



Press Release

FITCH AFFIRMS RATING 'A-' AND STABLE OUTLOOK

Rome, 17 July 2012 - Fitch Ratings has today affirmed Atlantia and Autostrade per l'Italia 'A-' rating confirming also the stable outlook. While the Italian sovereign is under negative out look, the rating agency underlines the demonstrated resilience of Atlantia and Autostrade per l'Italia business, their stable financial structure and the low refinancing risk.

The fully text of Fitch Ratings announcement is provided below.

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FITCH AFFIRMS ATLANTIA & AUTOSTRADE PER L'ITALIA AT 'A-'; OUTLOOK STABLE

Fitch Ratings-Paris/Milan/London-17 July 2012: Fitch Ratings has affirmed Italian infrastructure holding group, Atlantia Spa's (Atlantia), and its fully owned toll road concession subsidiary, Autostrade per l'Italia Spa's (ASPI) senior unsecured ratings at 'A-'. The agency has also affirmed ASPI's Long-term Issuer Default Rating (IDR) at 'A-', with a Stable Outlook and the Short-term IDR at 'F2'.

The ratings reflect the strong asset profile, modest refinancing risk in 2012-2013 and stable financial structure, which has virtually no structural enhancements.

While the Outlook on the Italian sovereign is Negative and the country is facing recession, Atlantia's Stable Outlook reflects the intrinsic strength and demonstrated resilience of the business. Fitch's rating case incorporates traffic decline four times more severe than GDP decline in 2012 and 2013. The Stable Outlook also reflects Atlantia's rating headroom against the downgrade trigger, on a backdrop of management's historical prudence and stable financial performance.

However, a marked and durable degradation of the Italian economy, although this is not Fitch's base case, could derail Atlantia's good record of resilience. Evidence of recessionary prospects over a prolonged horizon (two years) could prompt a negative rating action.

Traffic volumes are Atlantia's and ASPI's primary short-term revenue drivers. Atlantia has a large and diversified network (more than 5,117km in consolidated perimeter), of which Italy represents 3,095km and 84% of consolidated group EBITDA in 2011. Italian toll roads traffic has been resilient through the global financial crisis (maximum 1% decline until 2011), largely because of the lack of alternatives. Therefore, Fitch has assigned a "stronger" attribute for volume risk although the severe decline of traffic in H112 (-5.3% adjusted for weather and strikes), highlights some vulnerability. The effect of the recently increased exposure to more growth-oriented assets in Latin America is immaterial, as Fitch only takes into account the dividends received from these subsidiaries bearing non-recourse debt. The dividends are currently of limited importance compared to Atlantia's EBITDA.

ASPI's concession framework is similar to a regulated asset base system, where medium-term growth is generated by the pre-authorised remuneration of capital improvement plans. It is a business with moderate growth and strong resilience, where access to cheap funding is a key profitability element. This means management and shareholders are incentivised to protect the conservative financial structure. There is price risk, albeit mitigated by the concession agreement signed in 2007, which is based on a revised formula for annual tariff adjustment that includes an indexation to 70% of inflation and specific remuneration factors for the execution of most of the planned capex. Fitch's assessment of price risk is "mid-range".

The execution of a capex plan of approximately EUR14.7bn between 2012 and 2022 remains ASPI's biggest challenge and driver to increase traffic volume organically (notably through de-bottlenecking) and to achieve remuneration on investments that will significantly increase tariffs. Fitch believes Atlantia is well-equipped to deliver on this challenge. Therefore, Fitch has assigned a "stronger" attribute for infrastructure/development/renewal risk.

In contrast with project-financed toll roads, as a corporate, Atlantia may make acquisitions and re-leverage, which would be a credit negative. However, Atlantia has shown prudence in its acquisitions. In 2011 and 2012, Atlantia has finalised the sale of Strada dei Parchi in Italy and increased its shareholding in Latin American assets. The total net consideration was a disposal of approximately EUR290m.

Atlantia's debt is typical of a large corporate. The non-amortising nature of the debt and lack of material structural protection are weaker features. However, this is mitigated by the regulated asset base framework, moderate exposure to refinancing risk thanks to a well diversified range of bullet maturities and demonstrated good access to bond markets, with proactive and prudent debt management.

Atlantia's liquidity position at end-June 2012 was strong. According to company estimates, it benefited from around EUR2,8bn of available credit lines, while liquid assets and term deposits amounted to EUR130m. The balance makes a "midrange" attribute for debt structure.

Leverage (net debt to EBITDA) had decreased to 4.4x at FYE11 (pre IFRIC 12), which was better than Fitch expected. This shows the company's ability to maintain stable leverage despite the past three years of adverse economic developments. In Fitch's updated rating case (with slightly more conservative macroeconomic assumptions than those of management and taking into account the recessionary environment), leverage is expected to remain around 5.5x for the next two years. This suggests a "midrange" attribute for debt service.

The equalisation of Atlantia and ASPI's ratings is based on Fitch's Parent and Subsidiary Linkage methodology and acknowledges the strong legal and operational ties between the two entities, as evidenced by the cross-guarantees in place and the tangible financial support provided by Atlantia.

WHAT COULD TRIGGER A RATING ACTION

Positive: A positive rating action could be envisaged if net debt/EBITDA + dividends (recourse only) was below 4.0x (pre-IFRIC 12; 31 December 2011: 4.4x). Asset disposals resulting in lowering the recourse debt would support the rating but are unlikely to trigger an upgrade while economic uncertainty remains.

Negative: A negative rating action could be envisaged if net debt/EBITDA + dividends (recourse only) rises to 6.0x (pre-IFRIC 12). Adverse government measures, such as changes in taxation or freeze of tariffs, or a significant move towards material acquisitions outside of the Italian toll road business, with impact on the recourse-debt metrics, could also negatively affect the rating.

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Additional information is available on www.fitchratings.com. The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

Applicable criteria, "Rating Criteria for Toll Roads, Bridges and Tunnels" dated 5 August 2011, are available at www.fitchratings.com.

Applicable Criteria and Related Research:

Rating Criteria for Toll Roads, Bridges, and Tunnels

http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=646421

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