

**REPORT OF THE BOARD OF DIRECTORS OF ATLANTIA S.P.A. ON ITEM 1 ON THE AGENDA OF THE EXTRAORDINARY SHAREHOLDERS' MEETING TO BE HELD ON 30<sup>TH</sup> APRIL 2013 ON FIRST CALL AND ON 15<sup>TH</sup> MAY 2013 ON SECOND CALL : “APPROVAL OF THE PROPOSED MERGER OF GEMINA S.P.A. WITH AND INTO ATLANTIA S.P.A.; RELATED AND RESULTING RESOLUTIONS, AUTHORITIES AND POWERS”, DRAWN UP PURSUANT TO ARTICLE 2501-*QUINQUIES* OF THE ITALIAN CIVIL CODE AND ARTICLE 70, PARAGRAPH 2, OF THE REGULATION ADOPTED BY CONSOB RESOLUTION N° 11971 OF 14<sup>TH</sup> MAY 1999, AS AMENDED.**

Dear Shareholders,

This report (the “**Report**”) has been drawn up by your Company's Board of Directors to illustrate and justify, from the legal and economic profile, especially with regard to the criteria used to determine the swap ratio, the merger plan (the “**Merger Plan**”) for the incorporation of Gemina S.p.A. (“**Gemina**” or the “**Absorbed Company**”) into Atlantia S.p.A. (“**Atlantia**” or the “**Surviving Company**” and hereinafter, Atlantia and Gemina, jointly, the “**Merging Companies**”).

This Report has been prepared pursuant to article 2501-*quinquies* of the Italian Civil Code<sup>1</sup> and, in consideration of the fact that the shares of the Merging Companies are listed on the Italian MTA Market organised and managed by Borsa Italiana S.p.A. (the “**MTA Market**”), also pursuant to article 70, paragraph 2, of the implementation regulation of Lgs. Decree n° 58 of 24<sup>th</sup> February 1998, as amended (the “**Finance Act**”) containing the discipline on issuers, adopted by Consob (the Italian Securities and Investments Board) resolution n° 11971 of 14<sup>th</sup> May 1999, as s amended (the “**Issuers' Regulation**”), in conformity with Chart 1 of Annex 3A of the Issuers' Regulation.

It must first be noted that the merger of the Atlantia Group and the Gemina Group represents the point of arrival of a far reaching industrial and synergetic design aimed at creating an operator of leading international importance in the sector of motorway and airport infrastructures.

The design was launched on 9<sup>th</sup> January 2013, when Atlantia and Gemina informed the market of the opening of practical talks to verify the existence of the industrial, financial, economic and legal conditions for a possible corporate operation between the two listed holdings.

As a result of the talks, on 8<sup>th</sup> March 2013, the Boards of Directors of the Merging Companies approved the Merger Plan, attached to this Report, the essential elements of which are illustrated below, and when, among other things, each conferred on its own Chairman and Managing Director mandate to define and publish this Report.

It is also pointed out that, on the same date, the Merging Companies signed a merger agreement which regulates and disciplines, among other things, the activities preparatory and/or functional to the Merger, the interim management of the Companies while the said procedure is pending and the conditions for carrying out the merger operation (the “**Merger Agreement**”).

We first illustrate below the main features of the Merging Companies, as well as the terms and reasons on which the merger proposal is based, the procedures by which it could be carried out and the relative benefits.

---

<sup>1</sup> Trans. note: unless otherwise indicated, all provisions of laws and regulations are those of the Italian legal system.

## CONTENTS

<b>1. Description of the Merging Companies</b>	<b>3</b>
1.1 Atlantia	3
1.2 Gemina	3
<b>2. Description of the Merging Companies' activities</b>	<b>4</b>
2.1 The activity of Atlantia	4
2.2 The activity of Gemina	7
<b>3. ILLUSTRATION OF THE OPERATION AND OF THE REASONS FOR THE SAME, WITH PARTICULAR REGARD TO THE MANAGEMENT TARGETS OF THE MERGING COMPANIES AND THE PROGRAMMES DRAWN UP FOR THEIR ACHIEVEMENT</b>	<b>10</b>
3.1 Structure and conditions of the operation	10
3.2 Reasons, management targets and programmes drawn up for their achievement	15
<b>4. THE VALUES ATTRIBUTED TO THE COMPANIES INVOLVED IN THE OPERATION FOR THE PURPOSE OF DETERMINING THE SHARE SWAP RATIO</b>	<b>17</b>
4.1 Equity situations of the merger and fairness opinion on the share swap ratio	17
4.2 Description of the valuation criteria used	18
4.3 Valuation difficulties	22
<b>5. THE SHARE SWAP RATIO ESTABLISHED AND THE CRITERIA FOLLOWS FOR THE DETERMINATION OF THAT RATIO</b>	<b>22</b>
5.1 The share swap ratio	22
5.2 Criteria for the determination of the swap ratio	23
<b>6. MODALITIES FOR THE ALLOCATION OF ATLANTIA SHARES AND DATE FROM WHICH THE BENEFITS OF THE SAME WILL BE GRANTED</b>	<b>28</b>
<b>7. DATE AS OF WHICH THE OPERATIONS OF THE MERGING COMPANIES WILL BE POSTED ON THE ATLANTIA FINANCIAL STATEMENT, ALSO FOR TAX PURPOSES</b>	<b>29</b>
<b>8. TAX EFFECTS OF THE MERGER ON THE MERGING COMPANIES</b>	<b>29</b>
8.1 Tax neutrality for Corporate Income Tax and Regional Business Tax	29
8.2 Registration fee	29
8.3 Added value tax	29
8.4 Effects on the Absorbed Company's shareholders	29
8.5 Tax effects in other countries	30
<b>9. FORECASTS ON THE STRUCTURE OF THE RELEVANT SHAREHOLDINGS AND ON THE SITUATION OF CONTROL OF ATLANTIA SUBSEQUENT TO THE MERGER</b>	<b>30</b>
9.1 Structure of the relevant shareholdings and situation of control of Atlantia	30
9.2 Structure of the relevant shareholdings and situation of control of Gemina	31
9.3 Forecasts on the structure of the relevant shareholdings and on the situation of control of Atlantia subsequent to the Merger	32
<b>10. Effects of the Merger on the shareholder agreements pursuant to article 122 of the Finance Act</b>	<b>33</b>
10.1 Shareholders' agreement containing provisions relative to Atlantia	33
10.2 Shareholders' agreement regarding Gemina	34
<b>11. BOARD OF DIRECTORS' ASSESSMENTS ON THE RECURRENCE OF THE WITHDRAWAL RIGHT</b>	<b>35</b>
<b>12. INDICATION OF THE SUBJECTS ENTITLED TO EXERCISE THE WITHDRAWAL RIGHT, AND OF THE PROCEDURES AND TERMS CONTEMPLATED FOR THE EXERCISE OF THE RIGHT AND FOR THE PAYMENT OF THE RELATIVE REIMBURSEMENT</b>	<b>35</b>

## **1. Description of the Merging Companies**

### **1.1 Atlantia**

#### **1.1.1 Company data**

Atlantia S.p.A. is a share stock company registered under Italian law with registered head office in Rome, Via Antonio Nibby n° 20, Rome Business Enterprises Register n° and tax code 03731380261.

The share capital of Atlantia is Euro 661,827,592.00 fully paid up, divided into 661,827,592 ordinary shares of a nominal value of Euro 1.00 each, listed on the MTA Market.

#### **1.1.2 Corporate business**

The company carries out the following activities: a) the acquisition of stakes and interests in other companies and entities; b) the financing, also by the issue of sureties, endorsements and guarantees also with collateral, and the technical, industrial and financial coordination, of the companies and entities of which it holds equity; c) any investment operation in securities, real estate, finance or industry in Italy and abroad. Although not as its prevalent business, the Company may also buy, hold, manage, exploit, update and develop, directly or indirectly, trademarks, patents and know-how relative to electronic toll systems and similar and connected activities. In the performance of its activity, in pursuit of the Company's purpose, it may also carry out all commercial and industrial operations and operations in securities and real estate, including taking out mortgages and loans in general and the granting of sureties, endorsements and guarantees also with collateral. It does not carry out any activity or operation towards the public or any activity as a trustee. Asset management, the granting of credit and other activities contemplated by article 106 of Lgs. Decree n° 385 of 1<sup>st</sup> September 1993, investment services and collective savings management contemplated by Lgs. Decree n° 58 of 24<sup>th</sup> February 1998 and by the relative implementation regulations are also excluded from the Company's business.

### **1.2 Gemina**

#### **1.2.1 Company data**

Gemina S.p.A. is a share stock company registered under Italian law with registered head office in Fiumicino (RM), Rome, Via dell'Aeroporto di Fiumicino, n° 320, Rome Business Enterprises Register n° and tax code 01668340159.

The share capital is Euro 1,472,960,320.00 represented by 1,469,197,552 ordinary shares and 3,762,768 non-convertible savings shares, without nominal value; the shares are listed on the MTA Market.

#### **1.2.2 Corporate business**

The Company carries out the following activities in Italy and abroad: a) the acquisition of stakes in companies or entities of any kind or form, and the management and financing of the same; b) financial brokerage and the management of loans, including the granting of guarantees of any and every kind and, within the limits allowed, the trading, management and placing of public and private securities; c) the holding of any form of corporate interests and any form of investment; every other financial operation allowed, including financial leasing. The company can carry out any operation necessary or useful for the

pursuit of the corporate business. The activities mentioned under points b) and c) are practised towards companies of the group, while any financial activity towards the public and the activities reserved by law are excluded.

## **2. Description of the Merging Companies' activities**

### **2.1 The activity of Atlantia**

Atlantia is the leader of a group of companies involved in the development of growth initiatives in the sector of transport infrastructures, which includes the construction, management and maintenance of motorway networks in Italy and abroad, which are essential infrastructures for the social and economic development of the territory.

#### **2.1.1 History of the Atlantia Group**

In 1950, on the initiative of the IRI (*Istituto per la Ricostruzione Industriale* - Institute for Industrial Reconstruction), the company Autostrade Concessioni e Costruzioni S.p.A. was founded. In 1956 the Convention between ANAS (*Azienda Nazionale Autonoma delle Strade* - the Italian National Highway Authority) and Autostrade (*Autostrade Concessioni e Costruzioni* - Motorways Concessions and Constructions) was signed, on the basis of which it undertook to co-finance and manage the Autostrada del Sole between Milan and Naples, opened in 1964.

With the successive conventions, stipulated in 1962 and 1968, the Company was awarded the concession to build and manage further motorways throughout the country, some of which had previously been managed by ANAS.

In 1999 the Autostrade company was privatised. The place of IRI, the main shareholder since the Company's creation, was taken by a stable group of shareholders composed of a chain led by Edizioni S.r.l. (of the Benetton Group) (“**Edizione**”).

In 2003, on the basis of a new organisational framework aimed at separating management operations from the strategic - financial side of the business, the company Autostrade per l'Italia S.p.A. was founded, on which Autostrade S.p.A. (which held 100% of the equity) conferred the activities of the motorway concessions.

In 2007, within the sphere of a reorganisation project aimed at more precisely defining the role and purpose of Autostrade S.p.A. and of Autostrade per l'Italia S.p.A., Autostrade S.p.A. adopted the new name of Atlantia S.p.A. and the role of the holding company specialised in infrastructures, maintaining full control of the sub-holding Autostrade per l'Italia S.p.A., the leading operational group in the field of infrastructures under concession.

On 28<sup>th</sup> March 2013, according to the information publicly available, Edizione, through the subsidiary Sintonia S.p.A. (“**Sintonia**”), holds 47.96% of the Atlantia capital.

#### **2.1.2 Activities: Italian motorway concessionaire**

The Atlantia Group is the main motorway operator at national level. Atlantia is a holding company of a group which, at 31<sup>st</sup> December 2012, managed 2,964.5 kilometres in service of the Group's Italian network, equal to 44% of the national motorway network, through the following companies: Autostrade per l'Italia

S.p.A. (approx. 2,854.6 kilometres); Società Italiana per Azioni per il Traforo del Monte Bianco (5.8 kilometres); Raccordo Autostradale Valle d'Aosta S.p.A. (32.3 kilometres); Tangenziale di Napoli S.p.A. (20.2 kilometres), Autostrade Meridionali S.p.A.<sup>2</sup> (51.6 kilometres).

### 2.1.3 Activity: foreign concessionaires

The international strategies of the Atlantia Group are based on the transfer and implementation of the management and technological know-how developed in the sector of transport services, in development projects for motorway infrastructures abroad.

With regard to Latin America the Atlantia Group has made the following investments:

(I) in Brazil, on 27<sup>th</sup> January 2012 Atlantia reached an agreement with the Bertin Group, signed on 30<sup>th</sup> June 2012, to create a joint company under the name of Atlantia Bertin Concessões which took over 100% of the following motorway concessionaires held by the two Brazilian partners: Triângulo do Sol (442 kilometres), Colinas (307 kilometres), Nascentes das Gerais (372 kilometres) (kilometres of network managed at 31<sup>st</sup> December 2012).

The Atlantia Group holds 50% plus one share of the capital of the joint company and, pursuant to the partnership agreements, it will provide for the entire consolidation of the results of the concessionaires conferred on the company and it will designate the operational top management.

As part of a separate agreement between Atlantia and the Bertin Group, a second holding was founded, under the name of Atlantia Bertin Participações, of which the Atlantia Group holds 50% minus one share, while the Bertin Group holds 50% plus one share, of the equity. A stake equal to 50%<sup>3</sup> of the capital of the motorway concessionaire Tietê ) has been conferred by the Bertin Group on Atlantia Bertin Participações (417 kilometres of network managed at 31<sup>st</sup> December 2012).

The new entity is the holder of a total of 1,538 kilometres of motorway under concession in Brazil.

(II) In Chile, at 31<sup>st</sup> December 2012, the Atlantia Group, through six concessionaire companies, manages 313 kilometres of motorway under concession, partly in the metropolitan area of Santiago while the rest is located in the south of the country:

- Costanera Norte S.A., holder of the concession of a stretch of 42.5 kilometres in the city of Santiago in Chile;
- Autopista Nororiente S.A., holder of the concession of the north-eastern part of the ring road of the city of Santiago, Chile, for a total of 21.5 kilometres;
- Acceso Vial Aeropuerto AMB, holder of the concession for the motorway stretch of 10 kilometres connecting the international airport of Santiago;
- Autopista Vespucio Sur S.A., holder of the concession of a stretch of the toll ring road of the city of Santiago, Chile, for a total of 23.5 kilometres;

---

<sup>2</sup> On 31<sup>st</sup> December 2012 the concession of Autostrade Meridionali S.p.A. expired and, as of 1<sup>st</sup> January 2013, at the request of the Grantor and until the new Concessionaire takes over, the company continues to provide for the ordinary management of the Concession.

<sup>3</sup> The remaining 50% of the capital of Tietê is held by Ascendi, a joint venture of Banco Spirito Santo and Mota Engil.

- Litoral Central S.A., holder of the concession of the toll motorway network of 80.6 kilometres between the cities of Algarrobo, Casablanca and Cartagena in Chile;
- Los Lagos S.A., holder of the concession of the toll motorway stretch of 135 kilometres between the Rio Bueno and Puerto Montt in Chile.

In India the Pune-Solapur Expressway (50% held by the Atlantia Group) is holder of the concession for the Pune-Solapur motorway stretch of 110 kilometres in the state of Maharashtra. Works are in progress on the motorway for the construction and expansion from two to four lanes. On 4<sup>th</sup> February 2013 the first section of 85 kilometres was opened.

In Poland the Atlantia Group operates through Stalexport Autostrady S.A., a company listed on the Warsaw stock market, the holder, through the subsidiary Stalexport Autostrada Malopolska, of the motorway concession of the A4 Krakow-Katowice, of about 61 kilometres.

#### **2.1.4 Other activities**

Atlantia, thanks to the synergies developed between the companies of the Atlantia Group, offers integrated solutions for the motorway sector which range from planning and construction to toll collection and maintenance. More specifically, the main non-core activities of the Atlantia Group are carried out through the following companies:

- Spea Ingegneria Europea S.p.A., for planning, works management and programmed maintenance of roads and infrastructures;
- Pavimental S.p.A., for road surfacing and motorways and airport maintenance;
- Infoblu S.p.A., for activities relative to the production and distribution of information services on traffic conditions on the motorway network;
- Telepass S.p.A., for the management of the automatic Viacard and Telepass payment systems on the Italian motorway network;
- TowerCo S.p.A., for the construction and management of outfitted sites on the motorways which host aerials and apparatuses of commercial operators (mobile telephony and radio/TV broadcasting) and of the institutions (the police, Isoradio or traffic monitoring systems);
- Autostrade Tech S.p.A., a company which operates in Italy and the world for the development, supply and management of technologies and advanced systems for traffic monitoring, motorway toll systems, the control of urban areas, car parks and freight villages;
- Electronic Transaction Consultants Corporation (ETC), a leader in the United States for systems integration, hardware and software maintenance, assistance to customers and advisory services relative to electronic free flow toll systems;
- Ecomouv, the project company awarded the contract by the French Government for the creation and management of a satellite toll system, obligatory for heavy traffic vehicles of more than 3.5 tons in transit on approx. 15,000 kilometres of the national road network.

#### **2.1.5 Summary of the more significant data of the Surviving Company's activity**

In 2012, consolidated revenues of the Atlantia Group amounted to Euro 4,034 million, showing an increase of 3.4% on 2011, essentially due to the addition to the group of consolidated companies subsequent to the conclusion of the acquisition operation in Chile and Brazil. The EBITDA is Euro 2,398 million (+1.8% compared to 2011), while the profit of the period pertinent to the Group (Euro 808 million) has decreased by 10.1% on 2011 (Euro 899 million). In 2012 the Group's investments amounted to a total of Euro 1,623 million (+5.1% compared to 2011<sup>4</sup>), of which approximately Euro 1,260 million was invested in Italy where 55 kilometres of motorway stretches expanded to the third lane were opened to traffic. The Group's net financial debt at 31<sup>st</sup> December 2012 amounts to Euro 10,064 million, representing an increase of Euro 1,094 million compared to 31<sup>st</sup> December 2011 (Euro 8,970 million). In addition, at 31<sup>st</sup> December 2012 the Group has a liquidity reserve (including cash, time deposits and unused non-revocable credit lines) of Euro 6,547 million.

## **2.2 The activity of Gemina**

Gemina is the leading company of a group of companies engaged on the management of the airports of the city of Rome. More specifically, Gemina is at present the holding company of Aeroporti di Roma S.p.A. (“**ADR**” or “**Aeroporti di Roma**”), the concessionaire of the airports of the city of Rome (Fiumicino and Ciampino) and of Fiumicino Energia S.r.l., the owner of the co-generation power station which provides energy for Fiumicino Airport.

### **2.2.1 History of the Gemina Group**

Gemina was founded in 1961 – under the name of Compagnia Generale Alimentare S.r.l. – with the aim of acting as a holding company in the food sector.

In the 1970s it adopted its present name and began to function as a holding of interests in the industrial sector and in 1981 it was listed on the Milan Stock Exchange.

In the 1980s it launched a programme in the investments and market banking sectors; however, as of 1996 the assets in the financial sector, considered no longer strategic, were gradually released, allowing Gemina to direct its activities prevalently towards industry.

In March 1997 a partial Gemina's spin off took effect, with the constitution of the beneficiary HdP S.p.A. on which it conferred the shareholdings in industrial companies in its portfolio; successively Gemina disposed of the rest of its financial assets launching, in the second half of 1998, a new investment programme aimed at acquiring significant stakes in industrial companies which were solid as regards their equity and capable of ensuring adequate solidity of the Company's portfolio; the companies chosen were of medium/small dimensions operating in the field of the production of goods and services with good development prospects.

By the early years of 2000 Gemina had gained a solid reputation as a holding company of equity stakes. In the same years Gemina indirectly participated in the privatisation process of ADR, a management company of the airports of Rome. In successive stages Gemina proceeded towards focusing its core business on the sector of airport infrastructures, disposing of the other equity and starting a path which it completed in

---

<sup>4</sup> Excluding from the comparison the companies sold: Strada dei Parchi, Società Autostrada Tirrenica and Autostrada Torino-Savona.

2007 pursuant to which it now directly holds 95.90% of ADR, the most important assets of the Gemina Group.

### **2.2.2 The ADR Group**

The ADR Group manages and develops the Rome airports of Fiumicino and Ciampino and carries out other activities connected and complementary to airport management. Fiumicino operates through four passenger terminals. It is dedicated to the business and leisure clientele on national, international and intercontinental routes; Ciampino is mainly used by the low cost air companies, the express couriers and by general aviation activities. According to information publicly available, in 2011 ADR, as an airport system, registered 42 million passengers for over 220 destinations in the world which can be reached from Rome thanks to the 110 air companies operating at the two airports. There are more than 120 business enterprises which – in the two Rome airports – offer various types of products and services aimed at the many diverse targets of passengers who transit through the airports.

The ADR Group is at present composed of the subsidiaries which have further enhanced the skills and professional capacities in the specific sectors, offering their know-how also externally:

- ADR Advertising S.p.A., a company established between ADR and IGPDecaux, with the exclusive management, organisation and sale of advertising spaces at Rome Fiumicino and Rome Ciampino airports;
- ADR Assistance S.r.l., controlled 100% by Aeroporti di Roma, which provides the ground assistance service for passengers with reduced mobility, leaving from, in transit through and arriving at Rome Fiumicino and Rome Ciampino airports, in compliance with Regulation n° 1107/2006/EC;
- ADR Engineering S.p.A., controlled 100% by Aeroporti di Roma, leader in the field of airport engineering, which provides integrated services for the execution of large works;
- ADR Mobility S.r.l., controlled 100% by Aeroporti di Roma S.p.A., which manages and exploits the long and short stay car parks for passengers and airport operators at Rome Fiumicino and Rome Ciampino airports;
- ADR Security S.r.l., controlled 100% by Aeroporti di Roma, which guarantees all the activities relative to security controls on passengers, luggage, goods and mail and, at the request of carriers and airport operators, supervises the performance of other airport security services;
- ADR Sviluppo S.r.l., controlled 100% by Aeroporti di Roma, which promotes and develops real estate initiatives for the Rome Fiumicino and Rome Ciampino airport grounds;
- ADR Tel S.p.A., controlled 100% by Aeroporti di Roma; this is the telecommunications operator which provides integrated services to the airport community.

### **2.2.3 The development plan**

On 25<sup>th</sup> October 2012, ADR and the Italian Civil Aviation Authority (“**ENAC**” - *Ente Nazionale per l’Aviazione Civile*) signed the deed “*Convention for the management of the airport system of the Capital and Programme Contract pursuant to art. 17, paragraph 34 bis, of Decree Law n° 78 of 1<sup>st</sup> July 2009, converted with amendments into Law*”



102/2009, inclusive of the principles and criteria for its periodic updating”, which contains both the new airport management regulations and the dynamic tariff regulation for the services offered by ADR as the exclusive provider (“**ADR Convention**”). With decree of the Italian Prime Minister of 21<sup>st</sup> December 2012 (“**PM approval**”), the ADR Convention was approved with some prescriptions, which were adopted by a special additional deed, signed by ENAC and ADR on 27<sup>th</sup> December 2012.

Thanks to this agreement, the conditions were created for the modernisation and expansion of the most important Italian airport system.

The investments planned for the next ten years amount to Euro 2.5 billion, and fall within the sphere of the master plan presented in July 2012, developed with the contributions of the international shareholders Changi (Singapore) and URS - Scott Wilson, for a total of Euro 12 billion until 2044.

The management forecasts that the programmed investments, financed entirely by private capital, will allow Fiumicino airport to be brought to a capacity of over 100 million passengers. In addition, the investment plan is also expected to allow for an impact on employment with 30,000 new jobs in the short-medium term, and up to 230,000 in the long term. The new jobs are in addition to the present 170,000 of the Rome airports system, of which 41,000 are directly at the airports themselves.

In the first stage the activities will take place in the present airport area; at a later stage, by the purchase of new land, expansion to the north is contemplated. According to information publicly available, the first northern development phase will involve an increase in total capacity of more than 35 million passengers per year. Within the year 2021, the airport capacity threshold will rise to 50 million passengers per year, to align Rome Leonardo da Vinci airport at Fiumicino with the main European airports. In addition to enlarging the aircraft parking areas and completing the new runway, the air terminal system will also be expanded.

The particular features of the airport infrastructures planned in the development area are the flexibility and the high degree of inter-modality in the connections between the airport areas and the city. In fact, according to the plan, 50% of the passengers will reach the new Airport by public transport, combined and integrated thanks to an innovative Ground Transportation Centre.

Another key element of the infrastructural development is the high environmental sustainability which distinguishes Fiumicino as a virtuous example thanks to the self-sufficient energy production and the use of renewable energy sources, the integration of the new infrastructures with the main features of environmental and local heritage, the integrated management of wastes and the creation of suitable works for environmental mitigation and compensation.

#### **2.2.4 Summary of the more significant data of the Absorbed Company's activity**

According to the information publicly available, at the consolidated level, the Gemina Group registered improved operating and economic-financial results in 2012, in spite of a fall in traffic volumes. Compared to the preceding financial year, consolidated revenues reached Euro 561.5 million ( 3.8% less than in 2011) with an increase in the EBITDA of 0.8%, reaching Euro 266 million. The net financial debt amounts to Euro 973 million, showing a decrease of Euro 275.4 million since the beginning of the year equal to 3.7

times the EBITDA. The net result pertinent to the Group is Euro 193.7 million, representing growth of Euro 208.5 million on 2011.

According to the information publicly available, on the company financial statement Gemina posted a loss of Euro 4.3 million (Euro 6.6 million in 2011), having reduced management costs due to the transfer of the head office from Milan to Fiumicino, at the premises of Aeroporti di Roma. The net debt amounts to Euro 36.7 million (Euro 33.2 million in 2011).

### **3. ILLUSTRATION OF THE OPERATION AND OF THE REASONS FOR THE SAME, WITH PARTICULAR REGARD TO THE MANAGEMENT TARGETS OF THE MERGING COMPANIES AND THE PROGRAMMES DRAWN UP FOR THEIR ACHIEVEMENT**

#### **3.1 Structure and conditions of the operation**

##### **3.1.1 Description of the operation**

- A.** The operation presented for the examination and approval of the Atlantia extraordinary shareholders' meeting is the merger by the incorporation of Gemina into Atlantia (the “**Merger**”), pursuant to articles 2501 and following of the Civil Code.

The Merger Plan, including the articles of association of the post-Merger Surviving Company which are an inseparable part of the same and which are attached herewith as Annex 1, was approved by the Boards of Directors of Atlantia and Gemina on 8<sup>th</sup> March 2013, and on 18<sup>th</sup> March 2013 it was deposited for registration at the Rome Trade Register pursuant to article 2501-*ter*, paragraph three, of the Civil Code.

The Merger will take place on the basis of the financial statements of Atlantia and Gemina relative to the period which closed on 31<sup>st</sup> December 2012; the respective Boards of Directors approved the relative draft financial statements on 8<sup>th</sup> March 2013.

On the same date the Boards of Directors of the Merging Companies, also on the basis of the fairness opinions drawn up by their respective consultants (as specified below), identified the share swap ratio as follows:

- as far as concerning the ordinary shares of the Absorbed Company, the ratio is 1 ordinary share of the Surviving Company with a nominal value of Euro 1.00, with benefits accruing from the same date as for the ordinary Atlantia shares in circulation at the date on which the Merger takes effect, for every 9 ordinary shares of the Absorbed Company;
  - as far as concerning the savings shares of the Absorbed Company, the ratio is 1 ordinary share of the Surviving Company with a nominal value of Euro 1.00, with benefits accruing from the same date as for the ordinary Atlantia shares in circulation at the date on which the Merger takes effect, for every 9 savings shares of the Absorbed Company.
- B.** The Boards of Directors of the Merging Companies have taken avail of the services of financial advisors of proven professional skill in order to determine the economic elements of the Merger, including the share swap ratio, and precisely:
- (i) the Atlantia Board of Directors took avail of the services of the financial advisors Goldman Sachs International, Banca IMI - Intesa Sanpaolo, Mediobanca and the Royal Bank of Scotland; and of

Roland Berger Strategy Consultants S.r.l. (as industrial advisors). The Atlantia Board of Directors also took avail of the services of Deutsche Bank, which was requested to issue a fairness opinion;

- (ii) the Gemina Board of Directors took avail of the services of Barclays Bank plc and UniCredit S.p.A. (as financial advisors), Bain & Company (as industrial advisors) and BNP Paribas which was requested to issue a fairness opinion.

The documentation relative to the activity carried out by Atlantia's advisors was drawn up on the basis of the draft financial statements of the Merging Companies and on the assumption that Atlantia would distribute the dividend balance according to the Board of Directors' proposal expressed on this day and detailed in Paragraph 5.1.

- C. The operation will be carried out by a share capital increase for Atlantia (as detailed in Paragraph 6) with the issue of new ordinary shares.

In particular, it is suggested hereby that the swap ratio contemplates the allocation of ordinary shares also to the holders of Gemina savings shares. Since in this case the Gemina savings share holders would sustain prejudice to their rights as they would lose the equity rights and privileges assigned to the same by their present shares, the Merger must therefore be subjected to the approval of the special Gemina savings shareholders' meeting, to be convoked specifically for the purpose pursuant to article 146, paragraph 1, letter b) of the Finance Act. To this regard, it must be remembered that, pursuant to this last-mentioned provision, the special shareholders' meeting will pass resolution *“on the approval of the resolutions of the company's shareholders' meeting which prejudice the rights of the category, with the favourable vote of as many shares as represent at least twenty percent of the shares of the category”*.

- D. The conclusion of the Merger operation depends not only on the approval of the extraordinary shareholders' meetings of Atlantia and Gemina and of the special Gemina savings shareholders' meeting, but also on the fulfilment of the following conditions:

- (i) the issue of the approval, authorisation or exemption on the part of the Antitrust Authority without the imposition of any condition or reserve with relevant influence on the situation of the interests underlying the operation;
- (ii) the absence of any objections on the part of ENAC subsequent to the presentation of the information document required by article 3, paragraph 8, of the ADR Convention;
- (iii) the effectiveness of the ADR Convention subsequent to the approval on the part of the Court of Auditors of the PM approval;
- (iv) the absence, within the date of the stipulation of the Merger Deed, of any acts or provisions on the part of court or administrative authorities which would influence, entirely or in even part - providing, in this latter case, the influence would be relevant and, in any case, such as to alter the risk profile or the estimates on which the share swap ratio is based - the validity and/or effectiveness: (i) of the ADR Convention and/or its contents, (ii) the PM approval, (iii) the programme contract most recently stipulated between ENAC and ADR, and (iv) the ENAC Board of Directors' resolution n° 38 of 19<sup>th</sup> October 2012;

- (v) the issue of consent to the Merger pursuant to the loan contracts in force, on the part of the funding banks of Atlantia, Gemina and ADR;
- (vi) acknowledgement and acceptance on the part of the financial creditors of ADR, according to the majorities contemplated by the financial documentation, that the ADR Convention qualifies as a "Material Contract" pursuant to the said financial documentation.

As indicated, the Merger depends, among other things, on the suspensive condition relative to the issue of the necessary authorisations on the part of the competent Antitrust Authority. The Atlantia shareholders are requested to confer on the Chairman and on the Managing Director of Atlantia, separately, the necessary powers to proceed in any case with the stipulation of the Merger Deed even if such authorisations are not obtained or are obtained only in part, on the condition, or subject to reserve, that this allows for the execution of the Merger and does not substantially prejudice the same within the terms contemplated by the Merger Plan.

It is pointed out that at the date of this report the following conditions have been fulfilled:

- a) condition under point (ii), since on 27 March 2012, ENAC communicated the absence of any objections on the Merger;
- b) condition sub (iii), since on 8 March 2013 the ADR Convention has become effective subsequent to the registration by the Court of Auditors of the PM approval.
- c) condition sub (vi), since on 18 March 2013, Mediobanca, as "security agent", communicated the acknowledgement and acceptance on the part of the financial creditors of ADR, according to the majorities contemplated by the financial documentation, that the ADR Convention qualifies as a "Material Contract" pursuant to the said financial documentation.

Without prejudice to the above, the stipulation of the Merger Deed is scheduled to take place within the month of July 2013 and, in any case, no later than the end of the 2013 financial year.

The Merger Agreement contemplates, among other things, the commitment on the part of Atlantia and Gemina, in the period between 8<sup>th</sup> March 2013 and the date on which the Merger takes effect, not to carry out - and to do everything in their power to ensure that the respective groups do not carry out - any exceptional management operations or operations that could appreciably alter their economic, equity or financial structures or the ratio between liabilities and own means.

- E.** The following table gives the main aggregate data at 31<sup>st</sup> December 2012 of the Group as resulting from the Merger, drawn up on the basis of the contents of the Atlantia and Gemina consolidated financial statements for the financial year 2012 approved by the respective Boards of Directors on 8<sup>th</sup> March 2013.

<i>(Euro millions)</i>	<b>Atlantia (A)</b>	<b>Gemina (B)</b>	<b>Aggregate (A+B)<sup>1</sup></b>
Revenues	4,034	561	4,595
EBITDA	2,398	266	2,664
EBIT	1,644	99	1,743

Investments	1,630	52	1,682
Net financial debt	10,064	973	11,037

*The data in this table are the result of the algebraic sum of the Atlantia and Gemina financial statement data. Please note that the Gemina and Atlantia reclassified data present some marginal differences from the book values; the aggregation does not take into account such discrepancies which are entirely negligible.*

At least 15 days before the date fixed for the first convocation of the Atlantia and Gemina extraordinary shareholders' meetings, called to pass resolution on the Merger, the two companies will make available to the public pro-forma information on the Group resulting from the Merger, according to the procedures dictated by articles 65-*quinquies*, 65-*sexies* and 65-*septies* of the Issuers' Regulations, together with the relative certification of the auditing firm.

### **3.1.2 Amendments to the Articles of Association**

The Merger, on the date of the undersigning of the same, will determine the extinction of the Absorbed Company.

Since Atlantia will increase its own share capital, as mentioned above, by the issue of ordinary shares, the adoption of certain amendments to the articles of association relative to the share capital will be proposed to the Atlantia extraordinary shareholders' meeting held for the approval of the Merger. In particular, as from the date of the conclusion of the Merger, the Surviving Company's articles of association will be amended as follows:

#### Article 6

The Surviving Company will increase its share capital by a maximum nominal value of Euro 164,025,376.00 by the issue of a maximum number of 164,025,376 new ordinary shares with the nominal value of Euro 1.00 each, in application of the share swap ratio and the share allocation procedures indicated in paragraphs 3 and 4 of the Merger Plan.

In consideration of the need to take into account the industrial and strategic results of the Merger, the Gemina Board of Directors, on proposal of the Human Resources and Remuneration Committee and after hearing the Board of Auditors' opinion, passed resolution on 8<sup>th</sup> March 2013 (a) in favour of the early closing of the stock option plan in force (the “**Stock Option Plan**”) relative to the allocation cycles of 2013 and 2014, and (b) for the assignment to the beneficiaries of the same the faculty of the early exercise of the options granted pursuant to the said Stock Option Plan, with consequent lapse of the options not exercised by the beneficiaries within the period contemplated for that purpose. This resolution will also be submitted to the approval of the Gemina ordinary shareholders' meeting.

For the purposes of the above, before the conclusion of the Merger, Gemina will therefore allocate the treasury shares in its portfolio to the beneficiaries other than employees and will issue new ordinary shares pursuant to the exercise, on the part of the Board of Directors, of the mandate to increase the share capital.

The effect of the aforesaid resolutions inherent to the Stock Option Plan, and therefore of both its revocation and of the faculty for the beneficiaries of early exercise of the options assigned, depends, in any case, on the fulfilment of the suspensive conditions in points (i), (ii), (iii), (v) and (vi) of Paragraph 3.1.1 above. D.

The aforesaid capital increase of the Surviving Company thus takes into account the potential effects consequent to the early closure of the Gemina Stock Option Plan in force and of the assignment of the faculty, to the beneficiaries of the same, of the early exercise of the assigned options and of receiving ordinary Gemina shares, which will be swapped within the sphere of the Merger. Consequently, the capital increase to serve the share swap represents the theoretic maximum according to the share ownership structure at the date of the approval of the Merger Plan by the Atlantia and Gemina Boards of Directors, in the case of the total exercise of the options assigned pursuant to the Stock Option Plan in force.

It must also be noted that pursuant to the Merger Agreement Atlantia has undertaken to propose to the next ordinary shareholders' meeting the extension of the long-term incentive plans of the Atlantia Group to ADR personnel and directors, starting from the 2013 allocation, in order to standardise the long term incentive systems of the Group resulting from the Merger.

### **3.1.3 Execution of the procedure required by the Related Parties Regulation**

On 28<sup>th</sup> March 2013, Atlantia is subject to the *de facto* control of Edizione, which holds - through its subsidiary Sintonia - 47.96% of Atlantia's issued capital (see Paragraph 9.1). Edizione, always through Sintonia, holds 35.97% of the issued capital of Gemina (see Paragraph 9.2). Furthermore, at 28<sup>th</sup> March 2013, a shareholders' agreement is in force, to which Sintonia itself is also subject, which is binding about 42% of the Gemina's issued capital, but which concerns an aggregate, including the shares of the single parties who have not signed the agreement but who are subject to the same, of 67.50% of the Gemina share capital (for further information on the shareholders' agreement regarding Gemina, see Paragraph 10.2). At the date of this Report, no subject has control over Gemina. In consideration of the above-mentioned participation ratios and the relevant dimension of the operation, the Merging Companies have decided to submit the activities regarding the determination of the share swap ratio and of the further legal and economic elements of the Merger to the provisions on operations with related parties of major relevance pursuant to the Regulations on Transactions with Related Parties adopted by the CONSOB with resolution n° 17221 of 12<sup>th</sup> March 2010, as amended (the "**Related Parties Regulation**"), and to the procedures for transactions with related parties adopted respectively by Atlantia and Gemina.

In order to give an opinion on Atlantia's interest in the execution of the Merger and on the substantial correctness of its essential terms, the Related Parties Transactions Committee, instituted by the Atlantia Board of Directors within the Board itself pursuant to a resolution of 21<sup>st</sup> October 2010 (as most recently amended on 15<sup>th</sup> February 2013) and composed of independent directors (the "**Independent Committee**"), has chosen Intermonte SIM S.p.A. and Rothschild S.p.A. as the Company's independent financial advisors, as well as the Carbonetti e Associati law firm and the Gianni Origoni law firm as their legal advisors; the Committee has been involved in the stages of the negotiations and in the inquiry phase by receiving a full and adequate flow of information and by having the faculty of requesting information and observations from the Atlantia's Management appointed to conduct the negotiations and the inquiries.

On 8<sup>th</sup> March 2013 the Independent Committee gave a favourable opinion on the Merger and, in particular, on Atlantia's interests in the conclusion of the same and on the convenience and substantial correctness of the relative conditions.

The phases of the procedure followed to this regard by Atlantia are described in the information document drawn up pursuant to article 5 of the Related Parties Regulation, published on 15<sup>th</sup> March 2013, within the terms required by the regulatory provision (“**Related Parties Information Document**”).

#### **3.1.4 Inapplicability of the public offer consolidation discipline**

As confirmed by CONSOB on 6<sup>th</sup> March 2013, in answer to the query submitted on 18<sup>th</sup> February 2013 by the Merging Companies, the Merger is not subject to the discipline of the obligatory public offer relative to a consolidation takeover as contemplated by article 106, paragraph 3 letter b) of the Finance Act and article 46 of the Issuers' Regulations, pursuant to which a subject that, already holding a stake between 30% and 50%, acquires over a period of twelve months – subsequent to acquisition – additional stakes of more than 5% of the capital represented by shares bearing voting rights on the matters specified in article 105 of the Finance Act, is obliged to hold a public offer procedure. In fact, although the stake held by Sintonia (see Paragraph 9.3), resulting from the Merger, taking as reference the stake now held in Gemina, may increase by more than the maximum operating margin of 5% of the share capital represented by shares with voting rights, the public offer obligation in practice would have to regard the Gemina shares, which are annulled by effect of the Merger, with the consequence that the object itself of the offer will no longer exist.

#### **3.2 Reasons, management targets and programmes drawn up for their achievement**

The Merger pursuant the aim of the industrial integration of the motorways and airports business, under the control of a single listed holding. In this way, the Merger allows for creating a leading company of international importance in the infrastructures sector, suitable for achieving a series of objective, including:

- to present itself on the market as the main integrated Italian infrastructure operator (for motorways and airports), in line with an increasingly popular international model;
- to diversify revenue sources by access to a sector, such as the air traffic sector, with growth rates structurally higher than the GDP in as much as also exposed to the global growth of other countries. ADR, in particular, benefits from the in-bound traffic volumes arriving from abroad, for which Rome is a preferential tourist destination;
- to exploit new business opportunities outside the single sector of motorways concessions, which (except for the greenfield projects) has a limited deal flow, in order to guarantee the chances of stable growth. In particular, the airport sector represents a wealth of short-term opportunities in those countries where Atlantia is already present, such as Brazil and Chile;
- to exploit the industrial benefits of the operation from an executive, managerial and engineering viewpoint, taking advantage of the skills and activities of the Atlantia Group in the field of the construction, management and financing of infrastructural works within the sphere of the ADR investment plan. In particular, Atlantia's contribution could be decisive for ADR in as much as reducing the risks of the execution of the works, given Atlantia's wide experience in the execution

of complex works, also through the subsidiaries Spea Ingegneria Europea S.p.A. in the sector of works planning and management, and Pavimental S.p.A. in the execution of the works.

In particular, the strategic advantages of the integration operation offer certain precise benefits:

**a.** Diversification of market risks and growth opportunities

The integration of the various business segments in the transport sector reduces the overall market risk to the extent to which the dependence of the new aggregate on the internal growth of single countries is reduced (as is the case for motorways), while it allows for the exploitation of the opportunities of global growth, through access to a sector, such as that of air traffic, which has structurally higher growth rates than that of the GDP in as much as also influenced by the global growth of other countries. The sector will specifically benefit from the greater spending capacity of the world middle class, expected to double to reach 2 billion persons in the next two decades. In the case in point ADR will benefit from inbound traffic volumes originating abroad (especially from Eastern Europe, the Middle East and Asia) for which Rome is a highly attractive tourist destination (in terms of international arrivals, Rome is the third city in Europe and the fourteenth in the world). The diversification would also allow for reducing Atlantia's exposure to the volume risk relative to the traffic trend, in as much as the traffic risk for ADR is limited to the five-year tariff period and partially counter balanced by the periodic review of the tariffs.

**b.** Greater internationalisation opportunities

The integration of the Atlantia and Gemina Groups reinforces the capacity of penetration into new areas, especially in the emerging countries, and the consolidation capacity in those where Atlantia is already present, since it will be able to operate both in the sector of motorway concessions and in that of airport concessions, which involve: (a) the consequent advantages over the competitors, which have already acquired an integrated framework; (b) the rational advantages in respect of government institutions with which there are already consolidated collaboration relationships or which can be shown a greater industrial, financial and management force; (c) the greater knowledge of the local regulatory and bureaucratic context which will facilitate relations with central and local institutions; (d) the greater offer capacity towards countries which need diverse types of infrastructures.

**c.** Financial optimisation

The financial solidity of the Merging Companies and, all the more, of the entity resulting from the Merger, increases the capacity of access to the financial markets and to investors, also in the emerging countries, and the integrated management of the Merging Companies' aggregate financial investment plans. Lastly, the entity resulting from the Merger would have the benefit of the experience gained by Atlantia in the management of relations with the main rating agencies and in the management of the financial commitments and restrictions required of the concessions.

**d.** Investments

As already mentioned, the execution of the commitments of the ADR investment plan would benefit from the know-how of the Atlantia Group in the planning, management and execution of



large works, also held by its own in-house companies (SPEA Ingegneria Europea S.p.A. for works planning and management, and Pavimental S.p.A. for the execution of the works). There would be a consequent reduction of the overall risk level in the implementation of the budgeted plans, in both terms of discrepancies compared to cost estimates and as regards execution times.

**e. Management capacity of the concessions**

The experience gained by Atlantia in the management of complex concessions and in the execution of its investment plan, allows, through the integration with ADR, for the reinforcement of joint relations with the institutions (central and local) in concession policies, the execution of investments, and in monitoring commitments undertaken.

The Merger therefore pursues the aim of creating an organisation which can present itself on the market as a leading integrated (motorways and airports) infrastructure operator, in line with an increasingly popular international model, in which the transport infrastructures sector tends to overcome the traditional segmentation between diverse and separate business areas in favour of a services capacity offer addressed to the entire demand of the transport sector.

**4. THE VALUES ATTRIBUTED TO THE COMPANIES INVOLVED IN THE OPERATION FOR THE PURPOSE OF DETERMINING THE SHARE SWAP RATIO**

**4.1 Equity situations of the merger and fairness opinion on the share swap ratio**

**A.** As pointed out above, the Merger Plan has been drawn up on the basis of the Atlantia and Gemina draft financial statements at 31<sup>st</sup> December 2012 approved by their respective Boards of Directors on 8<sup>th</sup> March 2013 and submitted for the approval of the ordinary shareholders' meetings scheduled for 30<sup>th</sup> April 2013 on first call and 15<sup>th</sup> May 2013 on second call. The drafts financial statements have been audited by the auditing firm Deloitte & Touche S.p.A which today has released its clean opinion.

**B.** In addition to the above-mentioned draft financial statements, the supporting documentation for the determination of the swap ratio on the part of the Atlantia Board of Directors includes, among others, the following documents:

- the consolidated financial statement of Atlantia and Gemina at 31<sup>st</sup> December 2012;
- the currently valid articles of association of the Merging Companies;
- the Atlantia and Gemina industrial plans, consistent with the duration of the various businesses managed, especially those regarding motorway and airport concessions, and relative sensitivity analyses;
- the ADR Convention.

**C.** The Atlantia Board of Directors determined the share swap ratio after the weighted evaluation of Atlantia e Gemina, taking into account the nature of the operation and adopting valuation methods commonly used, also at international level, for operations of this kind and for companies operating in this sector, adjusted to cater for the features of each Merging Company.

For the analysis and definition of the structure of the operation, and for the purposes of its own share swap ratio calculation, the Atlantia Board of Directors has taken into account, for identifying the values to be

attributed to Atlantia and Gemina, the documentation drawn up by Atlantia's advisors, as specified below, with agreement on methods, assumptions and considerations. In particular, the Atlantia Board of Directors took avail of the valuation considerations of the financial advisors Goldman Sachs International, Banca IMI - Intesa Sanpaolo, Mediobanca and the Royal Bank of Scotland, and of Roland Berger Strategy Consultants S.r.l. as industrial advisors. The Atlantia Board of Directors also took avail of the services of Deutsche Bank, which was requested to express a fairness opinion, as regards the financial viewpoint, (the “**Opinion**”), of the swap ratio.

According to the conclusions of the Opinion, the proposed share swap ratio is fair from the financial viewpoint.

The Opinion is attached to the Related Parties Information Document, made available to the public on 15<sup>th</sup> March 2013, within the terms of law, and of which it is an inseparable part.

#### **4.2 Description of the valuation criteria used**

Within the sphere of the operation in question, methodologies were chosen for the valuation of the economic capital taking into account the features of the sectors and of the activities of the Merging Companies, as well as the purposes of the valuation itself.

In general, the basic principle of the valuations for the determination of the share swap ratio consists of the standardisation of the criteria for the analysis and for the valuation of the Merging Companies. This does not necessarily mean using identical valuation methods for all the companies directly or indirectly involved in the Merger - especially if they operate in different sectors - but rather the adoption of criteria and methods which answer the same valuation logic and which are most appropriate for the companies in question, taking into account their diversities, in order to propose comparable values for the determination of the swap ratio,

To fix, on one side, the economic value of the Atlantia shares and, on the other, that of the Gemina shares, and thus identify the swap ratio between Gemina shares and Atlantia shares, the Atlantia Board of Directors took as reference the generally accepted valuation principles normally used for operations of a similar nature, with special regard for those more commonly used nationally and internationally for companies operating in the infrastructure sector and with reference to estimates adopted in the context of operations involving the definition of share swap ratios.

Moreover, the valuations were carried out considering Atlantia and Gemina as separate entities standing alone, and therefore without considering strategic, operational or financial synergies expected of the Merger and also disregarding the consideration of control "premiums" linked to the shareholdings. The main elements not considered in the stand-alone valuation analyses are described separately, such as the economic value of the potential operating synergies and the impact on the risk profile and Atlantia's growth opportunities (so-called “intangibles”).

In this specific case, the Discounted Cash Flow (“DCF”) method and the “Sum of the Parts” criterion were identified as the main valuation methods, while the market price analysis and the target price analysis of the research analysts were identified as control methods. Methods based on stock market multiples or derived

from comparable transactions have not, on the other hand, been taken into account, as the comparability of the companies involved in the transaction is reduced by differences primarily concerning their regulatory environments and the duration and nature of their concessions.

#### The Discounted Cash Flow (“DCF”) method

This method of valuation was adopted in order to take into account the specific features of both the Merging Companies in terms of profitability, growth, risk level and equity structure.

On the basis of this criterion, the economic value of a company is estimated as the sum of (i) the present value of unlevered business cash flows forecast by the industrial plan, and (ii) a terminal value, net of (iii) the net financial debt and minority interests, as expressed by the following equation:

$$W = \sum_{t=1}^n \frac{FC_t}{(1+WACC)^t} + \frac{VT}{(1+WACC)^n} - DF_{t0}$$

where:

W = the economic value of the capital;

FC<sub>t</sub> = the annual business cash flows expected in the period t

VT = the terminal value

DF = the net financial debt and the minority interests at the moment in time t=0

n = the number of the projection periods

WACC = the weighted average cost of the capital

The unlevered cash flows from business in the period of the specific projection can be analytically calculated as follows:

- + EBIT;
- taxes on EBIT (net of adjustments of a non-monetary nature considered as also subject to taxation);
- + amortisation/allocations of a non-monetary nature;
- fixed investments;
- +/- changes in net floating capital.

The terminal value, if present, represents, in the specific case of an infrastructural business under concession, the remaining value of the activity on expiry of the period of the concession.

The weighted average capital cost (WACC) used for discounting back the expected cash flows and the terminal value is calculated as the weighted cost of the company's own capital and of the average debt, by means of the following equation:

$$WACC = K_d (1-t) \frac{D}{D+E} + K_e \frac{E}{D+E}$$

where:

$K_d$  = cost of the debt capital

$K_e$  = cost of the risk capital

$D$  = the debt capital

$E$  = the risk capital

$t$  = the tax rate

In particular, the cost of the debt capital represents the long term lending rate applicable to companies or economic businesses with a similar risk level net of the tax effect. The cost of the risk capital, on the other hand, represents the investor's expected return, taking into account the risk relative to the investment, calculated on the basis of the Capital Asset Pricing Model theory, by means of the following equation:

$$K_e = R_f + \beta(R_m - R_f)$$

where:

$K_e$  = cost of the risk capital

$R_f$  = expected return rate on the risk free investment

$\beta$  = the coefficient which measures the ratio between the expected return on the considered investment and the returns expected on the stock market of reference

$R_m$  = mean return expected on share investments of the stock market of reference

$(R_m - R_f)$  = the return premium requested by the stock market of reference ( $R_m$ ) compared to risk free investments ( $R_f$ )

In general, the WACC rate used to estimate the value of the economic value of Gemina and Atlantia reflects the hypotheses coherent with the market benchmarks relative to the cost of the debt capital and the cost of the risk capital (expected return rate on risk free investments, Beta coefficient, return premium requested by the stock market), as well as with the structure of the capital of the entity subject to valuation.

“Sum of the Parts” criterion

On the basis of the Sum of the Parts criterion, the value of a company's economic capital is calculated as the sum of the value of the company's single assets, understood as economic entities that can be valued individually, suitably adjusted to take into account the company's financial position and the minority interests, as well as other effects including those relative to any off-book items and potential tax benefits.

With regard to the single assets, each can be valued on the basis of the methodologies considered most suitable to the specific situation (for example, application of the listed stock market price, the market multiples criterion, the book value, the Discounted Cash Flow criterion or with the values identified by the research analysts for such assets, when available).

#### Analysis of market prices

The analysis of market prices allows for identifying a company's economic value as the value attributed to the same by the stock market on which the company's shares are traded.

The method consists of estimating the value of a company's shares on the basis of the market price on a specific date or the average price of the shares registered on a stock market where they are traded over a specific period of time.

In particular, the choice of the period of time over which to calculate the average of the prices must be such as to reach a balance between the mitigation of possible short-term volatility (a longer period of time would be preferable) and the need to reflect the most recent market conditions and the situation of the company in question (only recent prices should be taken into consideration).

#### The research analysts' target price analysis

This method consists of the analysis of the recommendations of the research analysts which cover the securities to be valued. As in the case of the analysis of stock exchange prices, the results deriving from the application of this method are the result of a logic process other than those applied by traditional types of valuation methods based on the valuator's explicit hypotheses of expected future flows and their timing and risk level, and the present and future structure of the capital. However, it gives a useful indication for determining the value of companies whose shares are listed on the stock exchange, completing the framework of the references for the valuation.

For the evaluations realized by applying the DCF method it was taken as the date of reference of the 31<sup>st</sup> December 2012.

The date of the equity situation approved and used by the Merging Companies is, as already mentioned, 31<sup>st</sup> December 2012.

Lastly, with regard to the valuation of the Gemina savings shares for calculating the share swap ratio proposed, the Board of Directors examined the obligatory conversions of savings shares on the Italian stock market between 1999 and the date of the announcement.

The Board of Directors observed that the vast majority of obligatory conversion operations carried out previously had a swap ratio of one ordinary share to one converted saving share.

The operations considered also had common features: in most cases the converted shares represented a low percentage of the total capital and exchange volumes were also low.

On the basis of this analysis, and taking into account the limited liquidity of the Gemina savings shares, due to which a market price analysis has little significance, the Board of Directors decided to consider the Gemina savings shares at the same value as the ordinary shares and therefore to adopt the same swap ratio.

#### **4.3 Valuation difficulties**

The valuations adopted by the Board of Directors for determining the share swap ratio must be considered in the light of certain difficulties which, in the case in point, can be summed up as follows:

- the application of certain valuation methods was actually implemented using economic-financial forecasts drawn up by the Atlantia and Gemina Groups. The said data are, for their very nature, uncertain and impossible to determine, above all in the present market situation featuring uncertainties in respect of the Italian and European macro economic conditions;
- the difficulty in predicting the evolution of the traffic of the Merging Companies and of the implementation in terms of the times and costs of the said Companies' investment plans;
- the use of the market price method presents application difficulties due to the underlying assumption that the market is sufficiently efficient and liquid, above all for the limited floating equity of Gemina. Furthermore, the trend of the market listings can be influenced by volatility phenomena, especially in the short term;
- with reference to the Gemina saving shares, these represent 0.26% of the share capital and feature low capitalisation and liquidity in terms of volumes and counter values traded; furthermore, subsequent to the announcement to the market of 9<sup>th</sup> January 2013, with which Atlantia and Gemina communicated the opening of talks to check on the existence of the industrial, financial, economic and legal conditions for a possible merger of the two listed holding companies, the savings share prices have sustained high volatility in terms of both price and volumes compared to the historic trend, such as to reduce the significance of the same;
- Atlantia, which has not issued any savings shares, plans to provide for the swap by issuing only ordinary shares. Therefore the Merger is subject to the approval of the special Gemina savings shareholders' meeting;
- the valuations do not take into account any events successive to the date of reference of the analyses.

With reference to this last point, it is also mentioned that, on the date of the Report, no events of relevance had occurred after the date of reference of the aforesaid analyses.

### **5. THE SHARE SWAP RATIO ESTABLISHED AND THE CRITERIA FOLLOWS FOR THE DETERMINATION OF THAT RATIO**

#### **5.1. The share swap ratio**

**A.** As already mentioned, on 8<sup>th</sup> March 2013, the Atlantia and Gemina Boards of Directors, after examining and adopting the valuations of their respective advisors and having acknowledged the favourable opinions of their respective Independent Committees formed for the purpose pursuant to the discipline on transactions with related parties, approved the swap ratios for the exchange between Atlantia ordinary shares and Gemina ordinary and savings shares on the basis of which the Surviving Company's shares will be assigned, as explained below. More specifically, the following ratios have been determined:

(i) as far as concerning the ordinary shares of the Absorbed Company, the ratio is 1 ordinary share of the Surviving Company with a nominal value of Euro 1.00, with benefits accruing from the same date as for the ordinary Atlantia shares in circulation at the date on which the Merger takes effect, for every 9 ordinary shares of the Absorbed Company;

(ii) as far as concerning the savings shares of the Absorbed Company, the ratio is 1 ordinary share of the Surviving Company with a nominal value of Euro 1.00, with benefits accruing from the same date as for the ordinary Atlantia shares in circulation at the date on which the Merger takes effect, for every 9 savings shares of the Absorbed Company;

No balances in cash are contemplated.

The swap ratio indicated was determined also taking into account the assumed distribution, in May 2013, before the effect of the Merger, of the dividend balance for Atlantia shares equal to Euro 0.391 per share, in addition to the down payment already distributed, which therefore will not be paid to the Gemina shareholders who will become Atlantia shareholders by effect of the Merger.

Since - as specifically contemplated in Paragraph 5 of the Merger Plan - the ordinary Atlantia shares, which will be issued in exchange to the Gemina shareholders, will bear benefits identical to those of the ordinary Atlantia shares in circulation at the date on which the Merger takes effect, and will grant their shareholders equivalent rights to those held by the holders of the ordinary Atlantia shares in circulation at the moment of the assignment, the Board of Directors will not pass resolution for down payments on dividends before the Merger becomes effective.

Furthermore, the capital increase to serve the share swap represents the theoretic maximum according to the share ownership structure at the date of the approval of the Merger Plan by the Atlantia and Gemina Boards of Directors, in the case of the total exercise of the options assigned pursuant to the Stock Option Plan in force of Gemina.

**B.** With a provision of 5<sup>th</sup> March 2013, subsequent to the joint application of the Merging Companies, the Court of Rome has designated PricewaterhouseCoopers S.p.A. as the common expert appointed to draw up the fairness report on the Share Swap Ratio pursuant to and by effect of article 2501-*sexies* of the Civil Code.

**C.** Pursuant to art. 2504-*ter*, paragraph two, of the Civil Code, no Atlantia shares will be assigned in exchange for the ordinary Gemina shares held on the date of the stipulation of the Merger by either Gemina or Atlantia, or by a trust company or a proxy, which will therefore be annulled without exchange pursuant to art. 2504-*ter*, paragraph 2, of the Civil Code.

## **5.2. Criteria for the determination of the swap ratio**

This Paragraph illustrates the procedures by which the share swap ratio valuation and determination criteria described in Paragraph 4.2 have been applied to the Merging Companies.

### 5.2.1 Application of the main valuation methods

#### Gemina

In the application of the main valuation method, namely the Discounted Cash Flow method, the Gemina value was determined discounting the ADR cash flows indicated in the consolidated 2013-2044 Economic Financial Plan approved by the Company's Board of Directors on 1<sup>st</sup> February 2013 (“Management Case”), downstream of the approval of the ADR Convention. As terminal value, among other considerations, the value of the remaining invested capital not yet amortised on concession expiry was taken into account for the regulated activity, and the remaining book value on concession expiry was taken into account for the non-regulated activity.

In addition, the sensitivity analysis based on alternative airport traffic scenarios was taken into consideration, in order to take into account the macro and micro economic scenarios reflected in the share price trend and in the research analysts' valuations, developed separately and independently by the Boston Consulting Group and Roland Berger Strategy Consultants S.r.l. (“*Sensitivity Analysis*”) applying the Sum of the Parts criteria, i.e. considering separately the diverse impact on the regulated and non regulated activities of ADR.

Starting from the value of the economic capital of ADR thus estimated, the value of the economic capital of Gemina was then estimated taking into account the value of (i) the minority interests of ADR, (ii) Gemina's net debt, (iii) the other assets held by Gemina in addition to its ADR equity, (iv) the holding cost of Gemina and (v) the financial effects deriving from the early exercise of Gemina Stock Option Plan

Moreover, to calculate the value of each Gemina share, a number of Gemina shares was taken based on the total number of ordinary and savings shares issued (thus considering the savings shares at the same value as the ordinary shares), net of the treasury shares held by the Company and increased by the number of shares deriving from the early exercise of the Stock Option Plan in force (considering that treasury shares will be included in those used to serve the Stock Option Plan).

The following table indicates the minimum and maximum value per Gemina share, identified by the above-described methods.

	Minimum	Maximum
Value per Gemina share – Management Case (Euro)	1.43	1.84
Value per Gemina share – Sensitivity Analysis (Euro)	1.14	1.34



### Atlantia

In the specific case of Atlantia, the Sum of the Parts criterion has been applied. In particular, the value of Atlantia's economic value has been calculated as the sum of the values of the economic capital of each concession and of the Group's other activities deriving from the application of the DCF methodology (for all main activities) to the Industrial Plans of the single entities ("Management Case"), suitably adjusted to take into account the net financial debt of the single entities and the minority interests. In addition, a sensitivity analysis based on an alternative traffic and investment scenario drawn up by the Atlantia management ("*Sensitivity Analysis*") has also been taken into account in order to consider the macro and micro economic scenarios reflected in the share price trend and in the research analysts' valuations.

For the purpose of calculated the individual Atlantia share value, a number of ordinary Atlantia shares was used based on the total number of ordinary shares issued, net of treasury shares held by the Company and increased by the number of shares deriving from the exercise of the Stock Option and Stock Grant plans in progress, as resulting from the application of the Treasury Stock method.

The table below indicates the minimum and maximum values of each Atlantia share, identified by the above-described methods, before the distribution of the dividends scheduled for May 2013 and therefore before the conclusion of the Merger.

	Minimum	Maximum
Value per Atlantia share – Management Case (Euro)	18.9	21.3
Value per Atlantia share – Sensitivity Analysis (Euro)	12.5	14.3

The following table indicates the minimum and maximum value for each Atlantia share, identified with the above-described fundamental methodology and adjusted by effect of the distribution of dividends scheduled for May 2013 ("ex-dividend").

	Minimum	Maximum
Ex-dividend value per Atlantia share – Management Case (Euro)	18.5	20.9
Ex-dividend value per Atlantia share – Sensitivity Analysis (Euro)	12.1	13.9

The following table sums up the estimate range of the swap ratios calculated according to the methods and criteria applied in the above paragraph, as a quotient between the ordinary Atlantia ex dividend share value

and the Gemina ordinary and savings share value, showing the minimum and maximum values of the respective ranges determined previously (in particular, the Atlantia minimum is given in respect of the Gemina maximum and the Atlantia maximum is given in respect of the Gemina minimum).

	Minimum	Maximum
Gemina shares for each Atlantia ex-dividend share - Management Case	10.1x	14.6x
Gemina shares for each Atlantia ex-dividend share - Sensitivity Analysis	9.0x	12.2x

In the determination of the swap ratio, the valuation based on the Sensitivity Analysis has been taken into account for Gemina and Atlantia, which at present best reflects the macro and micro economic scenarios reflected in the share price trend and the research analysts' valuations, as also confirmed by the application of the control valuation methods illustrated below.

### 5.2.3 Application of the control valuation methods

Lastly, in order to check the accuracy of the swap ratios determined with the above-mentioned criteria, a control has been carried out by the application of the methods described below.

#### Analysis of market prices

In the application of this valuation method, and with specific reference to Gemina, it was necessary to take into account the discontinuity of the stock market listing of the securities generated by the approval of the ADR Convention on 21<sup>st</sup> December 2012, which led to a re-alignment of the listed prices taking into account the changes in the Company's return levels, growth prospects and risk level resulting from the entry into force of the new regulations.

As a consequence of the above, this valuation method was applied taking into account the swap ratios (ordinary Gemina shares for each ordinary Atlantia share) expressed by the market (i) on 7<sup>th</sup> March 2013 and (ii) in the period of one month preceding 7<sup>th</sup> March 2013 inclusive.

The following table shows the swap ratio on the date and for the period indicated above:

	7 <sup>th</sup> March 2013	Average of the month prior to 7 <sup>th</sup> March 2013
Ordinary Gemina shares for one Atlantia ex-dividend share	8.9x	9.7x

As already indicated, taking into account the limited liquidity of the Gemina savings shares, the Board of Directors maintained an analysis of the market prices of the same to have little significance.

The research analysts' target price analysis

The Board of Directors has analysed the target prices of the Atlantia and Gemina shares, published by the research analysts. For Gemina, the research published in the period following the approval of the ADR Convention on 21<sup>st</sup> December 2012 has been taken into account.

The following table shows the minimum and maximum target prices of Atlantia and Gemina published by the research analysts taken into consideration for the valuation:

	Minimum	Maximum
Atlantia target price (Euro)	10.0	18.6
Gemina target price (Euro)	1.10	1.55

The following table sums up the range of the swap ratio estimates (ex-dividend values) calculated as a quotient of the Atlantia target price (ex-dividend) and that of Gemina, with reference to the maximum and minimum of the respective ranges previously calculated.

	Minimum	Maximum
Gemina shares for one Atlantia ex-dividend share	8.7x	11.7x

**5.2.4 Main elements not considered in the stand-alone valuation analyses**

According to market practice for similar operations, to complete the above-indicated analyses, the impact on the swap ratios deriving from the potential synergies has also been considered.

The potential operating and financial synergies of the operation, include:

- the reduction of the execution risk relative to the works contemplated by the ADR investment plan, thanks to Atlantia's know-how in the execution of complex works;
- financial synergies deriving from the inclusion of ADR in a group with greater financial solidity proven by a higher credit worthiness rating;
- cost synergies, albeit limited.

The impact of the value of these synergies - assuming equal division between the parties - results in an estimated reduction of the share swap ratio by as much as 0.3x. For example, by applying this reduction to the swap ratio range calculated on the basis of the main methodologies and the Sensitivity Analysis for

Atlantia and Gemina (9.0x – 12.2x ex-dividend), the result is a swap ratio inclusive of the potential benefits of the operation of 8.7x – 11.9x.

Other intangible elements also to be valued but which are difficult to quantify include:

- reduction in Atlantia's exposure to the volume risk relative to traffic in Italy thanks to the contribution deriving from the international traffic of ADR;
- diversification of revenue sources with greater exposure to global growth connected with the foreign traffic of ADR;
- the possibility of taking advantage of new business opportunities, especially in countries where Atlantia is already present, such as Brazil and Chile;
- a key role in the infrastructures sector in Italy;
- better opportunities for balancing resources at Group level.

In consideration of the above and, in particular, of the macro and micro economic scenarios reflected in the stock market price trend and in the research analysts' valuations, of the benefits deriving from the operation, of the negotiating dynamics with the counterpart and taking into account the results of the fairness opinion of Deutsche Bank, the Atlantia Board of Directors has determined the share swap ratio at the above indicated figure.

**6. MODALITIES FOR THE ALLOCATION OF ATLANTIA SHARES AND DATE FROM WHICH THE BENEFITS OF THE SAME WILL BE GRANTED**

- A.** The Merger will be carried out by the simultaneous swap and annulment of the Gemina ordinary and saving shares in circulation at the date on which the Merger takes effect, and the allocation, at the service of the swap, of the shares of the Surviving Company deriving from the share capital increase. In particular, for the swap at the service of the Merger, the Atlantia shareholders' meeting will pass resolution to increase its own share capital up to a maximum nominal value of Euro 164,025,376.00, by the issue of a maximum of 164,025,376 ordinary Atlantia shares with a nominal value of Euro 1.00 each.
- B.** All the shares representing the Atlantia share capital, including those of the new issue, will be listed and traded on MTA Market. For this purpose, Atlantia will take avail of the services of Monte Titoli S.p.A. for the centralised management of its shares under the dematerialisation system pursuant to law.
- C.** The simultaneous swap of the Gemina shares with the Atlantia shares of the capital increase will take place, with no costs or commissions charged to the shareholders, through intermediaries authorised pursuant to the applicable provisions of Italian law and regulations as of the date on which the Merger takes effect, if the Stock Exchange is open, or from the first successive Stock Exchange business day. The date will be made known by a notice published in at least one national daily newspaper and on the Atlantia and Gemina Internet sites.

Within the sphere of the assignment of the shares of the Surviving Company, a service will be made available to the shareholders of the Absorbed Company, through authorised intermediaries, to allow for the

rounding up or down to the immediately higher or lower number of newly issued shares due in application of the swap ratio, at the market prices and without any costs, duties or commissions. In any case, nothing will be charged to the shareholders for the share swap operations.

- D.** As mentioned above, the ordinary shares issued by Atlantia to serve the share swap will reap benefits identical to those of the Atlantia shares in circulation immediately prior to the date of effect of the Merger.

**7. DATE AS OF WHICH THE OPERATIONS OF THE MERGING COMPANIES WILL BE POSTED ON THE ATLANTIA FINANCIAL STATEMENT, ALSO FOR TAX PURPOSES**

The Merger will produce effects in respect of the company financial statement as of the date of the last inscription at the Rome Trade Register prescribed by art. 2504-*bis* of the Civil Code, or as of a later date if such is indicated in the Merger Deed.

For accounting purposes, the operations carried out by the Absorbed Companies will be posted on the Surviving Company's financial statement as of the date on which the Merger will produce its effects for its own company financial statement.

For tax purposes, the Company has scheduled the effect of the Merger as of 1<sup>st</sup> January 2013, subject to the issue of a specific ruling by the Revenue Agency which confirms the possibility of backdating the effects of the operation to 1<sup>st</sup> January 2013, albeit without the backdating of the accounting effects (the “**Tax Ruling**”).

Consequently, if the Tax Ruling is issued within the date of the stipulation of the Merger Deed, the tax effects of the Merger will start as of 1<sup>st</sup> January 2013. If the Tax Ruling is not issued within that date, the tax effects will start on date on which the accounting effects take force, as indicated above.

**8. TAX EFFECTS OF THE MERGER ON THE MERGING COMPANIES**

**8.1 Tax neutrality for Corporate Income Tax and Regional Business Tax**

Pursuant to art. 4 of Ministerial Decree n° 48 of 1<sup>st</sup> April 2009, it is maintained that pursuant to art. 172 of the Income Tax Act, approved by Presidential Decree n° 917 of 22<sup>nd</sup> December 1986, the Merger operation must take place, for the purposes of IRES (Corporate Income Tax) *(i)* with tax neutrality and *(ii)* without interruption of the pre-existing tax values (except for the possibility of being "released" from possible higher values emerging subsequent to the Merger). The same system is deemed applicable also for IRAP (Regional Business Tax).

**8.2 Registration fee**

The Merger Deed is subject to the registration fee at the fixed sum of Euro 168.00, pursuant to article 4, letter b), of the first part of the Tariff attached to Presidential Decree n° 131 of 26<sup>th</sup> April 1986.

**8.3 Added value tax**

Pursuant to art. 2, paragraph three, letter f), of Presidential Decree n° 633 of 26<sup>th</sup> October 1972, the conveyance of assets pursuant to the Merger operation do not represent relevant operations for the purpose of value added tax.

**8.4 Effects on the Absorbed Company's shareholders**

Pursuant to art. 172, paragraph three, of Presidential Decree n° 917 of 26<sup>th</sup> December 1986, the swap of the shares of the Absorbed Company with those of the Surviving Company does not represent, for the purposes of IRES, a gain or the distribution of a capital gain or loss, or the acquisition of revenues for the joint stock companies which are shareholders of the Absorbed Company.

#### 8.5 Tax effects in other countries

The tax effects of the Merger in other countries will be checked by each shareholder in the light of the specific discipline of the country of residence.

### 9. FORECASTS ON THE STRUCTURE OF THE RELEVANT SHAREHOLDINGS AND ON THE SITUATION OF CONTROL OF ATLANTIA SUBSEQUENT TO THE MERGER

#### 9.1. Structure of the relevant shareholdings and situation of control of Atlantia

A. At 28<sup>th</sup> March 2013, the shareholders which, on the basis of the information publicly available, hold a number of ordinary Atlantia shares representing a stake of more than 2% of the share capital, are identified in the following table:

DECLARANT OR SUBJECT AT THE HEAD OF THE SHAREHOLDING CHAIN	DIRECT SHAREHOLDER	% OF THE SHARE CAPITAL	% OF THE SHARE CAPITAL AGGREGATE
<b>Edizione S.r.l.</b>	Sintonia S.p.A.	47.96%	
<b>Fondazione Cassa di Risparmio di Torino</b>	Fondazione Cassa di Risparmio di Torino	6.32%	
<b>Lazard Asset Management LLC</b>	Lazard Asset Management LLC	2.06%	
<b>Blackrock Inc.</b>	Blackrock Asset Management Ireland Limited	0.34%	5.01%
	Blackrock Institutional Trust Company N.A.	0.98%	
	Blackrock Fund Managers Limited	0.12%	
	Blackrock Advisors (UK) Limited	0.16%	
	Blackrock Investment Management LLC	0.10%	
	Blackrock Financial Management Inc.	0.003%	
	Blackrock Asset Management Deutschland AG	0.14%	
	Blackrock Asset Management Australia Limited	0.01%	
	Blackrock Asset Management Canada Limited	0.03%	
	Blackrock Fund Advisors	0.40%	
	Blackrock Investment	0.43%	

	Management (UK) Limited		
	Blackrock (Netherlands) B.V.	0.09%	
	Blackrock Investment Management (Australia) Limited	0.004%	
	Blackrock Advisors LLC	0.11%	
	Blackrock (Luxembourg) S.A.	1.71%	
	Blackrock Japan Co. Ltd.	0.11%	
	Blackrock Life Limited	0.25%	
	Ishares (DE) I Invag Mit Teilgesellschaftsvermogen	0.003%	
	Blackrock International Limited	0.04%	
<b>Atlantia S.p.A.</b>	Atlantia S.p.A.	2.01%	

- B.** Edizione, through Sintonia, of which it holds approx. 66.4%, exercises de facto control over Atlantia pursuant to article 93 of the Finance Act. More specifically, Sintonia holds enough votes to exercise a dominant influence in the Atlantia ordinary shareholders' meetings, pursuant to article 2359 of the Civil Code. However, Sintonia does not exercise any activity of direction and control over Atlantia, as contemplated by article 2497 of the Civil Code.

## 9.2. Structure of the relevant shareholdings and situation of control of Gemina

- A.** At 28<sup>th</sup> March 2013, the shareholders which, on the basis of the information publicly available, hold a number of ordinary Gemina shares representing a stake of more than 2% of the share capital, are identified in the following table:

DECLARANT OR SUBJECT AT THE HEAD OF THE SHAREHOLDING CHAIN	DIRECT SHAREHOLDER	% OF THE ORDINARY CAPITAL	% OF THE SHARE CAPITAL
<b>Edizione S.r.l.</b>	Sintonia S.p.A.	35.93%	35.97%
<b>Finsoe S.p.A.</b>	Fondiarria SAI S.p.A.	4.18%	4.17%
<b>Norges Bank</b>	Norges Bank	2.05%	2.04%
<b>UBS A.G.</b>	UBS A.G.	3.20%	3.19%
<b>Changi Airport Group (Singapore) Pte. Ltd.</b>	Worldwide United (Singapore) Pte. Ltd.	8.36%	8.34%
<b>Unicredit S.p.A.</b>	Unicredit S.p.A.	3.41%	3.41%
<b>SI.TO. Financiere S.A.</b>	Silvano Toti Holding S.p.A.	12.84%	12.80%

<b>Assicurazioni Generali S.p.A.</b>	Assicurazioni Generali S.p.A.	3.05%	3.05%
<b>Mediobanca S.p.A.</b>	Mediobanca S.p.A.	12.56%	12.53%

No subject exercises control over Gemina.

### 9.3. Forecasts on the structure of the relevant shareholdings and on the situation of control of Atlantia subsequent to the Merger

Taking into account the swap ratio proposed under Paragraph 5, and assuming that no changes occur in the present shareholding structures of Atlantia and Gemina, on conclusion of the Merger, the Atlantia shareholding structure will not change; in fact, Sintonia, Atlantia's present controlling shareholder, although its stake will be diluted by effect of the Atlantia capital increase to serve the share swap, will continue to hold the de facto control over the entity resulting from the Merger. More specifically, the Atlantia shareholding structure will be as follows:

<b>DECLARANT OR SUBJECT AT THE HEAD OF THE SHAREHOLDING CHAIN</b>	<b>DIRECT SHAREHOLDER</b>	<b>% OF THE SHARE CAPITAL</b>
<b>Edizione S.r.l.</b>	Sintonia S.p.A.	45.56%
<b>Fondazione Cassa di Risparmio di Torino</b>	Fondazione Cassa di Risparmio di Torino	5.06%
<b>Blackrock Inc.</b>	Blackrock Asset Management Ireland Limited	4,01%
	Blackrock Institutional Trust Company N.A.	
	Blackrock Fund Managers Limited	
	Blackrock Advisors (UK) Limited	
	Blackrock Investment Management LLC	
	Blackrock Financial Management Inc.	
	Blackrock Asset Management Deutschland AG	
	Blackrock Asset Management Australia Limited	
	Blackrock Asset Management Canada Limited	
	Blackrock Fund Advisors	
	Blackrock Investment Management (UK) Limited	
	Blackrock (Netherlands) B.V.	
	Blackrock Investment Management (Australia) Limited	



	Blackrock Advisors LLC	
	Blackrock (Luxembourg) S.A.	
	Blackrock Japan Co. Ltd.	
	Blackrock Life Limited	
	Ishares (DE) I Invag Mit Teilgesellschaftsvermogen	
	Blackrock International Limited	
<b>Mediobanca S.p.A.</b>	Mediobanca S.p.A.	2.48%
<b>SI.TO. Financiere S.A.</b>	Silvano Toti Holding S.p.A.	2.54%
<b>Lazard Asset Management LLC</b>	Lazard Asset Management LLC	1.65%
<b>Changi Airport Group (Singapore) Pte. Ltd.</b>	Worldwide United (Singapore) Pte. Ltd.	1.65%
<b>Finsoe S.p.A.</b>	Fondiarria SAI S.p.A.	0.83%
<b>Unicredit S.p.A.</b>	Unicredit S.p.A.	0.67%
<b>UBS A.G.</b>	UBS A.G.	0.63%
<b>Assicurazioni Generali S.p.A.</b>	Assicurazioni Generali S.p.A.	0.60%
<b>Norges Bank</b>	Norges Bank	0.40%
<b>Atlantia S.p.A.</b>	Atlantia S.p.A.	1.61%

## 10. Effects of the Merger on the shareholder agreements pursuant to article 122 of the Finance Act

### 10.1. Shareholders' agreement containing provisions relative to Atlantia

**A.** On the basis of the communications transmitted to CONSOB pursuant to article 122 of the Finance Act and of the applicable provisions of the Issuers' Regulations, on 15<sup>th</sup> January 2008 Sintonia, Edizione, Mediobanca S.p.A., Sinatra S.àr.l. and Pacific Mezz Investco S.àr.l. signed a shareholders' agreement regarding Sintonia and, as far as concerning certain provisions, also Atlantia, successively amended on 15<sup>th</sup> April 2008, on 19<sup>th</sup> December 2008 and lastly on 21<sup>st</sup> June 2012.

The said shareholders' agreement contains provisions regarding:

- (i) all the Sintonia shares, as well as all additional Sintonia shares and the shares of any category that may be issued by Sintonia; and
- (ii) the Atlantia shares held by Schemaventotto S.p.A. (a company controlled 100% by Sintonia and which was merged by incorporation into this latter in October 2012) and the Atlantia shares held directly by Sintonia, as well as all the other Atlantia shares of any category that may be held, directly or indirectly, by Sintonia in the future.

More specifically, the shareholders' agreement contemplates, among other things: (a) a bar on the sale of the Sintonia shares held, (b) pre-emption rights on the Sintonia shares, (c) joint selling rights and obligations in respect of Sintonia shares, (d) qualified majorities for the adoption of the resolutions of the Sintonia ordinary and extraordinary shareholders' meetings, (e) provisions relative to the composition and the quorums for Sintonia Board of Directors' resolutions and the composition of the Sintonia Board of

Auditors, (f) a call option in favour of Edizione in the case of a decisional stalemate, (g) further call options on the Sintonia shares held by Pacific Mezz Investco S.à.r.l.

**B.** It is established that the shareholders' agreement will remain in force until 21<sup>st</sup> June 2015, or, if prior, until the first of the following dates:

- (i) the date on which the Sintonia shares are listed on a regulated market;
- (ii) the date on which a person or a company (together with its affiliated companies) holds all the Sintonia shares; and
- (iii) the date of the conclusion of an extraordinary operation subsequent to which (a) all the shareholders who hold at least 9% of the Sintonia shares, (b) Mediobanca S.p.A. for the entire period during which it is the holder of at least 3.7% of the Sintonia shares, and (c) Sinatra S.à.r.l., for the entire period during which it holds at least 7.8% of the Sintonia shares, hold less than the majority of the financial instruments with voting rights of the entity resulting from the said operation.

**C.** It is also established that the shareholders' agreement will be tacitly renewed on expiry for a further year, unless cancelled by one of the parties to the same, in which case Sintonia will be split up in order to assign to companies entirely held by each of the outgoing shareholders a stake in the Sintonia assets (including the Atlantia share) and liabilities.

## **10.2. Shareholders' agreement regarding Gemina**

**A.** On the basis of the communications transmitted to CONSOB pursuant to article 122 of the Finance Act and of the applicable provisions of the Issuers' Regulations, a shareholders' agreement is in force (most recently expanded and renewed on 26<sup>th</sup> March 2010), regarding Gemina; the parties to the agreement are Sintonia, Mediobanca S.p.A., Fondiaria SAI S.p.A., Assicurazioni Generali S.p.A., Unicredit S.p.A. and Worldwide United (Singapore) Pte. Ltd. The agreement is binding on approximately 42% of the Gemina share capital, but, also taking into account the shares of the single entities subject to the agreement even if they have not undersigned the same, it aggregates 67.50% of Gemina's share capital. No subject exercises control over Gemina; more specifically, none of the present parties to the agreement individually or jointly has control over Gemina.

The shareholders' meeting, among other things, imposes certain limits of on the circulation of the syndicated shares as well as an obligation of prior consultation in respect of certain matters falling within the competence of the Board of Directors and the shareholders' meeting.

**B.** On the basis of the information publicly available, on 21<sup>st</sup> March 2013, the duration of the shareholders' agreement, which would have expired on 25<sup>th</sup> March 2013, was extended until 25<sup>th</sup> May 2013 or, if prior, until the date of the Gemina extraordinary shareholders' meeting called to pass resolution on the Merger.

## **10.3. Effects of the Merger on the shareholders' agreements**

Subsequent to the Merger, the shareholders' agreement containing provisions relative to Atlantia will remain in force according to the terms contemplated therein.

With regard to the shareholders' agreement regarding Gemina, the considerations of Paragraph 10.2 above hold firm.

**11. BOARD OF DIRECTORS' ASSESSMENTS ON THE RECURRENCE OF THE WITHDRAWAL RIGHT**

- A.** It is maintained that the Atlantia and Gemina shareholders who have not voted in favour of the resolution for the approval of the new articles of association to be adopted consequent to the Merger shall not have the withdrawal right contemplated by article 2437, paragraph 1, letter a), of the Civil Code, which contemplates the possibility of the *“amendment of the clauses relative to the company's business, when a significant change in the company's business is allowed”*. In fact, it will not be necessary to amend the clauses relative to the corporate purpose of Atlantia or Gemina, since both the clauses are similar and already contemplate the practice of the activities of a so-called pure holding company, i.e. with stakes and interests in any economic-industrial sector, as the Company will continue to be also after the Merger (see the clauses on the corporate purpose given, respectively, in Paragraphs 1.1.2 and 1.2.2).
- B.** With regard to the existence of a withdrawal right contemplated by article 2437, paragraph 1, letter g), of the Civil Code in the case of the *“modification to the articles of association concerning the voting and participation rights”*, it must be noted that this right is held by the Gemina savings shareholders who have not voted in favour of the Merger resolutions, in as much as the consequent loss of the rights and privileges borne by the Gemina savings shares at present in circulation fulfils the conditions of article 2437, paragraph 1, letter g), of the Civil Code.

In the case of withdrawal, the ownership of the shares must be demonstrated as without interruption from the date of the special Gemina savings shareholders' meeting held to approve the Merger until the date on which the withdrawal right is exercised, as specified here following. Taking into account that the event contemplated by article 2437, paragraph 1, letter g) of the Civil Code will occur only if the Merger is concluded, the force of the withdrawal depends on the effectiveness of the Merger.

- C.** Lastly, it is not recognised in the case of the applicability of article 2437-*quinquies* of the Civil Code which assigns the withdrawal right to shareholders who have not voted in favour of the resolution which has, as a consequence, the exclusion of the shares from being listed, in as much as the post Merger Atlantia shares will continue to be listed on the On-line Stock Market.

**12. INDICATION OF THE SUBJECTS ENTITLED TO EXERCISE THE WITHDRAWAL RIGHT, AND OF THE PROCEDURES AND TERMS CONTEMPLATED FOR THE EXERCISE OF THE RIGHT AND FOR THE PAYMENT OF THE RELATIVE REIMBURSEMENT**

The procedures and terms for the execution of the withdrawal right which may be due to the Gemina savings shareholders will be described in the documents prepared and published for this purpose by Gemina.

\*\*\*

**RESOLUTION PROPOSAL**

Dear Shareholders,

In consideration of all the above, your Company's Board of Directors submits to your approval the following resolution proposal:

*“The Shareholders' Meeting of Atlantia S.p.A., meeting today in an extraordinary session:*

- (i) in view of the plan for the merger by the incorporation of Gemina S.p.A. into Atlantia S.p.A., deposited with the Rome Trade Register on 18<sup>th</sup> March 2013;*
- (ii) having examined the Report of the Board of Directors on the above-illustrated merger plan, drawn up pursuant to article 2501-quinquies of the Civil Code;*
- (iii) acknowledging the equity situations of the companies participating in the merger, represented by the financial situations relative to the financial year 2012;*
- (iv) acknowledging the fairness report on the share swap ratio drawn up by PricewaterhouseCoopers S.p.A., in its capacity as the expert appointed pursuant to article 2501-sexies of the Civil Code of the Court of Rome;*
- (v) acknowledging the deed of the Board of Auditors certifying that the present share capital of Atlantia S.p.A. is equal to Euro 661,827,592.00 fully paid up, divided into 661,827,592 with a nominal value of Euro 1.00 each and fully subscribed and paid up;*

#### **RESOLVES**

- 1. to approve the merger plan deposited and registered pursuant to law and attached to these minutes, and to consequently proceed with the merger by the incorporation of Gemina S.p.A. into Atlantia S.p.A. under the terms and conditions contemplated herein. In particular, the share swap of the ordinary and savings shares of the Absorbed Company Gemina S.p.A. will be carried out by the issue of a maximum of 164,025,376 new ordinary shares, the benefits borne by which shall take effect on the same date as that of the Atlantia ordinary shares in circulation at the date on which the merger takes effect, with the nominal value of Euro 1.00 each, in application of the share swap ratio and the procedures for the assignment of the shares contemplated by the merger plan;*
- 2. to increase the share capital of the Surviving Company Atlantis S.p.A. to serve the share swap, by a maximum nominal amount of Euro 164,025,376.00, by the issue of a maximum of 164,025,376 new ordinary shares with the nominal value of Euro 1.00 each;*
- 3. to adopt, as of the date on which the merger takes effect towards third parties, the articles of association attached to the merger plan as Annex “A”;*
- 4. to confer on the Board of Directors, and for this latter on its Chairman and on the Managing Director pro tempore in office, separately and also by special proxies appointed for the purpose, the widest faculties for applying all amendments to the non-substantial shareholders' resolutions that may be necessary, at the request of any competent administrative authority or for entry in the Trade Register, in representation of the Company;*
- 5. to confer on the Board of Directors, and for this latter on its Chairman and on the Managing Director pro tempore in office, separately and also by special proxies appointed for the purpose, the widest powers excluding none, for the implementation of the merger, according to the modalities and terms contemplated in the merger plan, as well as in this resolution, and therefore, without any limitation whatsoever:*
  - (i) to stipulate and undersign the public merger deed (even if the necessary authorisations on the part of the competent Antitrust Authority are not issued, or are issued only partially, conditionally or with reserve, always providing this*

*allows for the execution of the merger and does not substantially prejudice the same within the terms contemplated by the aforesaid merger plan), and any and every deed of recognition, additional deed, instrumental deed and/or deed of amendment that may be necessary or opportune, defining every agreement, condition, clause term and modality in respect of the merger plan;*

*(ii) to make additions to and amend, at the moment of the stipulation of the merger deed, the numeric expressions contained in article 6 of the articles of association of Atlantia S.p.A., in application of the criteria indicated in the aforesaid merger plan;*

*(iii) to provide in general for everything else that may be requested, necessary, useful or even only opportune for the complete implementation of the above resolutions, allowing for conveyances, registrations, annotations, amendments and corrections of entries in public registers and at every other competent seat, as well as the presentation to the competent authorities of every claim, instance, communication or application for authorisation that may be requested or necessary or opportune for the purposes of the operation.”*

\*\*\*

#### **ANNEXES**

Merger Plan, including the post Merger Atlantia articles of association, as Annex A.

\*\*\*

Rome, 29<sup>th</sup> March 2013

**Atlantia S.p.A.**

for the Board of Directors

The Chairman

Fabio Cerchiai

*This report has been translated into the English language from the original, which was issued in Italian, solely for the convenience of international readers*