing passenger traffic. The average passenger spend was substantially unchanged (down 0.1%) compared with the first quarter of 2007.

Fiumicino registered revenue growth of 9.6%, equal to an increase in average passenger spend of 2.0%. In terms of the different product segments, 'Luxury and Gift Items' reported the greatest revenue growth (up 40.3%), followed by 'Fine Food' (up 16.0%) and 'Confectionery' (up12.7%). Growth was primarily concentrated in Terminals A and B, whilst Terminal C saw a fall, partly due to the strengthening of the euro against the dollar and sterling.

Ciampino airport registered a 24.0% decrease in revenues compared with the first quarter of 2007, greater than the drop in traffic, with a consequent reduction of 15.4% in the average passenger spend. This performance was affected by the change in passenger mix following the reduction in movements at the airport (outgoing passengers down 10.2%).

Revenues from outlets managed by sub-concessionaires totaled 9.9 million euros in the first quarter of 2008, up 7.5% on the same period of 2007, thereby outstripping passenger traffic, which grew by 4.5%.

The "Retail" segment reported good results with revenue growth of 3.5% (in February a Dolce&Gabbana retail outlet was opened in the B11/B21 gate area), whilst the "Food & Beverage" segment posted an excellent 13.5% rise in revenues (up 0.4 million euros) due to steady product improvement and innovation. In this regard, a new high quality fish and wine bar, under the "Marchese dei Frescobaldi" brand, was opened in the B11-B21 gate area.
The item "Other royalties" also rose sharply by 12.5% (equivalent to around 0.1 million euros), primarily due to revision of the contracts with the VAT refund companies and the increase in revenues from baggage wrapping, which benefited from a tariff rise and increased contractual royalties.

ADR SpA's revenues from sub-concessions at Ciampino airport fell by 8.0% in the first quarter of 2008 due to the above-mentioned decrease in passenger traffic.

In the coming months at Fiumicino a bar and an OTC pharmacy are scheduled to open at the new Terminal T5 (in May), as well as a beauty center at the Terminal A arrivals hall and two wellness centers, one for Terminal B and the other at the Satellite. At Ciampino a newsagents and an OTC pharmacy are scheduled to open, following reorganization of available space enabled by the transfer of the car rental desks.

Revenues from advertising in the first quarter of 2008 fell by 8.9% due to the economic slowdown that has affected the advertising sector throughout Italy.

Management of parking systems registered revenues of 7.3 million euros, up 2.3% on the same period of the previous year, which is less than the growth in the potential market for outgoing passengers (up 4.0%).
This performance reflects competition from other forms of transport (especially taxis and trains) and the negative impact on the business segment of Easter, which in 2007 fell in the second quarter of the year.
The initiatives aimed at developing distribution channels (online booking, tour operators, business travel agencies, companies, airlines) continued to produce positive effects, with growth of more than 200% on the first quarter of 2007. This mitigated the negative effects of the expansion of 'off-airport' competition.
As part of the policy to develop and improve the services on offer, a new executive parking service was launched at Multistory Car Park E.
Ciampino airport registered a 22.8% drop in revenues, greater than the downturn in outgoing passenger traffic (down 10.2%), and primarily connected with the 'Leisure' and 'Meeters & Greeters' segments.

Technical and IT services

During the first quarter of 2008 activities aimed at upgrading and ensuring the reliability of company application systems and ICT infrastructures were completed, continued and launched.

In particular, works completed during the first quarter of 2008 include the following:

- airport systems assessment and plan: assessment and preparation of a long-term development plan for airport systems were completed with the aviation business sector in order to incorporate technological developments and meet the requirements of internal users;
- ADBM flight integration program: the implementation phase of a centralized system for the planning, management and certification of flight data at Fiumicino and Ciampino airports was completed;
- re-engineering of billing lines: the automation of various billing processes (for example, "follow-me", first aid, "lost & found", "marshalling", public announcements, porter service) was completed for the purposes of filing documents and backing up invoices payable;
- document filing and backup system: the project was completed and the chosen solution was adopted;
- spin-off of the cargo business: system upgrade activities were completed ahead of the spin-off of the cargo handling business;
- "Business Object XI" migration: upgrading of the "Business Object" environment, a corporate reporting system, was completed;
- optimization of direct retail purchasing processes and management of shop requirements: optimization of the direct retail purchasing process, from the supplier to the central warehouse and from the warehouse to the shop, was completed;
- implementation of the Quality System: implementation of the quality standards monitoring system for the main corporate processes (check-in lines, security check lines, baggage claim, toilets) was completed.

Important activities that were launched during the first quarter of 2008, or carried over from 2007, include the following:

- PRM project: a project is underway to develop and upgrade systems regarding assistance provided by ADR to passengers with reduced mobility (PRM) relating to the upgrading of airport systems (UFIS RMS), infrastructures and management systems. A project to launch a web portal is also in progress;
- Sensitive flights terminal (T5): work on infrastructure and the network is being carried out ahead of the opening of Terminal T5 scheduled for the beginning of May 2008;
- revamping of the "operating" area: a management model is being analyzed and defined for ICT and ADR Tel "operations", to be followed by a pilot project;
- new common user system (flight data management system): the three-year management and maintenance contract was launched, with phase one of migration currently underway;
- FIDS (Flight Information Display System): information monitors that are obsolete, or to be phased out in accordance with the requirements of the company's signage project, are being replaced;
- integrated badge access control system: an integrated platform to control and monitor systems that are accessed via use of the airport badge is being implemented;
- commercial systems assessment and plan: a long-term development plan for retail systems and infrastructures is being drawn up with the business department;
- credit card management: electronic payment systems in use at all payment points (e.g. duty free/duty paid, car parks) are being revised in line with technological developments;
- fidelity cards: a system for managing fidelity cards is being developed;
- upgrading and assessment of management systems: management systems are being integrated via an upgrade to version 7 and "as-is" analysis;

- new Adr.it portal: the advanced preview function requested by internal users is being developed, as well as preliminary testing prior to the launch of the Adr.it portal, which has new graphics and a new content layout in compliance with existing regulations regarding website access (the "Stanca Law").

Environmental protection

In January DASA RAGISTER, the certification body, carried out the integrated checks required for renewal of ISO 14001 certification for the Environmental Management Systems (EMS) at Fiumicino and Ciampino and confirmed their compliance with the set standards.

During the period, maintenance and development of the Environmental Management Systems (EMS) at Fiumicino and Ciampino continued according to plan.

Within the scope of training initiatives, scheduled courses were provided for the departments concerned by EMS.

EMS monitoring, conducted by ADR's internal environmental auditors, was carried out in accordance with annual planning, and contributed to highlighting areas where systems may be improved.

In March the National Research Council (CNR) was made responsible for monitoring air quality at Fiumicino airport.

Moreover, the new Development Plan through to 2020, including the related environmental impact study for which the approval process will begin in early 2008, was completed and delivered to the Civil Aviation Authority.

Regarding noise abatement, initiatives to improve the compatibility of airport activities with the environment and the surrounding area continued.

Quality

During the first quarter, monitoring of the level of service provided at Fiumicino and Ciampino airports was ensured, in accordance with the 2008 Quality Plan by means of:

- distribution of around 4,000 questionnaires to passengers to monitor perceived quality. The average score stood at 4.64 (on a scale from 1 = poor to 6 = excellent), an increase of 0.12 on the same period of 2007 (4.52);
- more than 12,000 objective controls were carried out through a total of around 180,000 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, restroom cleanliness).

An analysis of quality trends at Fiumicino shows that:

- 89.75% of passengers waited less than 10 minutes for carry-on baggage security checks, 0.25% below the service standard published in the Service Charter (90% of passengers);
- the number of misdirected bags for every 1,000 passengers (due to the Baggage Handling System and 100% baggage screening procedures) was 0.22‰, around 0.26‰ higher than the standard published in the Service Charter (0.48 bags for every 1,000 passengers boarded);
- the percentage of flights with baggage reclaim times within the set limits was 91% for the first and 92.89% for the last piece of baggage (the standard is 90%);

- the percentage of outgoing flights with delays of more than 15 minutes was 27.4%, 2.4 percentage points above the standard (25%). The percentage of outgoing flights with delays caused by the airport operator remained extremely low (0.05%), compared with the set standard of 0.3%;
- 90.50% of passengers traveling on domestic flights and 89.12% of passengers traveling on international flights completed check-in operations within the times set by the Service Charter, 0.88% below the 90% standard.

An analysis of quality trends at Ciampino shows that:

- 99% of passengers waited less than 15 minutes for carry-on baggage security checks, compared with the set standard of 90% published in the Service Charter;
- the percentage of outgoing flights with delays of more than 15 minutes was 20.3%, whilst the percentage of incoming flights with delays of more than 15 minutes was 17.6%. The airport did not respect the defined standard as regards either delays for outgoing flights (17%) or the recovery of airport transit times (1%);
- the percentage of flights with baggage reclaim times within the set limits was 94.6% for the first piece of baggage and 95.8% for the last piece of baggage (the standard is 90%);
- 74.7% of passengers completed check-in operations within 20 minutes (the standard is 90%).

Group investment

In line with the above, in the first quarter of 2008 the ADR Group carried out investment totaling 45,193 thousand euros (10,585 thousand euros in the same period of 2007).

<u>Terminals</u>

Work on improving the image and retail layout of terminals at Fiumicino continued, with civil and plant engineering works at the West Pier, as well as replacement of flooring in the transit gallery.
Steps to raise comfort levels inside the airport included work on upgrading the plant and technology serving Terminal C and the distribution systems for Terminals A and B.
Upgrading works were completed on the restrooms in Terminal C (quota 10.00) and those in the basement of the Domestic Pier, whilst the restructuring of restrooms and general upgrading works on flooring, false ceilings and fittings in the terminals continued.

The passenger arrival gates at Terminals B and C were merged.

Terminal 5 for sensitive flights will be open to the public in the former ADR cargo building by May.

As regards handling and security checks on checked luggage, the new back-up system for the BHS at Terminal B was completed and the northern X-Ray Screening building entered service with totally renovated baggage sorting carousels and the replacement of conventional x-ray machines with EDS (Explosive Detection System) equipment, namely automated detectors of explosive materials in compliance with the National Security Plan. A second back-up system for the D-E islands at Terminal C, a new building for handling and screening transit baggage, called Kilo3, and a second line to feed baggage reclaim carousel 11 at Terminal B will also enter service in 2008.

As part of the program to rationalize the airport's sign system, work is underway on renovating the external and internal parts of the passenger information sign system.

As regards the infrastructure development plan, which aims to increase terminal capacity, the executive design for Pier C was approved by the Civil Aviation Authority in February and the related contracts were awarded in March 2008.

Initiatives for Passengers with Reduced Mobility (PRM) at both Fiumicino and Ciampino airports are nearing completion.

Infrastructures and buildings

Construction of the new co-generation (tri-generation) plant is in progress and should be completed by the end of 2008. Via this new self-production system, the airport will have its own independent source of electric power.

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

Regarding the agreement between ADR and Alitalia to move the airline’s cargo activity to Cargo City, the project to convert Cargo AZ to a BHS specifically for flights at Terminal A has been completed, whilst works are in progress to organize the cargo warehouse so that it can house Alitalia’s activities.

Runways and aprons

Work is currently being completed as regards the upgrading of the BA connecting runway, utilized by aircraft taking off from runway 2. This runway is especially subject to heat and chemicals emitted by aircraft waiting to take off. Completion of these works has been postponed until May 2008 due to the closure of runway 1.

Works are in progress on runway 1 and the Alfa taxiway between the AC and AF connecting runways. This work involves the structural upgrading of the runway 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 such landings, 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 380s).

As regards Ciampino, work on upgrading the area in front of the hangar is in progress, with completion expected by May 2008.

Group personnel

The average Group headcount for the first three months of 2008, compared with the same period of the previous year, is shown in the following table:

Category	Q1 2008	Q1 2007	Change
Managers	60	57	3
White-collar	1,672	1,590	82
Blue-collar	404	536	(132)
Total	**2,136**	**2,183**	**(47)**

The reduction shown in the table derives from two opposing factors. The sale of the cargo business led to a reduction of 228 in the average headcount, which was partially offset by application of the so-called "fourth man" legislation and a rise of 98 staff in connection with passenger traffic growth.

The headcount as of March 31, 2008 was **2,345**, broken down by category and type of contract as follows:

Category	March 31, 2008	Dec 31, 2007	Change
Managers	60	57	+3
Supervisors	217	210	+7
White-collar	1,629	1,619	+10
Blue-collar	439	435	+4
Total Group	**2,345**	**2,321**	**+24**
including:			
on permanent contracts	1,675	1,655	+20
on temporary contracts	670	666	+4

and broken down by company as follows:

COMPANY	March 31, 2008			Dec 31, 2007			Change	Change	Change
	Perm. contract	Temp. contract	TOTAL	Perm. contract	Temp. contract	TOTAL	Perm. contract	Temp. contract	TOTAL
ADR SpA	1,603	667	**2,270**	1,587	666	**2,253**	+16	+1	**+17**
ADR Engineering SpA	43	3	**46**	39	0	**39**	+4	+3	**+7**
ADR Tel SpA	18	0	**18**	18	0	**18**	0	0	**0**
ADR Advertising SpA	11	0	**11**	11	0	**11**	0	0	**0**
Total Group	1,675	670	**2,345**	1,655	666	**2,321**	+20	+4	**+24**

The increase of 24 (up 1.0%) in the headcount compared with December 31, 2007 consists of 17 members of staff at ADR SpA and 7 at ADR Engineering SpA. The rise of 16 in the number of staff on permanent contracts at ADR SpA is primarily due to the conversion of the temporary contracts of 10 traffic assistants into permanent ones, following application of the agreement signed with the Lazio region on February 4, 2008, whilst at ADR Engineering (an increase of 7 members of staff on both temporary and permanent contracts) implementation of the Airport Development Plan launched during 2007 continued.

- Organizational aspects

Reorganization took place in the first quarter of 2008 regarding: the Deputy General Manager's Office for Strategies, Development and Operational Management and the Central Administration, Finance and Control Department with a view to executing extraordinary projects and overseeing the new airport tariff system.
Moreover, via application of the Business Partnership model, the Central Human Resources, Organization and Quality Department reorganized its structure with a view to further integrating the management of human resources with the needs of the business.
Regarding implementation of the backup process for invoices payable, a Backup Manager was appointed pursuant to the relevant legislation (art. 5, Resolution no. 11 of February 19, 2004, CNIPA - National Center for Information Technology in the Public Administration).

- Industrial relations

On the industrial relations front, the signing of an agreement that provided for the granting of permanent contracts to 192 employees from the current pool of temporary staff was of particular importance.

This program will be in effect from April 2008 until March 2009.

In application of the document signed in February 2008 at the Lazio Regional Office for Employment, Equal Opportunities and Policies for Young People, and partly due to their appointment by the Mayor of Fiumicino, 7 members of staff involved in the reemployment plan for former Ligabue employees were hired on permanent contracts as traffic assistants at Leonardo da Vinci Airport's car parks.
Finally, negotiations on pay and conditions are in progress with a view to renewing the two-year National Collective Labor Agreement that expired in December 2007.

- Recruitment and selection activities

During the first quarter of 2008 selection activities were conducted in order to maintain the pool of temporary staff for ADR SpA, entailing the recruitment of 112 handlers, 45 airport staff, 355 security staff and 32 professional staff. In addition, 263 candidates were selected for the new position of assistant for passengers with reduced mobility (PRM).
The Group hired 331 staff on temporary contracts during the period (230 white-collar and 101 blue-collar). Moreover, 14 people were hired on permanent contracts (6 supervisors, 7 white-collar and 1 blue-collar). Around 75 recent university and high school graduates were interviewed to take part in possible company training programs.
In addition, 326 airport badges were issued during the first three months of the year.

- Training and refresher courses

During the first quarter of 2008 courses totaling 25 training days were given at Genoa and Ancona airports.
A training model was also prepared for assistants to passengers with reduced mobility in accordance with the provisions of the relevant legislation. So far, three training courses have given to 59 trainees.
The Civil Aviation Authority memorandum, which regulates this type of assistance, is aimed at all airport operators, some of which have already requested future collaboration in order to take advantage of the know-how developed by ADR SpA.
On the training front, four workshops were held in February on "Updating human resources policies", involving 130 staff and including Group managers, supervisors and white-collar employees.
During the quarter, 808 man-hours of training were provided, including participation in external training courses.

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

The document that assesses risks for members of staff who are pregnant or mothers was updated during the period.
Regarding health and safety at the workplace, the ADR Tel SpA safety document was updated. This document identifies occupational risk factors, consequent prevention and protection measures, provisions for the protection of individuals, and instructions regarding health and safety at the workplace.
Moreover, following the provisions issued by Law no. 123/07, preparation of safety documents began with contractors and self-employed workers in order to prevent the risks of interference caused by contractors or external professionals.
In order to relieve ADR SpA from administrative responsibility, an "Organization and Management Model" was prepared.
Regarding "emergency management" issues, drills were conducted to assess the effectiveness of the new automated alert facility (aircraft accidents; bomb on board incidents; criminal acts; fires; collapsed buildings; other disasters) in collaboration with the National Police Force, the Fire Brigade, the Italian Air Navigation Services Company, the Civil Aviation Authority, First Aid staff and ADR's Emergency Operations Center.

As regards data protection legislation, the security planning document was drawn up within the prescribed time limit.
Corporate social responsibility initiatives were launched aimed at involving ADR staff in voluntary work, partly to make good use of the skills and professionalism available within the Company.
Particular attention was paid to personnel training regarding all the above matters; 5,298 hours of training were provided to 1,084 participants (of whom 50% were from outside organizations) with an average of 5 hours per person.

Main Group companies

ADR Engineering SpA

The company reported net income of 582 thousand euros for the first quarter of 2008, representing a substantial rise on the 177 thousand euros registered in the same period of 2007.

Thanks to the greater volume of business (design and works supervision) commissioned by the Parent Company, ADR, in connection with the new infrastructure investment program, the company's revenues grew by 1,564 thousand euros (up 84.7%).
This increase was reflected in improved EBITDA, which stood at 926 thousand euros, compared with the 418 thousand euros of the first quarter of 2007.

ADR Tel SpA

ADR Tel SpA reported net income of 127 thousand euros for the quarter under consideration, up 31 thousand euros on the first quarter of 2007.

The company posted revenues of 2,556 thousand euros, up 22.6% on the first quarter of 2007.

EBITDA, amounting to 643 thousand euros, rose by 10.9%, whilst EBIT reported a lower increase (up 7.1%) due to greater amortization and depreciation for the period.

ADR Advertising SpA

The company substantially broke even during the first quarter of 2008, reporting net income of 10 thousand euros compared with net income of 329 thousand euros in the same period of 2007.

Revenues, totaling 5,744 thousand euros, fell by 10.5% due to the economic downturn in the advertising sector. Consequently, EBITDA also fell back significantly to stand at 93 thousand euros (663 thousand euros in the first quarter of 2007).

Other significant events during the first quarter

Legal and regulatory context

- "Thousand-Extensions Decree"

On February 29, 2008, Law no. 31 of February 28, 2008, "*Conversion into law, with amendments, of Legislative Decree no. 248 of December 31, 2007 regarding extension of terms provided for by legal provisions and urgent financial measures*", was published in the Official Gazette.

The main provisions can be summarized as follows:

- granting of the airport concession: by amending the wording of art. 3, paragraph 2, of Legislative Decree no. 96/05 (revision of the aeronautical section of the Navigation Code), Legislative Decree no. 248/07 introduces the possibility of functional delocalization of airport managements, including those withdrawn from the European tender regime for awarding airport concessions pursuant to art. 704 of the Navigation Code;
- airport fees: Legislative Decree no 248/07 stipulates that, until decrees to determine airport fees pursuant to art. 11-9, paragraph 1, of Legislative Decree no. 203/05, converted into Law no. 248/05, are issued, the Minister of Transport should issue a decree to align airport fees with the target inflation rate.

- Directive pertaining to the regulation of fees charged for airport services provided on an exclusive basis

On January 7, 2008 the Civil Aviation Authority posted on its website the final version of the Guidelines that apply CIPE Directive no. 38/07 and related annexes, revised following the comments made by NARS on December 12, 2007. The guidelines were then sent to the Ministry of Transport for subsequent approval procedures.

On February 14, 2008 the Guidelines were approved by Interministerial Decree no. 41/T issued by the Ministry of Transport and the Ministry of Economy and Finance, which has yet to be published in the Official Gazette.

On March 27, 2008 the CIPE resubmitted CIPE Directive no. 38/2007 regarding the airport system reorganization plan, in compliance with Constitutional Court sentence no. 51 of February 27, 2008 that requested the joint Conference's opinion on the matter. This opinion was expressed at a meeting held on March 26, 2007, resulting only in amendment of the directive's wording.

- Airport certificate

On February 29, 2008 ADR SpA was informed by the Civil Aviation Authority that, as the result of an investigation by the Authority, the Certificate for Ciampino airport had been renewed for a three-year period as of December 1, 2007.

- Data Protection Code – Security Planning Document

On March 28, 2008 the Security Planning Document was updated pursuant to Legislative Decree no. 196/2003.

Corporate transactions

In implementation of the provisions of the business cooperation agreement signed in 2005, on March 26, 2008 ADR SpA and Sistemi di Energia SpA incorporated a limited liability consortium called Leonardo Energia – Società Consortile a r.l., with its registered office in Milan and share capital of 10,000 euros; ADR SpA has a 10% stake (1,000 euros) in the company.

The company has been set up to manage the co-generation plant that is nearing completion at Fiumicino airport. The aim is to jointly coordinate the business activities of the consortium partners regarding the production, transformation and transport of electric and thermal power.

The Extraordinary General Meeting of the investee, Aeroporto di Genova SpA, resolved to increase the company's share capital from 4,648,140,00 euros to 7,746,900.00 euros via the issue of 6,000 new shares with a par value of 516.46 euros each, to be offered to shareholders in proportion to the number of shares held.
The General Meeting fixed January 31, 2008 as the deadline by which to exercise the related options and declare the exercise of pre-emption rights in respect of any unexercised options. The same Meeting also fixed February 28, 2008 as the deadline by which to pay in the residual amounts owed by individual shareholders. ADR's investment is represented by 900 new shares with a total value of 464,814.00 euros.
On January 14, 2008, ADR SpA took up its rights on 900 new shares, with payment by January 31, 2008, pursuant to art. 2439 of the Italian Civil Code, of 25% of the par value (116,203.50 euros), and the remaining amount of 348,610.50 euros to be paid by February 28, 2008.

Financial transactions

In line with the strategy designed to restore adequate ratings, on February 4, 2008 the Parent Company, ADR SpA, notified the Security Agent, Mediobanca SpA, of its irrevocable intention to effect voluntary early repayment of the line of credit granted by Romulus Finance Srl, called Loan B and amounting to 65.0 million euros.
On March 20, 2008, in addition to repayment of Loan B of 65.0 million euros in accordance with the commitment undertaken in February, ADR SpA also partially repaid the "Term Loan Facility" (21.4 million euros) and the line of credit (12.7 million euros) granted by BIIS - Banca Infrastrutture Innovazione e Sviluppo (formerly Banca OPI).

Early repayment of the loan, totaling 99.1 million euros, was carried out by using available liquidity at the repayment date. However, by the end of the first half of 2008, ADR SpA intends to use the line of credit made available by the European Investment Bank (EIB), amounting to 80 million euros, with which the company will refinance, under more favorable conditions, a substantial portion of the previous debt to be repaid.

Litigation

- Regarding the appeals lodged before the Constitutional Court by the Campania, Emilia-Romagna, Piedmont, Tuscany and Sicily regional authorities to have Law no. 248/2005 declared unconstitutional, to which ADR SpA lent its support, on March 7, 2008, with sentence no. 51, the Court ruled in favor of the objections raised by the authorities relating to the constitutional issues contained in art. 11-9 of Law no. 248/2005 regarding the violation of regional legislative authorities and the violation of the principle of fair cooperation, in the part in which this article does not provide for mandatory consultation of both state and regional authorities by CIPE, pursuant to Law no. 281/97, within the scope of the procedures for adopting the resolution that identifies general criteria for determining airport fees.

- As previously reported, Ryanair appealed to the Lazio Regional Administrative Court requesting suspension of Ordinance no. 14/2007 of July 9,2007 issued by Ciampino airport's management, which, as of the 2007/2008 winter season, restricted the number of commercial aviation movements with slots to 100 per day, between 6am and 11.30pm, at Ciampino airport. At a hearing held on October 11, 2007 to discuss the suspension, the Lazio Regional Administrative Court rejected Ryanair's request, thereby maintaining the restriction on the number of slots for the 2007/2008 winter season.

With Ordinance no. 5752/2007 the Council of State upheld Ryanair's appeal (and therefore the original application for suspensive relief submitted by the airline). On March 25, 2008 Ryanair notified ADR SpA of an appeal on additional grounds to the Lazio Regional Administrative Court, following the denial by Assoclerance of two slots that did not exceed the current daily of limit of 138 slots, and which the airline had not made use of during the summer of 2007. This denial was based on a contradictory interpretation by the Civil Aviation Authority, according to which the effects of the contested Civil Aviation Authority ordinance remained in force, even after the ruling by the Council of State, if Ryanair were to request slots different from those allocated to it in the summer of 2007, as only the loss of these slots would constitute the serious and irreparable harm that the ordinance intended to avoid. The date of the related hearing has yet to be fixed.

- Airone has taken out legal proceedings at the Civil Tribunal of Rome against Tamoil, its jet fuel supplier, as well as certain airport operators (SAB – Aeroporto di Bologna, ADR, SEA and SAVE), claiming the illegality of the payments requested by the managements of oil companies for the use of airport infrastructures, which these companies subsequently "pass on" to carriers. Consequently, Airone also requests that Tamoil – together with the above airport operators, each according to their portion of responsibility – be ordered to repay the sum paid by Airone since 2003, amounting to 2.9 million euros. The preliminary hearing will take place on July 25, 2008.

- On January 22, 2008 the tax authorities (Rome 7 Revenue Office) began carrying out a general tax audit at ADR Tel SpA in order to check compliance with tax regulations regarding IRES, IRAP and VAT for 2005.
  On February 18, 2008, the tax inspectors formally notified the company that certain declared costs, totaling 394 thousand euros, were non-deductible. The company reserved its right to formulate any further considerations, comments or exceptions regarding the findings, as well as to assert its arguments before all the competent administrative courts and tax commissions.

- Regarding the current dispute with the Tax Office of Rome (UTF), which claimed that ADR SpA had failed to pay taxation on the consumption of electricity and the related surtax for the period 2002-2006, following the hearing held on March 10, 2008, the Provincial Tax Commission for Rome upheld the first of nine appeals to be heard.

GROUP FINANCIAL REVIEW

Reclassified consolidated income statement

(€/000)

2007		First Quarter 2008	First Quarter 2007
556,616	A.- REVENUES	119,890	119,067
5,309	Capitalized costs and expenses	2,112	1,138
561,925	B.- REVENUES FROM ORDINARY ACTIVITIES	122,002	120,205
(187,314)	Cost of materials and external services	(46,908)	(40,155)
374,611	C.- GROSS MARGIN	75,094	80,050
(118,276)	Payroll costs	(29,061)	(28,343)
256,335	D.- GROSS OPERATING INCOME	46,033	51,707
(98,070)	Amortization and depreciation	(25,820)	(23,807)
(5,524)	Other provisions	(191)	(540)
(7,311)	Provisions for risks and charges	(1,154)	(508)
(1,085)	Other income (expense), net	(634)	(511)
144,345	E.- OPERATING INCOME	18,234	26,341
(78,557)	Financial income (expense), net	(20,465)	(19,140)
65,788	F.- INCOME BEFORE EXTRAORDINARY ITEMS AND TAXES	(2,231)	7,201
(425)	Extraordinary income (expense), net	(792)	(168)
65,363	G.- INCOME BEFORE TAXES	(3,023)	7,033
(42,914)	Income taxes for the period	(5,554)	(5,735)
(3,531)	Deferred tax assets	2,639	(1,154)
18,918	H.- NET INCOME FOR THE PERIOD	(5,938)	144
	including:		
1,027	- Minority interest	9	254
17,891	**- Group interest**	**(5,947)**	**(111)**

The first quarter of 2008 witnessed a downturn in traffic growth at the Roman airport system compared with the first quarter of the previous year (passengers up 4.6%, movements up 0.6% and aircraft tonnage up 2.8%). Indeed, traffic continue to grow at Fiumicino airport (up 7.2%) but, for the first time after several years of continuous growth, Ciampino airport registered a downturn (9.7%) due to the measures implemented to restrict the airport's capacity.

Traffic growth during this period, which is low season for the entire air transport sector, is not fully reflected in the Group's results.

Revenues for the period under consideration are substantially in line with those reported in the first quarter of the previous year (up 0.7%), due to the upturn in non-aviation activities (up 4.6%), which was almost completely offset by a downturn in aviation activities (down 3.1%).

The fall in aviation revenues derives from the complete withdrawal from the direct management of cargo handing activities, which generated revenues of 3.6 million euros in the first quarter of 2007. Airport fees and centralized infrastructures, however, reflected the benefits of traffic growth, registering an increase of around 3.6%.

Growth in the non-aviation sector (up 4.6%) was primarily due to increased revenues from “sub-concessions and utilities” (up 8.7%) driven by the good performance of the “food and beverage” segment and the increase in sub-concession fees relating to the cargo business.
Sales by directly managed retail outlets continued to perform well (up 4.6%), in line with traffic growth, whilst revenues from advertising space registered a decrease of 8.9%.

Compared with the first quarter of 2007, the consumption of materials and external services, amounting to 46.9 million euros, is up 16.8%. This performance was influenced by the fact that new expenses to be met by operators, relating to fire prevention and fire fighting services, and the recent increase in the land use fee (totaling 2.3 million euros) were charged to the income statement, whilst not being recognized in the first quarter of 2007. The cost of purchasing goods for resale, in line with growth in the business, as well as external service costs, are also up.

Payroll costs are up 2.5%, primarily due to a different mix of human resources and, to a lesser extent, to the greater number of public holidays (Easter fell in March in 2008).

EBITDA, totaling 46.0 million euros, is down 11% compared with the first quarter of 2007. EBIT of 18.2 million euros is also down due to greater expense for amortization and depreciation and provisions for risks and charges.

The rise in the cost of money led to higher borrowing costs, as reflected in net financial expense, is up 1.3 million euros on the first quarter of 2007.

The ADR Group reports a net loss of 5.9 million euros in the first quarter of 2008, compared with the 0.1 million euro loss registered in the same period of the previous year.

Reclassified consolidated balance sheet
(€/000)

03-31-2007		03-31-2008	12-31-2007	Change
	A. - NET FIXED ASSETS			
2,037,326	Intangible fixed assets *	2,026,571	2,020,140	6,431
122,748	Tangible fixed assets	150,239	137,665	12,574
3,421	Non - current financial assets	3,458	3,121	337
2,163,495		2,180,268	2,160,926	19,342
	B. - WORKING CAPITAL			
20,113	Inventory	18,282	19,059	(777)
141,786	Trade receivables	158,061	149,913	8,148
34,679	Other assets	26,385	24,463	1,922
(119,353)	Trade payables	(177,650)	(148,422)	(29,228)
(27,421)	Allowances for risks and charges	(31,343)	(29,637)	(1,706)
(54,173)	Other liabilities	(86,584)	(82,986)	(3,598)
(4,369)		(92,849)	(67,610)	(25,239)
	C. - INVESTED CAPITAL, minus			
2,159,126	short-term liabilities (A+B)	2,087,419	2,093,316	(5,897)
42,602	D. - EMPLOYEE SEVERANCE INDEMNITIES	37,838	37,843	(5)
	E. - INVESTED CAPITAL, minus short-term			
2,116,524	**liabilities and E.S.I. (C-D)**	**2,049,581**	**2,055,473**	**(5,892)**
	financed by:			
	F. - SHAREHOLDERS' EQUITY			
763,537	- Group interest	725,121	731,068	(5,947)
2,221	- Minority interest	1,980	1,971	9
765,758		727,101	733,039	(5,938)
1,512,519	G. - MEDIUM/LONG-TERM BORROWING	1,413,369	1,512,519	(99,150)
	H. - NET SHORT-TERM BORROWING			
	(NET CASH AND CASH EQUIVALENTS)			
24,338	.Short-term borrowing	22,620	17,471	5,149
(186,091)	.Cash and current receivables	(113,509)	(207,556)	94,047
(161,753)		(90,889)	(190,085)	99,196
1,350,766	(G+H)	1,322,480	1,322,434	46
2,116,524	**I. - TOTALE AS IN "E" (F+G+H)**	**2,049,581**	**2,055,473**	**(5,892)**
1,835,816	*(*) including the value of the concession totaling*	*1,786,532*	*1,798,853*	*(12,321)*

The Group's invested capital, amounting to 2,049.6 million euros, is slightly down (5.9 million euros) on December 31, 2007, due to a reduction in working capital of 25.2 million euros. This was only partly offset by a rise in fixed assets of 19.3 million euros, deriving from the strong boost given by implementation of the Parent Company's infrastructure investment program.

Indeed, the sudden growth in investment was the primary influence on the growth in working capital due to the increase in trade payables (29.2 million euros). Likewise, the increase in "other liabilities" (3.6 million euros) was connected to estimated taxation for the period, and provisions for risks and charges (1.7 million euros).
On the other hand, the effect on working capital deriving from the increase in trade receivables (up 8.1 million euros), as well as the typical seasonal trend, also reflects the effects of the financial difficulties experienced by Italy's flag carrier during the first part of the year.

In terms of funding, the Group registered a reduction in shareholders' equity due to the loss reported for the period (5.9 million euros).

The Group’s net debt, amounting to 1,322.5 million euros, is in line with the figure at December 31, 2007, due to compensatory rises in the short as well as the medium/long-term components.

The 99.2 million euro reduction in medium/long-term debt, which derives from repayment of a portion of bank borrowings and of the loan granted by Romulus Finance, completed in March, resulted in a corresponding decrease in net liquidity, as it was totally financed by free cash flow.

Statement of cash flows
(€/000)

2007		First Quarter 2008	First quarter 2007
162,540	**A.- NET CASH AND CASH EQUIVALENTS - opening balance**	**190,085**	**162,540**
	B.- CASH FLOWS FROM (FOR) OPERATING ACTIVITIES		
18,918	Net income (loss) for the period	(5,938)	144
98,070	Amortization and depreciation	25,820	23,807
(1,437)	(Gains) losses on disposal of fixed assets	(1)	0
(13)	(Revaluations) write-downs of fixed assets	(3)	(5)
47,763	Net change in working capital	25,239	(15,478)
(3,839)	Net change in employee severance indemnities	(5)	920
159,462		45,112	9,388
	C.- CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
	Investment in fixed assets:		
(53,500)	.intagible	(28,296)	(6,825)
(31,650)	.tangible	(16,897)	(3,760)
(6)	.financial	(472)	0
4,733	Proceeds from disposal, or redemption value of fixed assets	507	410
(80,423)		(45,158)	(10,175)
	D.- CASH FLOW FROM (FOR) FINANCING ACTIVITIES		
0	Repayments of loans	(99,150)	0
0		(99,150)	0
(51,494)	E.- DIVIDENDS PAID	0	0
27,545	G.- CASH FLOW FOR THE PERIOD (B+C+D+E+F)	(99,196)	(787)
190,085	**H.- NET CASH AND CASH EQUIVALENTS - closing balance (A+G)**	**90,889**	**161,753**

After servicing its debt, during the first three months of 2008 the Group generated operating cash flow of 45.1 million euros, allowing it to finance its investment activities, totaling 45.2 million euros, from its own resources.

Early repayment of a portion of the Group’s medium/long-term loans, totaling 99.2 million euros, was carried out using free cash flow available at the beginning of the period; the Group’s net liquidity therefore stands at 90.9 million euros at the end of the quarter.

Analysis of net debt

(€/000)

2007		First Quarter 2008	First Quarter 2007
(1,349,979)	**A.- NET FINANCIAL BORROWING - opening balance**	**(1,322,434)**	**(1,349,979)**
256,335	EBITDA	46,033	51,707
(2,914)	Net change in operating working capital	21,666	(19,926)
(3,839)	Net change in employee severance indemnities	(5)	920
(1,138)	Other income (exp.), net	(635)	(511)
(1,838)	Extraordinary income (exp.), net	(792)	(168)
(16,576)	Current taxes paid	(598)	(428)
7,956	Other assets/liabilities (included allowances for risks and charges)	(1,426)	(4,413)
237,985	**B.- OPERATING CASH-FLOW**	**64,243**	**27,181**
(85,156)	Capex (tangibles, intangibles and financial)	(45,665)	(10,585)
4,733	Proceeds from disposal, or redemption value of fixed asset	507	410
157,562	**C.- FREE CASH-FLOW**	**19,085**	**17,006**
(78,523)	Financial income (exp.), net	(19,131)	(17,793)
(51,494)	Dividends paid	0	0
27,545	**D.- NET CASH-FLOW**	**(46)**	**(787)**
(1,322,434)	**F.- NET BORROWING - closing balance (A+E)**	**(1,322,480)**	**(1,350,766)**

SUBSEQUENT EVENTS

Traffic performance at the Roman airport system during the period January-April 2008, compared with the same period of the previous year, is shown below:

Data as of April 30, 2008

	ROME SYSTEM	Fiumicino	Ciampino	Domestic	International
Movements	128.681	109.570	19.111	58.238	70.443
D% vs PY	+2,7%	+5,4%	-10,5%	+0,7%	+4,5%
Mtow	9.160.479	8.224.484	935.995	3.395.062	5.765.417
D% vs PY	+5,4%	+7,8%	-11,4%	+2,2%	+7,5%
Total Pax	11.699.509	10.173.907	1.525.602	4.423.458	7.276.051
D% vs PY	+5,0%	+8,4%	-12,7%	+4,2%	+5,6%
Freight (Kg)	48.431.738	41.775.442	6.656.296	2.760.559	45.671.179
D% vs PY	+3,2%	+7,1%	-15,7%	-28,5%	+6,1%

	International	Intl' EU	Intl' Extra EU
Movements	70.443	51.353	19.090
D% vs PY	+4,5%	+1,7%	+13,1%
Mtow	5.765.417	3.434.812	2.330.605
D% vs PY	+7,5%	+3,4%	+14,2%
Total Pax	7.276.051	5.050.406	2.225.645
D% vs PY	+5,6%	+2,4%	+13,7%
Freight (Kg)	45.671.179	12.712.471	32.958.708
D% vs PY	+6,1%	-7,6%	+12,5%

In the first four months of 2008, compared with the same period of 2007, Fiumicino airport registered an increase in passenger traffic (up 8.4%), accompanied by a rise in capacity (movements up 5.4% and aircraft tonnage up 7.8%) and a consequent increase in the load factor of aircraft.

As of March 30 2008, with the launch of the new summer season, Alitalia has reorganized its operating network by opting for Fiumicino airport as its principal hub, as officially announced at a press conference held on February 5, 2008.

This reorganization led to an increase in the number of flights, especially in the international segment – including short/medium- as well as long-haul flights – which is the overall equivalent of more than 30 flights per day to and from Fiumicino (5 domestic and 26 international flights, respectively, including 3 EU and 23 non-EU flights).

The main new Alitalia flights include those to Dubai, San Paolo, Osaka, Chicago, Teheran, Kiev and Damascus, as well as increases in flights to destinations already served, such as Boston, Caracas, Cairo, Buenos Aires, Istanbul, St. Petersburg, Tokyo, Toronto, Tunis and Tel Aviv.

Consequently, in April alone, Alitalia registered significant growth in passengers (up 20.3%), as well as capacity (movements up 23.1% and aircraft tonnage up 37.7%).

Regarding Ciampino, the downturn in passenger traffic was confirmed through April 2008 (down 12.7%), again in connection with the measures designed to reduce the airport's capacity.

On April 7, 2008 the Civil Aviation Authority published the Guidelines on its website in application of CIPE Resolution no. 38/07, as approved by the Decree issued by the Minister of Transport and the Minister of the Economy and Finance on February 14, 2008, which has yet to be published in the Official Gazette.

On April 17 2008, the rating agency, Standard & Poor's, awarded a BBB - "Stable" rating to ADR SpA. The notice was published following an assessment of the potential effects on ADR SpA deriving from the statement issued by IATA (the International Air Transport Association) in connection with the initiatives that this association might undertake regarding the allocation of routes if Alitalia were to go into administration.

On May 3 the new Terminal T5 entered service. This terminal was built in record time by reusing and converting the facilities that were previously dedicated to the cargo business and taken out of service in 2004 following the opening of the new Cargo City.
The new terminal, to be used for passengers on so-called "sensitive flights" (with a high number of security checks), will enable Terminal C to be relieved of the passenger traffic component that is more difficult to manage, especially during peak periods, thereby reducing the strain on existing facilities. This will result in a consequent reduction in inconveniences and delays in baggage handling, especially regarding the smooth running of the automated baggage handling system (BHS).

OUTLOOK

The Group has determinedly embarked on a program to upgrade infrastructures and services, in order to adequately play the new role of national hub for the routes served by Italy's leading carrier.
The demands in terms of investment and staff, which are not at all eased by the growing regulatory burden being placed on the Group, are substantial, and require a rapid increase in the fees applied at the Roman airport system.

Management is, at the same time, keeping a keen eye on developments in Alitalia's recovery plan, which in the case of a negative outcome, would lead to immediate implementation of precautionary measures aimed at mitigating the short-term impact on the Group's finances.

Undoubtedly, both these factors – fees and Aliltalia's recovery – will strongly influence the Group's annual results, and also our strategy for the years ahead.

ADR SpA: SEPARATE ACCOUNTS

ADR SPA: RECLASSIFIED INCOME STATEMENT

(€000)

2007		First Quarter 2008	First Quarter 2007
549,038	A.- REVENUES FROM ORDINARY ACTIVITIES	118,652	117,286
(183,533)	Cost of materials and external services	(45,305)	(39,501)
365,505	B.- GROSS MARGIN	73,347	77,785
(112,750)	Payroll costs	(27,561)	(27,005)
252,755	C.- GROSS OPERATING INCOME	45,786	50,780
(98,093)	Amortization and depreciation	(25,790)	(23,799)
(5,420)	Other provisions	(171)	(523)
(7,301)	Provisions for risks and charges	(1,139)	(508)
(1,091)	Other income (expense), net	(632)	(464)
140,850	D.- OPERATING INCOME	18,054	25,486
(77,163)	Financial income (expense), net	(20,472)	(19,156)
63,687	E.- INCOME BEFORE EXTRAORDINARY ITEMS AND TAXES	(2,418)	6,330
(660)	Extraordinary income (expense), net	(792)	(162)
63,027	F.- INCOME BEFORE TAXES	**(3,210)**	**6,168**
	Income taxes for the period:		
(40,659)	current taxes	(5,054)	(5,243)
(3,436)	deferred tax assets (liabilities)	2,224	(1,325)
(44,095)		(2,830)	(6,568)
18,932	**G.- NET INCOME (LOSS) FOR THE PERIOD**	**(6,040)**	**(400)**

ADR SPA: RECLASSIFIED BALANCE SHEET

(€000)

03-31-2007		03-31-2008	12-31-2007	Change
	A. - NET FIXED ASSETS			
2,071,907	Intangible fixed assets *	2,063,604	2,056,413	7,191
123,867	Tangible fixed assets	152,402	138,970	13,432
7,689	Non current - financial assets	7,732	7,394	338
2,203,463		2,223,738	2,202,777	20,961
	B. - WORKING CAPITAL			
19,541	Inventory	17,965	18,744	(779)
135,463	Trade receivables	153,002	146,594	6,408
32,097	Other assets	22,828	21,384	1,444
(118,958)	Trade payables	(181,487)	(151,809)	(29,678)
(27,421)	Allowances for risks and charges	(31,318)	(29,627)	(1,691)
(51,870)	Other liabilities	(82,647)	(81,033)	(1,614)
(11,148)		(101,657)	(75,747)	(25,910)
	C. - INVESTED CAPITAL, minus			
2,192,315	short-term liabilities (A+B)	2,122,081	2,127,030	(4,949)
41,088	D. - EMPLOYEE SEVERANCE INDEMNITIES	36,315	36,377	(62)
	E. - INVESTED CAPITAL, minus short-term			
2,151,227	**liabilities and E.S.I. (C-D)**	**2,085,766**	**2,090,653**	**(4,887)**
	financed by:			
	F. - SHAREHOLDERS' EQUITY			
62,310	- Paid-up share capital	62,310	62,310	0
735,621	- Reserves and retained earnings (accumuled losses	704,082	685,150	18,932
(400)	- Net income (loss) for the period	(6,040)	18,932	(24,972)
797,531		760,352	766,392	(6,040)
1,512,519	G. - MEDIUM/LONG-TERM BORROWING	1,413,369	1,512,519	(99,150)
	H. - NET SHORT-TERM BORROWING			
	(NET CASH AND CASH EQUIVALENTS)			
27,646	.Short-term borrowing	25,797	20,014	5,783
(186,469)	.Cash and current receivables	(113,752)	(208,272)	94,520
(158,823)		(87,955)	(188,258)	100,303
1,353,696	**(G+H)**	1,325,414	1,324,261	1,153
2,151,227	**I. - TOTALE AS IN "E" (F+G+H)**	**2,085,766**	**2,090,653**	**(4,887)**
1,866,065	*(*) including the value of the concession totaling*	1,815,969	1,828,493	(12,524)