QUARTERLY REPORT as of September 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
“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 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;
** Directors with executive responsibilities.

Corporate Officers

Aeroporti di Roma SpA

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

Chairman	Fabrizio Palenzona
Deputy Chairman	Massimo Pini
Chief Executive Officer	Maurizio Basile
Directors	Guido Angiolini Alessandro Grimaldi Gianni Mion Aldo Minucci Piergiorgio Peluso Clemente Rebecchini Paolo Roverato Claudio Sposito
Secretary	Antonio Abbate

Board of Statutory Auditors
(after the General Meeting of April 16, 2007)

Chairman	Giacinto Chimenti
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Alternate Auditors	Nicola Lorito Andrea Piermartini Rosi

General Manager	Maurizio Basile

Independent Auditors	Deloitte & Touche SpA

HIGHLIGHTS

The following table summarizes main traffic data for the Roman airport system for the third quarter and the first nine months of the year, showing changes with respect to the same periods of 2006.

TRAFFIC PERFORMANCE

Traffic component	Q3 2007		9M 2007	
	SYSTEM (no.)	% Change(*)	SYSTEM (no.)	% Change(*)
Movements (no.)	107,310	+6.5%	302,048	+5.9%
Aircraft tonnage	7,772,459	+7.6%	21,366,123	+6.4%
Total passengers (no.)	11,199,210	+10.7%	29,212,500	+9.3%
Total freight (kg)	39,359,013	+7.5%	113,521,142	+4.1%

(°) Fiumicino + Ciampino
(*) compared with the same period of 2006

The following table summarizes key economic, financial and operational data for the ADR Group for the third quarter of 2007 and for the nine months ended September 30, 2007.

ADR GROUP

Key consolidated economic, financial and operational data (€000)	*Q3 2007*		*Q3 2006*
Revenues	153,891		159,619
EBITDA	78,728		77,201
EBIT	50,386		50,884
Net income for the period:			
minority interest	250		242
Group share	13,008		12,587
Investments (€000)	13,881		14,286
	9M 2007[1]	*2006*	*9M 2006*[2]
Revenues	417,185	567,279	436,124
EBITDA	196,186	256,655	198,154
EBIT	113,197	146,103	116,273
Net income for the period:			
minority interest	790	1,058	760
Group share	18,377	*59,986*	16,548
Investments (€000)	47,903	57,899	38,232
	Sep 30, 2007	*Dec 31,2006*	*Sep 30, 2006*
Invested capital	2,081,289	2,115,594	2,123,348
Shareholders' equity (including minority interest)	733,289	765,615	721,879
Group shareholders' equity	731,554	763,648	720,210
Net debt	1,348,000	1,349,979	1,401,469
Headcount at the end of the period	2,629	2,275	3,959
Ratios	*9M 2007*	*2006*	*9M 2006*
Revenues/ Average headcount (€000)	183	182	127
No. of passengers /Average headcount	12,846	11,262	7,783

[1] The income statement for the first nine months of 2007 includes the costs introduced by the "Finance Act for 2007" (expenses relating to fire prevention services, totaling €6.6 million, an increase in license fees, totaling €0.7 million, and a rise in property tax (ICI), totaling €0.7 million), with a negative impact on EBITDA of €7.3 million and on net income of €5.2 million.
[2] The income statement for the first nine months of 2006 includes the results of Flightcare Italia SpA (formerly ADR Handling SpA), which was sold at the end of November 2006, with an impact on revenues of €47.3 million and on EBITDA of €5.3 million.

ADR GROUP: CONSOLIDATED ACCOUNTS

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(€000)

2006		Q3 2007	Q3 2006	9M 2007 (*)	9M 2006 (**)
567,27	A.- REVENUES	153,89	159,61	417,18	436,12
4,92	Capitalized costs and expenses	1,05	1,27	3,41	3,53
572,20	B.- REVENUES FROM ORDINARY ACTIVITIES	154,94	160,89	420,59	439,65
(167,927	Costs of materials and external services	(48,094	(44,239	(137,488	(122,836
404,27	C.- GROSS MARGIN	106,85	116,65	283,10	316,82
(147,624	Payroll costs	(28,124	(39,451	(86,921	(118,666
256,65	D.- GROSS OPERATING	78,72	77,20	196,18	198,15
(99,424	Amortization and depreciation	(24,660	(26,441	(72,682	(74,784
(3,844	Other provisions	(607	(1,298	(4,705	(2,260
(2,327	Provisions for risks and charges	(2,242	0	(4,027	(538
(4,957	Other income/(expense)	(833	1,42	(1,575	(4,299
146,10	E.- OPERATING INCOME/(LOSS)	50,38	50,88	113,19	116,27
(113,014	Financial	(19,766	(22,309	(58,269	(64,049
33,08	F.- INCOME/(LOSS) BEFORE ITEMS AND TAXES	30,62	28,57	54,92	52,22
60,49	Extraordinary income/(expense)	(1,636	6	(2,189	(439
93,58	G.- INCOME/(LOSS) BEFORE	28,98	28,63	52,73	51,78
(28,055	Income taxes for the period	(16,928	(13,037	(35,584	(29,890
(4,481	Deferred tax	1,20	(2,772	2,01	(4,587
61,04	H.- NET INCOME/(LOSS) FOR THE PERIOD	13,25	12,82	19,16	17,30
	including:				
1,05	- minority	25	24	79	76
59,986	**- Group interest**	**13,008**	**12,587**	**18,377**	**16,548**
		-	-	-	

(*) The income statement for the first nine months of 2007 includes the costs introduced by the "Finance Act for 2007" (expenses relating to fire prevention services, totaling €6.6 million, an increase in license fees, totaling €0.7 million, and a rise in property tax (ICI), totaling €0.7 million), with a negative impact on EBITDA of €7.3 million and on net income of €5.2 million.

(**) The income statement for the first nine months of 2006 includes the results of Flightcare Italia SpA (formerly ADR Handling SpA), which was sold at the end of November 2006, with an impact on revenues of €47.3 million and on EBITDA of 5.3 million.

RECLASSIFIED CONSOLIDATED BALANCE SHEET

(€000)

Sep 30, 2006		Sep 30, 2007	June 30, 2007	Dec 31, 2006	Chang
	A. – NET FIXED ASSETS				
2,059,358	Intangible fixed assets *	2,019,448	2,031,179	2,050,619	(31,171
131,48	Tangible fixed assets	127,70	126,88	122,75	4,94
4,01	Non-current financial assets	3,29	3,31	3,75	(459
2,194,865		2,150,442	2,161,378	2,177,123	(26,681
	B. – WORKING CAPITAL				
21,65	Inventory	18,32	19,83	21,02	(2,701
153,51	Trade receivables	161,07	151,70	128,89	32,18
35,52	Other assets	41,37	41,28	39,26	2,11
(118,991	Trade payables	(130,957	(133,203	(126,763	(4,194
(33,561	Provisions for risks and charges	(31,017	(28,254	(29,350	(1,667
(68,060	Other liabilities	(86,427	(75,755	(52,922	(33,505
(9,917		(27,623	(24,391	(19,847	(7,776
2,184,948	C. – INVESTED CAPITAL, minus short-term liabilities (A+B)	2,122,819	2,136,987	2,157,276	(34,457
61,60	D. – EMPLOYEE SEVERANCE INDEMNITIES	41,53	41,25	41,68	(152
2,123,348	**E. – INVESTED CAPITAL, minus short-term liabilities and employee severance indemnities (C-D)** financed by	**2,081,289**	**2,095,733**	**2,115,594**	**(34,305)**
	F. – SHAREHOLDERS' EQUITY				
720,21	- Group interest	731,55	718,54	763,64	(32,094
1,66	- minority interest	1,73	1,48	1,96	(232
721,87		733,28	720,03	765,61	(32,326
1,512,519	G. – MEDIUM/LONG-TERM DEBT	1,512,519	1,512,519	1,512,519	0
	H. – NET SHORT-TERM DEBT (NET CASH AND CASH EQUIVALENTS)				
9,38	.short-term debt	12,49	4,29	15,89	(3,397
(120,433	.cash and current receivables	(177,017	(141,115	(178,435	1,41
(111,050		(164,519	(136,817	(162,540	(1,979
1,401,469	(G+H)	1,348,000	1,375,702	1,349,979	(1,979
2,123,348	**I. – TOTAL AS IN "E" (F+G+H)**	**2,081,289**	**2,095,733**	**2,115,594**	**(34,305)**
1,860,458	*(*) including: the value of the concession totaling*	*1,811,174*	*1,823,495*	*1.848.137*	*(36.963)*

MANAGEMENT REPORT FOR THE THIRD QUARTER OF 2007

MANAGEMENT REPORT

Group operating review

A review of operations during the third quarter of 2007 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 third quarter of 2007, compared with the same period of 2006, revealed the following performance, broken down by airport - Ciampino and Fiumicino - and segment – domestic and international:

Data for the period July-September 2007

	ROME SYSTEM	Ciampino	Fiumicino	Domestic	International
Movements	107.310	16.852	90.458	45.475	61.835
D% vs PY	+6,5%	+0,1%	+7,8%	+1,3%	+10,7%
Mtow	7.772.459	817.157	6.955.302	2.599.547	5.172.912
D% vs PY	+7,6%	+3,8%	+8,0%	+5,3%	+8,8%
Total Pax	11.199.210	1.468.919	9.730.291	3.771.557	7.427.653
D% vs PY	+10,7%	+8,2%	+11,1%	+10,1%	+11,1%
Freight (Kg)	39.359.013	5.389.340	33.969.673	2.358.747	37.000.266
D% vs PY	+7,5%	-5,3%	+9,8%	+18,2%	+6,8%
Mail (Kg)	3.971.957	0	3.971.957	2.631.996	1.339.961
D% vs PY	-59,1%	-100,0%	-59,1%	-66,1%	-31,2%

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

	International	Intl' EU	Intl' Extra EU
Movements	61.835	45.023	16.812
D% vs PY	+10,7%	+15,0%	+0,8%
Mtow	5.172.912	2.968.228	2.204.684
D% vs PY	+8,8%	+12,2%	+4,5%
Total Pax	7.427.653	5.090.381	2.337.272
D% vs PY	+11,1%	+13,0%	+7,0%
Freight (Kg)	37.000.266	10.433.514	26.566.752
D% vs PY	+6,8%	+9,6%	+5,8%
Mail (Kg)	1.339.961	615.582	724.379
D% vs PY	-31,2%	-40,3%	-20,9%

Monthly trends for passenger traffic using the Roman airport system during the period under review were as follows:

July up 10.7%
August up 10.6%
September up 10.9%

There was a rise in the number of passengers at Fiumicino during the third quarter (up 11.1%) compared with the same period of 2006, due to both increased capacity (movements up 7.8% and aircraft tonnage up 8.0%) and an improvement in the load factor.

The increase in passengers at Ciampino airport compared with the same period of 2006 (up 8.2%) was again driven by the low-cost segment, which represents the predominant type of traffic at the airport.

An analysis of traffic figures for the Roman airport system for the first nine months of 2007, compared with the same period of 2006, revealed the following performance, broken down by airport - Ciampino and Fiumicino - and segment – domestic and international:

<u>Data for the period January-September 2007</u>

	ROME SYSTEM	Ciampino	Fiumicino	Domestic	International
Movements	302.048	50.434	251.614	134.190	167.858
D% vs PY	+5,9%	+5,3%	+6,0%	+1,6%	+9,6%
Mtow	21.366.123	2.442.563	18.923.560	7.641.101	13.725.022
D% vs PY	+6,4%	+8,9%	+6,1%	+3,7%	+8,0%
Total Pax	29.212.500	4.185.979	25.026.521	10.604.177	18.608.323
D% vs PY	+9,3%	+13,2%	+8,6%	+7,0%	+10,6%
Freight (Kg)	113.521.142	17.410.125	96.111.017	7.976.826	105.544.316
D% vs PY	+4,1%	+0,1%	+4,9%	+24,1%	+2,9%
Mail (Kg)	19.526.992	346	19.526.646	14.978.310	4.548.682
D% vs PY	-36,0%	-98,4%	-35,9%	-38,3%	-27,1%

International traffic is further broken down in terms of EU and non-EU traffic.

	International	Intl' EU	Intl' Extra EU
Movements	167.858	124.123	43.735
D% vs PY	+9,6%	+14,1%	-1,5%
Mtow	13.725.022	8.186.209	5.538.813
D% vs PY	+8,0%	+12,4%	+2,2%
Total Pax	18.608.323	13.047.366	5.560.957
D% vs PY	+10,6%	+13,2%	+4,9%
Freight (Kg)	105.544.316	31.712.671	73.831.645
D% vs PY	+2,9%	+8,1%	+0,7%
Mail (Kg)	4.548.682	2.281.685	2.266.997
D% vs PY	-27,1%	-35,0%	-16,9%

A comparison of nine-monthly data for 2007 with the corresponding data for 2006, at the level of the Roman airport system, shows upturns in passengers (up 9.3%) and capacity (movements up 5.9% and aircraft tonnage up 6.4%), as well as an increase in the load factor.

With regard to the Roman airport system, growth in passenger traffic at Fiumicino airport (8.6%) was accompanied by growth in capacity (movements up 6.0% and aircraft tonnage up 6.1%) and a slightly lower upturn in passengers, with a consequent increase in the load factor.

At Ciampino, passenger volumes have risen by an overall 13.2% since the start of the year.

In the first nine months of 2007 revenues from airport fees amounted to 117.8 million euros, representing an increase of 7.2% with respect to 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 6.7% is essentially due to a rise in movements and aircraft tonnage;
- passenger boarding fees: total revenues rose by 7.6% due to passenger growth during the period, which was partially offset by a drop in revenues due to the introduction of new fees on February 1, 2006 and the entrance of Romania and Bulgaria into the European Union on January 1, 2007.

The management of centralized infrastructures and terminal services, carried out directly by the Parent Company, ADR SpA, reported revenues of 26.4 million euros, representing an increase of 2.5% on the previous year.

This performance was due essentially to two factors:

- slighter lower revenues for loading bridges 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 almost entirely offset by the improved use of infrastructures, made possible by an increase in movements, especially as regards domestic and European traffic;
- an increase in revenues (up around 0.6 million euros) from the baggage handling system and other centralized infrastructures, due mainly to the rise in passenger levels.

The automated baggage handling system (BHS) processed around 4,915,000 bags during the first nine months of 2007 (up 4.75% compared with 2006), with the percentage of misdirected bags totaling 0.26%.

The percentage of misdirected bags rose in the third quarter of 2007 (0.57% compared with 0.12% in the third quarter of 2006). Consequently, the figure for the first nine months of 2007 was 0.26%, up from the 0.13% reported in the same period in 2006.

This increase was essentially due to events that started on July 7 when, due to a series of drops in voltage in the airport's electricity network, some of the baggage system's control panels were damaged. It was thus necessary to use the backup system and procedures, which led to some bags being left behind. Due to additional technical difficulties and the related congestion in the baggage system, the negative consequences were felt throughout July and part of August. Thanks to the steps taken by ADR, the performance improved starting in August.

During the first nine months of 2007, 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 48.8 million euros, a 7.8% increase on 2006. This performance resulted from the positive trend in passenger numbers 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.

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.

In March 2007 the management of Ciampino Airport adopted new Airport Regulations for G.B. Pastine airport, as required by the Navigation Code.
Moreover the Airport Regulations for both Ciampino and Fiumicino airports have been modified to include the minimum airport operating requirements regarding the quality of essential airport services as set forth in the Authority's Circular APT-19. The new regulations, which were proposed by ADR after prior consultation with the Users' Committee and Handlers, were subsequently adopted by the airports' respective management (in July 2007 for Ciampino and in August 2007 for Fiumicino).

Real estate management

During the first nine months of 2007, revenues from sub-concessions, deriving from fees and utilities at Fiumicino and Ciampino, amounted to 18.1 million euros, up slightly on the same period of 2006 (4.4%).

Revenues from other fees charged to third-parties at Fiumicino and Ciampino amounted to 8.2 million euros, in line with the same period in 2006.
This amount reflects the following: i) an increase in fees charged to oil companies thanks to increases in both the number of liters of jet fuel supplied per aircraft tonnage and in air traffic; ii) lower fees charged to catering companies, the final determination of which has been postponed until implementation of the guidelines issued by the Civil Aviation Authority on June 5, 2007, which presupposes that ADR will be provided with the elements on which to base the relevant calculation (the flights served); iii) the impact on the entire period of January-September 2007 of the activity of the second Garden Inn hotel, opened in December 2006, which more than compensated for the slight reduction posted by the Hilton hotel.

Non-aviation activities

Revenues from direct sales grew by 21.7% in the first nine months of 2007, compared with the same period of the previous year, against an increase of 8.4% in outgoing passenger traffic. The average passenger spend rose by 11.7% compared with 2006.
Fiumicino registered revenue growth of 19.5%, equal to an increase in average passenger spend of 10.2%. This result was achieved thanks to the restructuring programs launched in 2006, which concluded with the opening of 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 floor in Terminal A, which made it possible to more than double both average spend and revenues at Terminal A, compared with the first nine months of 2006.

In terms of the different product segments, 'Skin care' and 'Wines' reported the greatest revenue growth, up 36.6% and 27.6%, respectively, followed by 'Confectionery' (up 24.5%) and 'Perfumes' (up 21.8%). 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 37.9% compared with the same period of 2006, which was greater than traffic growth (a 22.3% rise in the average spend). This performance benefitted from the restructuring of the shop, concluded in October 2006, including an increase in sales area.

Revenues from outlets managed by sub-concessionaires totaled 33.2 million euros in the first nine months of 2007, up 11.9% on the same period of 2006, and thus registering higher growth than passenger traffic, which grew by 9.3%.
The "Food & beverage" segment posted the best performance (up 15.8% or 1.5 million euros), with an increase of 6.7% in terms of revenue per passenger. Especially good results were linked to the restructured 'Ciao' food court, the Cremonini bar in the arrivals area, the food court at Ciampino and My Chef. The period also saw confirmation of the excellent performance of the baked goods and pastry shop, Rustichelli, which opened in the domestic arrivals area in June.
The "Retail" category reported growth of 10.4%, once again outstripping traffic growth. The third quarter of 2007 also saw the opening of new sales outlets: Tumi in the Satellite, the flower and plant shop in the arrivals area in Terminal A, and the Sasch shop at Ciampino airport. It should also be mentioned that the bijoux jewelry shop, L'Oca Bianca, in Pier C was replaced with a Burberry shop.
The item "Other Royalties" was up 9.5%, in line with passenger growth. This was especially true as regards baggage wrapping activities (Secure Bag), which were up 40.2% with respect to 2006.
The last quarter of the year will see the opening of a Dolce&Gabbana shop at Fiumicino. This will be the first Dolce&Gabbana shop ever to open at an airport, as was true of the Prada shop, which opened in November 2006.

Revenues from advertising in the first nine months of 2007 were up 4.5% 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 parking systems registered revenues of 23.0 million euros, up 9.4% on the same period of the previous year, deriving mainly from a strong upturn at Ciampino (up 30%). This reflects both traffic growth at the airport (up 13.2%) and greater car park capacity. Fiumicino also reported an upward trend (up 7.2%), even if this did not match that of traffic at the airport (up 8.6%). This result was positively influenced by the installation of metered parking spaces and the good performance of the covered long-stay parking segment (up 31.2%). In contrast, the uncovered long-stay segment continued to perform poorly (down 0.8%), as it continues to suffer the effects of increasing competition both from other car parks within the airport and from other means of reaching the airport (taxis and the train).
Actions undertaken to boost the long-stay segment's competitiveness have continued, especially as regards initiatives involving the Internet, travel agencies and tour operators, as well as advertising inside the airport (billboards, pamphlets) and outside the airport (magazine advertisements, radio campaigns and advertising on buses, etc.). It should be noted that the level of online bookings for the "leisure" segment accounted for 28% of all transactions.
The negotiation of distribution agreements with companies and airlines is still underway. In this regard, agreements have already been reached with Alitalia and Meridiana and an agreement is expected to be reached with another leading Italian airline by the end of this year.

Technical and IT services

During the third quarter of 2007, activities aimed at upgrading and ensuring the reliability of company application systems and ICT infrastructures were completed, continued and launched. Specifically:

Works completed in the third quarter of 2007 included:

- consolidation of corporate applications on new platforms: the transfer of corporate applications from the old to the new technology platforms, initiated after the EDP outsourcing contract was signed, was completed. Plans are now being drawn up for the testing and final approval of the disaster recovery system, to be carried out in a manner compatible with both corporate and airport operational needs;
- optimization of the airport's systems: the period saw completion of the technological upgrading of the airport system's components via their transfer from obsolete, externally dependent platforms and machinery to a single ADR system (ADBM);
- review of spare parts and labor prices: following the selection of a bid in July 2007 for the maintenance of Alitalia Airport vehicles, work was completed as regards the review of spare parts and labor prices in the contract with ensured monitoring of the related Service Level Agreements;
- commercial car park functions: the period saw the launch of the White Label Alitalia function, which integrates ADR's online car park booking function into Alitalia's website. The functions are the same, but Alitalia's graphics have been added.

Activities that were either continued or launched during the third quarter of 2007 included the following:

- new Adr.it portal: work went ahead on 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");
- credit card management: the Group is currently launching a revised electronic payment system for at all payment points (eg. duty free, car parks) in line with technological developments;
- document filing and backup system: following the selection of a bid, the chosen solution is currently being implemented;
- new common user system: the call for bids regarding replacement of the current common user system has drawn to a close and the three-year management and maintenance contract is currently entering effect. Detailed planning of the transfer is currently underway;
- badge access control system: the call for bids to implement an integrated platform to control and monitor systems that are accessed via use of the airport badge is currently drawing to a close;
- ADBM flight integration program: the analytical phase is being completed. The last quarter of the year will see implementation of a single centralised system for the programming, management and certification of flight data at Fiumicino and Ciampino airports;
- information to the public: a call for bids is currently underway for the supply and implementation of new monitors to provide information to the public. Afterwards, the first batch of monitors will be purchased;
- car parks: an analysis has been carried out regarding extension of the online booking function for parking in the multi-story car park (levels A, B, C, D) and at Ciampino via the complete replacement of car plate reader and recognition system at entrance and exit points;
- taxi system: the fully renewed taxi management and control system regulating access to the parking area for taxis is currently being rolled out.

Environmental protection

During the period, planned maintenance and development activities regarding the ISO 14001 Environmental Management Systems (EMS) at Fiumicino and Ciampino airports (re-examinations, audit plan and training program) were carried out.

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

The fourth ADR Environmental Report, containing information on environmental performance in 2006, has been completed and will soon be published.

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.

An Environmental Impact Study is currently underway for the purposes of updating the Development Plan to the year 2020.

Quality

During the third quarter, monitoring of the level of service provided at Fiumicino and Ciampino airports was ensured, in accordance with the 2007 Quality Plan by means of: more than 11,000 objective controls, through a total of around 170,000 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, monitor and passpart functions).

An analysis of quality trends at Fiumicino shows that:

- 84% of passengers waited between 9 and 15 minutes for carry-on baggage security checks, which was 6 percentage points 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 2.23‰, around two points higher than the standard published (0.5 bags for every 1,000 passengers boarded). This result was due to the problems encountered by the BHS in July, when the highest number of bags were misdirected (5.6‰ for every 1,000 passengers). The level of service then improved noticeably in August (0.7‰ for every 1,000 passengers) and in September (0.2‰ for every 1,000 passengers);
- the percentage of flights with baggage reclaim times within the set limits was 76% for both the first and the last piece of baggage (the standard is 90%);
- the percentage of outgoing flights with delays of more than 15 minutes was 42%, 17 percentage points above the standard (25%). The percentage of outgoing flights with delays caused by the airport operator remained low (0.8%), even if it was the first time that the 0.3% standard was not respected;
- 77% of passengers traveling on domestic flights and 81% of passengers traveling on international flights completed check-in operations within the times set by the Service Charter. Both figures are well below the 90% standard.

An analysis of quality trends at Ciampino shows that:

- 94% of passengers waited between 9 and 15 minutes for carry-on baggage security checks, 4 percentage points above the service standard published in the Service Charter (90%);
- the percentage of outgoing flights with delays of more than 15 minutes was 31%, whilst the percentage of incoming flights with delays of more than 15 minutes was 22%. The airport did not respect the defined standard as regards both delays for outgoing flights (17%) and recovery of airport transit times (1%);
- the percentage of flights with baggage reclaim times within the set limits was 78% for the first piece of baggage and 77% for the last piece of baggage (the standard is 90%);
- 25% of passengers completed check-in operations within 10 minutes (the standard is 90%).

An analysis of the above data reveals a gradual worsening of the level of service at both airports, beginning at the start of the year, compared with 2006, due to the growing infrastructure gap that has developed over past years. The Group plans to close this gap by means of a significant long-term investment plan, launched in 2007.
In order to define the tools and procedures needed to effectively resolved the problems, the Parent Company, ADR SpA, has identified “Airport Minimums”. These represent the maximum times allowed for the provision of services relating to the activities having the greatest impact on passengers and on the smooth working order of the two airports.
The Airport Minimums, which every airport operator must respect in the supply of every service regard:

- baggage reclaim times for the last piece of baggage, passenger check-in times, waiting times for carry-on baggage security checks, waiting times before the first passenger steps off the plane;
- the time it takes to repair baggage carousel breakdowns;
- departing flight delays.

Following the issue of specific ordinances by the relevant airport managements, Fiumicino and Ciampino airports were the first airports in Italy to adopt minimum service standards. Against this backdrop, ADR is responsible for carrying out daily checks to ensure that the objectives are met and to send out a weekly report indicating any instances in which the objectives were not reached to the airport operators involved.

Moreover, ADR SpA is meeting with the entities involved in order to jointly analyze instances in which the targets were not reached, so as to define the procedures and times needed to carry out the necessary corrective measures.

Group investment

In line with the above, in the third quarter of 2007 the ADR Group carried out investment totaling 13.9 million euros, bringing the total for the first nine months of 2007 to 47.9 million euros (14.3 million euros and 38.2 million euros, respectively, in the same periods of 2006).

Terminals

Work on improving the image and retail layout of terminals at Fiumicino continued, with the upgrading of the B11-B21 area completed. Civil and plant engineering works at the East Pier are still underway, as is the replacement of carpeting at Pier A/B and replacement of the floors at the West Pier, where contracts for the related civil and plant engineering works are being awarded.
Steps to raise comfort levels inside the airport included work on upgrading air conditioning systems in the Domestic and European piers, whilst those at the East Pier are currently being completed. New restrooms have been built in the International Terminal’s departure hall and the older restrooms are being renovated.
The following works are scheduled for completion by the end of June 2008:

- expansion of the baggage reclaim area in Terminal B/C;
- conversion of the old ADR cargo building into an auxiliary terminal for “sensitive” flights.

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. The contract for work on the external part has been awarded, whilst the contract for work on the internal part is being awarded.

As regards handling and security checks on checked baggage, 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 for Pier C are nearing completion.

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.

Infrastructure 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 awarded 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, as is construction of the new co-generation plant. The former is scheduled for completion by the end of the summer of 2008, whilst the latter is scheduled for completion by the end of 2008.

Still on the topic of office infrastructures, the 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 activities to the Cargo City, the Parent Company's technical department has launched a project to convert the airline's former Cargo building for use by the BHS serving flights at Terminal A, whilst plans are being drawn up to organize the cargo warehouse so that it can house Alitalia's activities. The creation of this new BHS in the Alitalia cargo area is especially important as, starting from 2009, this new system will work alongside the existing one, thereby greatly improving the level of baggage handling services.
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.

The quarter also saw completion of work on runway 3 regarding: the land alongside the runway constituting the "safety strip"; paving activities to fully meet transversal slope regulations, 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 relating to lighting on the Bravo and EG taxiways, runway 3 will reopen with operational conditions in full compliance with related regulations and adequate under conditions of low visibility up to the aircraft aprons in the eastern area.

Finally, 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. The related works should be completed by the end of this year. Moreover, contracts have been awarded for the structural upgrading of the Alfa taxiway's pavement and the related works should be completed by the end of January 2008.

The first phase of the “Pavement Management System (PMS)” for 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.

Work is underway as regards the reconstruction and upgrading of 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 is being carried out at night and should be completed by December 2007.

As regards Ciampino, contracts are currently being awarded for work on upgrading the area in front of the hangar. The related work is expected to be completed by May 2008.

At the design level, mention should be made of the completion of the preliminary design for 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 380).

Group personnel

The headcount as of September 30, 2007, including staff on temporary contracts, was **2,629** *broken down* as follows:

Category	Sep 30, 2007	June 30, 2007	Dec 31, 2006	Change vs. June 2007	Change vs. Dec 2006
Managers	58	58	55	0	+3
Supervisors	212	196	190	+16	+22
White-collar	1,703	1,615	1,477	+88	+226
Blue-collar	656	660	553	-4	+103
Total	**2,629**	**2,529**	**2,275**	**+100**	**+354**
including:					
on permanent contracts	*1,819*	*1,813*	*1,752*	*+6*	*+67*
on temporary contracts	*810*	*716*	*523*	*+94*	*+287*

FTEs	9M 2007	9M 2006 (*)	Change
Managers	57.3	48.9	+8.4
Supervisors	196.2	191.8	+4.4
White-collar	1,450.4	1,371.9	+78.5
Blue-collar	570.1	550.7	+19.4
Total	**2,274.0**	**2,163.3**	**+110.7**
including:			
on permanent contract	*1,741.4*	*1,743.6*	*(2.2)*
on temporary contract	*532.6*	*419.7*	*+112.9*

(*) net of the carry over effect of Flightcare Italia SpA (formerly ADR Handling SpA) totaling 953.8 FTEs and broken down by *company* as follows:

Company	Sep 30, 2007	June 30, 2007	Dec 31, 2006	Change vs. June 2007	Change vs. Dec 2006
ADR SpA	2,558	2,461	2,211	+97	+347
ADR Engineering SpA	40	38	31	+2	+9
ADR Tel SpA	20	20	21	0	(1)
ADR Advertising SpA	11	10	12	+1	(1)
Total	**2,629**	**2,529**	**2,275**	**+100**	**+354**

FTES	9M 2007	9M 2006 (*)	Change
ADR SpA	2,206.5	2,103.2	+103.3
ADR Engineering SpA	37.4	29.0	+8.4
ADR Tel SpA	20.2	20.1	+0.1
ADR Advertising SpA	9.9	11.0	(1.1)
Total	**2,274.0**	**2,163.3**	**+110.7**

(*) net of the carry over effect of Flightcare Italia SpA (formerly ADR Handling SpA) totaling 953.8 FTEs

and broken down *by type of contract* as follows:

Company	permanent contract	temporary contract	TOTAL
ADR SpA	1,749	809	2,558
ADR Engineering SpA	40	0	40
ADR Tel SpA	20	0	20
ADR Advertising SpA	10	1	11
Total	**1,819**	**810**	**2,629**

FTES	permanent contract	temporary contract	TOTAL
ADR SpA	1,674.9	531.6	2,206.5
ADR Engineering SpA	37.4	0	37.4
ADR Tel SpA	20.2	0	20.2
ADR Advertising SpA	8.9	1.0	9.9
Total	**1,741.4**	**532.6**	**2,274.0**

With respect to December 31, 2006, the Group's headcount is increased of 354 units (up 15.6%), and this change relates almost entirely to ADR SpA. Specifically, the number of staff on permanent contracts rose by 67, 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 at ADR SpA.

The increase in the number of staff on temporary contracts (up 287) was due to greater staff requirements linked to traffic growth at both Fiumicino and Ciampino airports, to implementation of specific services designed to improve quality standards, to regulations and legislation regarding airport security (the so-called “fourth person”) and to the opening of new retail outlets at the airports.

For areas most affected by traffic growth (terminals, 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.

The change in FTEs with respect to the same period of the previous year was 110.7. This change exclusively regarded temporary contracts, and especially the concentration of staff in the security sector due to the introduction of the “fourth person” at customs points and new security programs.

Industrial relations

As regards industrial relations, mention must be made of the agreement entered into with labor union representatives regarding the management of vacations and reduced hours, which has had a positive impact in terms of cost reductions, as well as of the agreement regarding the use of specific provisions to finance training programs involving all staff.

Finally, July 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 bonus, established different amounts for the different areas of business. The new criteria also envisage the payment of bonuses calculated on the basis of specific weightings for temporary staff.

Organizational aspects

The third quarter of 2007 was marked by the definition of organizational changes involving the Central Department for Strategic Planning and Business Development and the Department for Airport Systems Development and Technical Services, in order to develop business potential at international level and strengthen the role of “Customer” with respect to the subsidiary, ADR Engineering SpA, which is responsible for development of airport infrastructure at Fiumicino and Ciampino airports.
During the period under review, the overall upgrading of procedures also continued.

Training and refresher courses

During the third quarter of 2007 a total of 14 training courses were provided to ADR SPA and Flightcare Italia SpA personnel, with a total of 113 staff taking part.
Training courses for blue-collar and white-collar workers employed at the airports of Genoa and Catania were also sold and conducted.
Training of Group personnel based on the results of a round of skills evaluations also continued. In July an in-house seminar entitled “Resolving problems and taking decisions” was held for 18 staff and in September another in-house training seminar entitled “Teamwork” was held for 18 staff.
A meeting has been planned for October 23 in order to follow up on the three past seminars pertaining to the theme of “being a team leader” held for department heads.

Security activities – health and safety at the workplace

An analysis of the third quarter of 2007 reveals a constant reduction in the level of seriousness of accidents and thus in the number of hours lost due to accidents and injuries (a trend underway for years now). This partly reflects the 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 was standardized.
As regards data protection, there is constant contact with all company units to ensure that assignments of responsibility are updated to reflect changes in both operating processes and the Company's organization.
As usual, special attention was paid to training personnel as regards all of the above matters. A total of 15 courses were held, involving 436 participants (including personnel from other companies) and a total of approximately 2,700 hours, with a per capita average of 6 hours.

Main Group companies

ADR Engineering SpA

This Group company, which provides design, works supervision and technical consultancy services, reported net income of 355 thousand euros for the first nine months of 2007, more or less unchanged with respect to the same period of 2006 (up 26 thousand euros).

Revenues totaled 5,329 thousand euros, representing an increase of 450 thousand euros (9.2%) compared with the first nine months of 2006.
In contrast, operating costs rose by 3.7%. Consequently, EBITDA amounts to 921 thousand euros, representing an increase of 46.9%.

ADR Tel SpA

This company, which builds and manages telecommunication systems used by the Roman airport system, reported net income of 410 thousand euros in the fist nine months of 2007, representing a slight reduction (down 38 thousand euros) with respect to the corresponding period of 2006.

Revenues totaled 6,603 thousand euros, representing an increase of 841 thousand euros (up 14.6%) with respect to the same period in 2006. This change was due to growth in revenues from standard services (up 684 thousand euros). The most significant growth regarded the ADR_Net service (Internet and Intranet connections) and activities specifically carried out for ADR SpA (up 157 thousand euros), including revenues from infrastructure investments.

Consequently, EBITDA amounts to 1,939 thousand euros, up 16.9% compared with the same period of 2006. Due to greater amortization and depreciation for the period (up 258 thousand euros), EBIT is up by a less significant 1.4%.

<u>ADR Advertising SpA</u>

This company, which manages advertising space in the Roman airport system, reported net income of 1,020 thousand euros for the first nine months of 2007, in line with the same period of the previous year (up 38 thousand euros).

Revenues, totaling 18,991 thousand euros, are up 4.9%, whilst EBITDA has increased by 8.4%, representing an EBITA margin of 11.0% compared with the 10.6% reported in 2006.

Other significant events during the third quarter

<u>Legal and regulatory context</u>

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

CIPE (Interdepartmental Committee for Economic Planning) Resolution 38/2007 of June 15, 2007, which approves the directive pertaining to the regulation of fees charged for airport services on an exclusive basis, was published in issue no. 221 of the Official Gazette on September 22, 2007. At the same time, CIPE Resolution 86 of August 4, 2006, with which the Committee expressed a favorable opinion as to the changes in fees charged for airport services provided on an exclusive basis, was revoked.
Within 60 days of publication of Resolution 38/2007 in the Official Gazette, the Civil Aviation Authority is to publish the related guidelines. Afterwards, negotiations will begin with airport operators to draw up the related planning agreements.

- Increase in airport license fees

With the decree dated August 3, 2007, published in issue no. 226 of the Official Gazette on September 28, 2007, the Minister of Transport and the Minister of the Economy and Finance, in application of Law no. 296 of December 27, 2006 (the Finance Act for 2007), declared an increase in the annual fee paid by airport operators for the period 2007-2009.

- Minimum airport requirements – Fiumicino and Ciampino

With Ordinance no. 15/2007 of August 27, 2007, the airport management at Rome Fiumicino formally adopted the “minimum airport requirements” for Fiumicino airport. These regard the minimum operating standards needed to ensure the best possible use of the airport’s technical and operating infrastructure and systems by handlers and self-handlers.

ADR is responsible for carrying out checks to ensure that the minimum requirements are respected, and for reporting any infringements to the Civil Aviation Authority so that the necessary sanctions can be applied.

In compliance with the above Ordinance, point 11.3 of Fiumicino Airport’s Regulations was subsequently modified.

Similarly, with Ordinance no. 15/2007 of July 16, 2007, the management at Ciampino formerly adopted the “minimum airport requirements” for Ciampino airport.

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. On August 2, 2007 ADR SpA's Board of Directors, based on the results of the resulting studies, resolved to continue negotiations with one of the two companies selected, with a view to disposing of this business unit. This step, in line with the general strategy of disposing of non-core businesses, will involve setting up a separate company that will take over this part of the business before being sold off by year end.

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 representing 95.761% of the share capital.

Litigation

With reference to the audit carried out by the Tax Office of Rome (UTF) relating to the Parent Company, ADR SpA, it should be noted that the office has issued 14 demands for payment, amounting to a total of 4.4 million euros. This regards the alleged failure to pay tax on electricity consumption and the related surtax due for the period 2002- 2006. This amount includes interest, penalties for late payment and notification expenses.
Generally speaking, the disputes relate to the alleged sale to third parties of the electricity acquired by ADR, as well as the refusal to recognize the favorable terms applied in accordance with art. 52 of the Consolidated Customs Act to entities qualifying for inclusion in the category "industrial operators". Along with the demands for payment, there were 9 notifications of administrative irregularities, amounting to a total of 1.5 million euros, concerning the sanctions imposed in relation to the failed payment of the above taxes.
Deeming the Tax Office's findings unfounded, the Company has taken steps to appeal the demands in question before Rome's Provincial Tax Commission.

As regards inquiry no. PI6038, pertaining to alleged misleading advertising, initiated by the Antitrust Authority, on July 31, 2007 the Parent Company submitted its defence to the Antitrust Authority.

Ryanair appealed to the Lazio Regional Administrative Court for the cancellation – prior to suspension – of Ordinance no. 14/2007 of July 9, 2007 issued by the airport management at Ciampino, restricting the number of slots at the airport to 100 per day, to be allocated over a period between 6.00am and 11.30pm for the 2007-2008 winter season. At the hearing held on October 11, 2007 to discuss the suspension, the Lazio Regional Administrative Court rejected Ryanair's appeal, thereby upholding the limitation on the number of slots set for the 2007-2008 winter season.

Two separate appeals (one by IBAR and 13 carriers and another by Assaero and Volare) have been lodged with the Lazio Regional Administrative Court, with a request for suspension, against the Civil Aviation Authorities' protocol no. A0035898 and protocol no. 0035899, both dated June 5, 2007. The objective of the two protocols is to determine the fees for catering activities at the airports of Rome and Milan, respectively. The appellants have refused to discuss the suspension and asked that a hearing on the matter be scheduled, although this is not expected to happen shortly.

Financial transactions

Financial markets have not fully recovered from the "sub-prime" crisis discussed in the section "Subsequent events".
Quarterly reports published by leading banks for the period underway will allow for a more complete understanding as to the actual extent of the current crisis and an evaluation of the medium-term effects, based on information in the accounts published by the banks.

GROUP FINANCIAL POSITION AND OPERATING RESULTS

Reclassified consolidated income statement
(€000)

2006		Q3 2007	Q3 2006	9M 2007	9M 2006
567,27	A.- REVENUES	153,89	159,61	417,18	436,12
4,92	Capitalized costs and expenses	1,05	1,27	3,41	3,53
572,20	B.- REVENUES FROM ORDINARY ACTIVITIES	154,94	160,89	420,59	439,65
(167,927	Costs of materials and external services	(48,094	(44,239	(137,488	(122,836
404,27	C.- GROSS MARGIN	106,85	116,65	283,10	316,82
(147,624	Payroll costs	(28,124	(39,451	(86,921	(118,666
256,65	D.- GROSS OPERATING	78,72	77,20	196,18	198,15
(99,424	Amortization and depreciation	(24,660	(26,441	(72,682	(74,784
(3,844	Other provisions	(607	(1,298	(4,705	(2,260
(2,327	Provisions for risks and charges	(2,242	0	(4,027	(538
(4,957	Other income/(expense)	(833	1,42	(1,575	(4,299
146,10	E.- OPERATING INCOME/(LOSS)	50,38	50,88	113,19	116,27
(113,014	Financial	(19,766	(22,309	(58,269	(64,049
33,08	F.- INCOME/(LOSS) BEFORE ITEMS AND TAXES	30,62	28,57	54,92	52,22
60,49	Extraordinary income/(expense)	(1,636	6	(2,189	(439
93,58	G.- INCOME/(LOSS) BEFORE	28,98	28,63	52,73	51,78
(28,055	Income tax for the period	(16,928	(13,037	(35,584	(29,890
(4,481	Deferred tax assets	1,20	(2,772	2,01	(4,587
61,04	H.- NET INCOME/(LOSS) FOR THE PERIOD	13,25	12,82	19,16	17,30
	including:				
1,05	- minority	25	24	79	76
59,986	**- Group interest**	**13,008**	**12,587**	**18,377**	**16,548**

The Roman airport system continues to benefit from significant traffic growth. The period under review, coinciding with the peak season, reports upward trends in movements (6.5%) and in passenger levels (10.7%), bringing overall growth in the first nine months of 2007 to 5.9% and 9.3% for movements and passengers, respectively.

This favorable trend in traffic is not reflected in the operating performance, which continues to feel the effects of legislation pertaining to system requirements and the Finance Act for 2007, the latter of which has increased the costs incurred by airport operators.

A comparison of the results reported in the same periods of 2007 and 2006 is affected by the deconsolidation of Flightcare Italia SpA (formerly ADR Handling SpA), in 2006. The company was sold at the end of 2006.

In the third quarter of 2007, the high season in the airport sector, despite a drop in revenues (down 3.6%) due to the deconsolidation of Flightcare Italia SpA (formerly ADR Handling SpA), there was a 2.0% increase in gross operating income thanks to an overall reduction in operating costs.
Operating income reached 50.4 million euros, a drop of 1%, due to increases in provisions for risks and charges and other expenses.

During the first nine months of 2007 the Group's revenues fell by 4.3% due to a 17.7% drop in aviation revenues, which was only partially offset by the 16.7% rise in non-aviation revenues.

As regards the aviation component, the Group's decision to no longer carry out handling activities has led to a sharp drop in related revenues (down 63.7 million euros), somewhat offset by the increase in airport fees and security charges, which benefitted from the increases in traffic, rising 7.2% and 7.8%, respectively.

Non-aviation activities were up an overall 16.7%, primarily due to growth in sales by directly managed retail outlets (up 21.7%) thanks, in addition to growth in outgoing traffic, to an increase in average passenger spend.
Other non-aviation activities also reported good performances: specifically, sub-concessionaires reported growth of 11.0%, thanks to the "food and beverage" sector, whilst revenues from the management of car parks and advertising space were up 9.4% and 4.5%, respectively.

The consumption of materials and external services rose 11.9% primarily due to an increase in the cost of goods for resale, linked to growth in direct sales and in costs for external services. The latter include the new costs incurred by airport operators with effect from January 1, 2007 regarding fire prevention services and a license fee surtax.
These expenses, estimated to total 6.6 million euros for fire prevention services and 0.7 million euros for the license fee, were prudently charged to the income statement, in line with the approach described in the interim report as of June 30, 2007.

In contrast, payroll costs were down 26.8% compared with the first nine months of 2006 during which, as stated, handling activities (managed by the former subsidiary, ADR Handling SpA) were still consolidated. This activity is, of course, labor intensive.

Consequently, EBITDA for the period was 196.2 million euros. Compared with the same period of 2006, this represents a drop in absolute terms of 1.0%, but an improvement of more than one percentage point in terms of the related margin (up from 45.4% in 2006 to 47.0%).

EBIT, amounting to 113.2 million euros, registered a decrease of 2.6% due to greater provisions for doubtful accounts and for risks and charges, only partially offset by lower amortization and depreciation and a reduction in net other expenses.

Pre-tax income also benefitted from improved financial management, despite rising interest rates. Net financial expense was down 5.8 million euros to 58.3 million euros, thanks to steps taken at the end of 2006 (early repayment of a significant amount of bank borrowings and realignment of fixed rate hedges with market rates).

Group net income amounted to 18.4 million euros in the first nine months of 2007, up 1.8 million on the same period of the previous year.

Reclassified consolidated balance sheet

(€000)

Sep 30, 2006		Sep 30, 2007	June 30, 2007	Dec 31, 2006	Chang
	A. – NET FIXED ASSETS				
2,059,358	Intangible fixed assets*	2,019,448	2,031,179	2,050,619	(31,171
131,48	Tangible fixed assets	127,70	126,88	122,75	4,94
4,01	Non-current financial assets	3,29	3,31	3,75	(459
2,194,865		2,150,442	2,161,378	2,177,123	(26,681
	B. – WORKING CAPITAL				
21,65	Inventory	18,32	19,83	21,02	(2,701
153,51	Trade receivables	161,07	151,70	128,89	32,18
35,52	Other assets	41,37	41,28	39,26	2,11
(118,991	Trade payables	(130,957	(133,203	(126,763	(4,194
(33,561	Provisions for risks and charges	(31,017	(28,254	(29,350	(1,667
(68,060	Other liabilities	(86,427	(75,755	(52,922	(33,505
(9,917		(27,623	(24,391	(19,847	(7,776
2,184,948	C. – INVESTED CAPITAL, minus short-term liabilities (A+B)	2,122,819	2,136,987	2,157,276	(34,457
61,60	D. – EMPLOYEE SEVERANCE INDEMNITIES	41,53	41,25	41,68	(152
2,123,348	**E. – INVESTED CAPITAL, minus short-term liabilities and employee severance indemnities**	**2,081,289**	**2,095,733**	**2,115,594**	**(34,305)**
	financed by:				
	F. – SHAREHOLDERS' EQUITY				
720,21	- Group interest	731,55	718,54	763,64	(32,094
1,66	- minority interest	1,73	1,48	1,96	(232
721,87		733,28	720,03	765,61	(32,326
1,512,519	G. – MEDIUM/LONG-TERM DEBT	1,512,519	1,512,519	1,512,519	0
	H. – NET SHORT-TERM DEBT (NET CASH AND CASH EQUIVALENTS)				
9,38	.short-term debt	12,49	4,29	15,89	(3,397
(120,433	.cash and current receivables	(177,017	(141,115	(178,435	1,41
(111,050		(164,519	(136,817	(162,540	(1,979
1,401,469	(G+H)	1,348,000	1,375,702	1,349,979	(1,979
2,123,348	**I. – TOTAL AS IN "E" (F+G+H)**	**2,081,289**	**2,095,733**	**2,115,594**	**(34,305)**
1,860,458	*(*) including: the value of the concession totaling*	*1,811,174*	*1,823,495*	*1,848,137*	*(36,963)*

As of September 30, 2007 the ADR Group's invested capital amounted to 2,081.3 million euros, representing a decrease of 14.4 million euros compared with June 30, 2007. This change was primarily due to a drop in fixed assets (down 10.9 million euros), in turn due to amortization and depreciation during the period.

Working capital also fell slightly (down 3.2 million euros), due primarily to an increase in "Other liabilities" (up 10.7 million euros), which was in turn due to an increase in taxation falling due during the period. This was partially offset by the rise in trade receivables (up 9.4 million euros), which are typically up in the high season.

The Group's net debt stands at 1,348 million euros, a decrease of 27.7 million euros compared with June 30, 2007 due to the positive cash flow during the period.

Compared with December 31, 2006, the reduction in invested capital was greater (down 34.3 million euros) as a result of the more significant decrease in fixed assets (down 26.7 million euros), once again deriving from amortization and depreciation for the period, accompanied by a 7.8 million euro decrease in working capital.
The decrease in working capital was primarily due to the increase in the item "Other liabilities" (33.5 million euros) deriving from an increase in tax liabilities (around 28.3 million euros). This reflects estimated taxation for the period and greater amounts due to tax authorities for the municipal surcharge on passenger boarding fees, following the 50 cent increase that came into effect from January 1, 2007 (up 4.3 million euros). The reduction in working capital also reflects the drop in inventory (down 2.7 million euros), made possible thanks to improved management of warehouse stocks, and the 4.2 million euro increase in trade payables.
In contrast, trade receivables are up 32.2 million euros, due in part to the rise in revenues and the fact that the period coincides with the high season.

In terms of funding, the Group reported a reduction of 32.3 million euros in shareholders' equity deriving from the payment of dividends (51.5 million euros), partially offset by net income for the period.

As of September 30, 2007 the Group's net debt is 1,348 million euros, down slightly (down 2.0 million euros) with respect the end of the previous period.

Statement of cash flows

(€000)

2006		9M 2007	9M 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	19,16	17,30
99,42	Amortization and depreciation	72,68	74,78
(64,964	Gains (losses) on disposals of fixed assets	(19	(130
(27	(Revaluations) write-downs of fixed	(14	(32
(27,164	Change in working capital (1)	7,77	(34,430
(2,453	Net change in severance indemnities (1)	(152	(433
65,86		99,44	57,06
	C.- CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
	Investment in fixed		
(38,828	.intangibl	(31,010	(25,105
(18,429	.tangible	(16,843	(12,976
(438	.financia	0	(428
63,10	Proceeds from disposal, or redemption value of fixed assets (2)	1,88	1,22
5,41		(45,968	(37,283
	D.- CASH FLOWS FROM (FOR) FINANCING ACTIVITIES		
(127,500	Repayment of loans	0	(127,500
(127,500		0	(127,500
(71,494	E.- DIVIDENDS PAID	(51,493	(71,494
(127,720	F.- CASH FLOW FOR THE PERIOD (B+C+D+E)	1,97	(179,210
162,540	G.- NET CASH AND CASH EQUIVALENTS (NET SHORT-TERM DEBT) AT END OF PERIOD (A+F)	**164,519**	**111,050**

(1) changes in working capital and in employee severance indemnities in 2006 are reported net of the effect of the deconsolidation of Flightcare Italia SpA (formerly ADR Handling SpA), totaling 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).

During the first nine months of 2007, the Group generated operating cash flow of 99.4 million euros, allowing it to service its debt, finance its investment activities, totaling 46.0 million euros, and pay dividends of 51.5 million euros.

Analysis of net debt

(€000)

2006		9M 2007	9M 2006
(1,349,759)	**A.- NET DEBT AT BEGINNING OF PERIOD**	**(1,349,979)**	**(1,349,759)**
256,65	EBITDA	196,18	198,15
9,66	Net change in operating working capital (1)	(29,991	(22,250
(2,453	Net change in employee severance indemnities (1)	(152	(433
(5,136	Other income (expense),	(1,594	(4,429
(4,481	Extraordinary income (expense),	(2,189	(516
(44,220	Current taxes paid	(7,313	(24,881
(31,116	Other assets/liabilities (including provisions for risks and charges) (1)	3.10	(24,170
178,909	**B.- OPERATING CASH FLOW**	**158,050**	**121,475**
(57,695	Capex (tangibles, intangibles and	(47,853	(38,509
63,10	Proceeds from disposal or redemption value of fixed asset (2)	1,88	1,22
184,323	**C.- FREE CASH FLOW**	**112,082**	**84,192**
(113,049	Financial income (expense),	(58,610	(64,408
(71,494	Dividends paid	(51,493	(71,494
(220)	**D.- NET CASH-FLOW FOR THE PERIOD**	**1,979**	**(51,710)**
(1,349,979)	**E.- NET DEBT AT END OF PERIOD (A+D)**	**(1,348,000)**	**(1,401,469)**
		-	-

(1) changes in working capital in 2006, in employee severance indemnities and other assets(liabilities) and provisions for risks and charges are stated net of the effect of the deconsolidation of Flightcare Italia SpA (formerly ADR Handling SpA).

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

SUBSEQUENT EVENTS

Information regarding trends for the various traffic components for the Roman airport system during the first ten months of 2007 is provided below:

Data as of October 31, 2007

	ROME SYSTEM	Fiumicino	Ciampino	Domestic	International
Movements	337.526	281.359	56.167	149.989	187.537
D% vs PY	+5,8%	+6,1%	+4,5%	+1,5%	+9,6%
Mtow	23.889.171	21.176.925	2.712.246	8.549.021	15.340.150
D% vs PY	+6,5%	+6,3%	+8,0%	+3,8%	+8,1%
Total Pax	32.755.042	28.103.262	4.651.780	11.914.447	20.840.595
D% vs PY	+9,5%	+9,1%	+12,1%	+7,7%	+10,6%
Freight (Kg)	128.285.194	108.815.691	19.469.503	8.884.478	119.400.716
D% vs PY	+4,3%	+5,4%	-1,0%	+24,2%	+3,1%
Mail (Kg)	21.070.739	21.070.393	346	16.055.162	5.015.577
D% vs PY	-38,3%	-38,3%	-98,5%	-40,9%	-28,5%

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

	International	Intl' EU	Intl' Extra EU
Movements	187.537	138.749	48.788
D% vs PY	+9,6%	+14,2%	-1,7%
Mtow	15.340.150	9.149.294	6.190.856
D% vs PY	+8,1%	+12,4%	+2,3%
Total Pax	20.840.595	14.610.822	6.229.773
D% vs PY	+10,6%	+13,0%	+5,3%
Freight (Kg)	119.400.716	35.657.918	83.742.798
D% vs PY	+3,1%	+8,1%	+1,1%
Mail (Kg)	5.015.577	2.503.132	2.512.445
D% vs PY	-28,5%	-36,6%	-18,1%

An analysis of the above data confirms the growth trend recorded during the first nine months of the year.
In particular, during the first ten months of 2007 the airport system registered a 9.5% upturn in passenger traffic compared with the same period of 2006. This growth was due to an increase in capacity (movements up 5.8% and aircraft tonnage up 6.5%) and a consequent improvement in the load factor.

This performance, as shown in the tables, derived mainly from growth in international traffic (up 10.6%), whilst the domestic component registered a more modest rise of 7.7%.

Following the merger of Leonardo Srl with and into Gemina SpA, with effect from October 4, 2007, Gemina SpA took possession of 59,668,245 ADR SpA shares with a par value of 1 euro each and representing 95.761% of the share capital.

The Extraordinary General Meeting of the subsidiary, 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. Should the Company decide to subscribe (by January 31, 2008), it will have to pay 25% of the par value (116,203.50 euros). The remaining amount (to be paid by February 28, 2008) totals 348,610.50 euros.

Finally, November 6, 2007 saw the incorporation of a company named Cargo Merci Fiumicino Srl, which has share capital of 10,000 euros and is wholly owned by ADR SpA. The company, whose business purpose is to carry out cargo activities, was set up so that the Parent Company can spin off its cargo activities as part of an operation described in the section entitled "Corporate transactions".

OUTLOOK

The remaining part of the year is expected to witness continued traffic growth which, in the absence of unexpected events, will allow the Group to close 2007 with some decidedly positive results. Uncertainties remain as to future developments at Alitalia, although its seems increasingly likely that the airline will concentrate its activities at Fiumicino airport in Rome. Nevertheless, any tangible effects of such a decision on 2008 are still subject to the approval of this strategy by the airline's future owners.

Intense dialogue with the competent authorities continues as regards fees, with a view to hopefully reaching an agreement, early in 2008, with regard to the guidelines to be followed in drawing up a Planning Agreement setting forth the new fees.

Implementation of the investment program continues apace, in line with the growth expected in upcoming years.

The Group's financial position is expected to further improve, despite plans to step up investment.

THE BOARD OF DIRECTORS

ADR SpA: SEPARATE ACCOUNTS

ADR SPA: RECLASSIFIED INCOME STATEMENT

(€000)

2006		Q3 2007	Q3 2006	9M 2007	9M 2006
512,57	A.- REVENUES FROM ORDINARY ACTIVITIES	152,09	140,58	411,59	383,52
(161,697	Costs of materials and external services	(47,433	(42,571	(135,459	(117,899
350,87	B.- GROSS	104,66	98,01	276,13	265,62
(103,421	Payroll costs	(26,874	(24,559	(82,978	(75,991
247,45	C.- GROSS OPERATING	77,79	73,45	193,15	189,63
(98,205	Amortization and depreciation	(24,666	(25,968	(72,670	(73,466
(3,589	Other provisions	(530	(1,213	(4,598	(2,011
(2,120	Provisions for risks and charges	(2,242	0	(4,027	(319
(5,425	Other income/(expense)	(832	93	(1,682	(4,447
138,11	D.- OERATING INCOME/(EXPENSE)	49,52	47,20	110,18	109,38
(111,907	Financial	(19,753	(22,451	(58,275	(65,455
0	Adjustments to financial assets	0	0	0	0
26,20	E.- INCOME/(LOSS) BEFORE ITEMS AND TAXES	29,76	24,75	51,90	43,93
38,48	Extraordinary income/(expense)	(1,778	39	(2,428	12
64,692	F.- INCOME/(LOSS) BEFORE TAXES	**27,991**	**25,149**	**49,478**	**44,055**
	Income taxes for the period:				
(23,913	*current taxes*	(16,431	(11,413	(34,001	(26,397
(4,804	*deferred tax assets/(liabilities)*	1,04	(2,187	1,64	(2,753
(28,717		(15,386	(13,600	(32,357	(29,150
35,975	**G.- NET INCOME/(LOSS) FOR THE PERIOD**	**12,605**	**11,549**	**17,121**	**14,905**

ADR SPA: RECLASSIFIED BALANCE SHEET
(€000)

Sep 30, 2006		Sep 30, 2007	June 30, 2007	Dec 31, 2006	Change
	A. – FIXED ASSETS				
2,092,366	Intangible fixed assets	2,054,680	2,066,331	2,085,010	(30,330)
121,894	Tangible fixed assets	128,984	127,783	123,622	5,362
38,385	Non-current financial assets	7,566	7,593	8,019	(453)
2,252,645		2,191,230	2,201,707	2,216,651	(25,421)
	B. – WORKING CAPITAL				
20,827	Inventory	17,862	19,407	20,433	(2,571)
139,005	Trade receivables	157,086	148,245	126,662	30,424
26,631	Other assets	36,174	35,999	37,307	(1,133)
(117,390)	Trade payables	(133,060)	(134,705)	(125,657)	(7,403)
(30,445)	Provisions for risks and charges	(31,017)	(28,254)	(29,350)	(1,667)
(56,106)	Other liabilities	(83,786)	(75,006)	(52,600)	(31,186)
(17,478)		(36,741)	(34,314)	(23,205)	(13,536)
	C. – INVESTED CAPITAL, minus				
2,235,167	short-term liabilities (A+B)	2,154,489	2,167,393	2,193,446	(38,957)
	D. – EMPLOYEE SEVERANCE				
42,167	INDEMNITIES	39,983	39,761	40,235	(252)
	E. – INVESTED CAPITAL, minus employee				
2,193,000	**severance indemnities (C - D)**	**2,114,506**	**2,127,632**	**2,153,211**	**(38,705)**
	financed by:				
	F. – SHAREHOLDERS' EQUITY				
62,310	Paid-up capital	62,310	62,310	62,310	0
699,645	Reserves and retained earnings	685,150	685,150	699,645	(14,495)
14,905	Net income/(loss) for the period	17,121	4,516	35,975	(18,854)
776,860		764,581	751,976	797,930	(33,349)
1,512,519	G. – MEDIUM/LONG-TERM DEBT	1,512,519	1,512,519	1,512,519	0
	H. – NET SHORT-TERM DEBT				
	(NET CASH AND CASH EQUIVALENTS)				
19,570	.short-term debt	14,707	6,572	20,267	(5,560)
(115,949)	.cash and current receivables	(177,301)	(143,435)	(177,505)	204
(96,379)		(162,594)	(136,863)	(157,238)	(5,356)
1,416,140	(G+H)	1,349,925	1,375,656	1,355,281	(5,356)
2,193,000	**I. – TOTAL AS IN "E" (F+G+H)**	**2,114,506**	**2,127,632**	**2,153,211**	**(38,705)**
1,891,113	* including: the value of the concession totaling	1,841,017	1,853,541	1,878,589	(37,572)