



**ATLANTIA SPA
GEMINA SPA**

**MERGER BY INCORPORATION OF
GEMINA SPA INTO ATLANTIA SPA (the “Merger”)
AUDITORS’ REPORT
IN ACCORDANCE WITH ARTICLE 2501 SEXIES
OF THE CIVIL CODE**



MERGER BY INCORPORATION OF GEMINA SPA INTO ATLANTIA SPA (the “Merger”) AUDITORS’ REPORT IN ACCORDANCE WITH ARTICLE 2501 SEXIES OF THE CIVIL CODE

To the shareholders of Atlantia SpA
To the shareholders of Gemina SpA

1 Purpose and object of the engagement

By an order dated 5 March 2013, at the joint request of Atlantia SpA (“**Atlantia**”) and Gemina SpA (“**Gemina**”; hereinafter collectively referred to as the “**Companies**”), the Court of Rome appointed PricewaterhouseCoopers SpA as common expert responsible for preparing, pursuant to art. 2501 *sexies* of the Civil Code, the report on the exchange ratio between Atlantia ordinary shares and Gemina ordinary shares and between Atlantia ordinary shares and Gemina savings shares (the “**Exchange Ratios**”). To this end, we have received from Atlantia and Gemina the merger plan (the “**Merger Plan**”), the directors’ reports (the “**Directors’ Reports**”), which point out, illustrate and justify, pursuant to art. 2501 *quinquies* of the Civil Code, the Exchange Ratios, as well as the draft separate financial statements of Atlantia and Gemina for the year ended 31 December 2012, which have been taken as reference financial information (the “**Financial information**” [“**Situazioni Patrimoniali**”]) pursuant to article 2501 *quater* of the Civil Code.

The Merger Plan will be submitted for the approval of the extraordinary shareholders’ meetings of Atlantia and Gemina, on first call on 30 April 2013 and on second call on 15 May 2013.

The special savings shareholders’ meeting of Gemina will be called to approve the merger on first call on 29 April 2013 and on second call on 14 May 2013.

2 Scope and extent of this report

In order to provide the shareholders of the Companies with suitable information about the Exchange Ratios, this report sets out the methods followed by the Directors of Atlantia and Gemina for the calculation thereof and the valuation difficulties encountered by them. The report also includes our assessment of the fairness of these methods in the circumstance as regards the reasonableness and non-arbitrariness of these methods, the relative importance given by the Directors of the Companies to each of them as well as their correct application.

PricewaterhouseCoopers SpA

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When examining the valuation methods adopted by the Directors of the Companies, also on the basis of the instructions received from their advisors, we did not perform any financial valuation of Atlantia or of Gemina. This valuation was exclusively carried out by the Board of Directors of Atlantia (the “**BoD of Atlantia**”) and by the Board of Directors of Gemina (the “**BoD of Gemina**”; hereinafter also collectively referred to as the “**BoDs**” or the “**Directors**”) and by the experts engaged by them.

3 Documentation used

In performing our work Atlantia and Gemina provided us with the documents and information deemed useful for the circumstances. We analysed the documents received and in particular:

- 1) the Merger Plan, the Merger Agreement and the Directors’ Reports to their respective extraordinary shareholders’ meetings which propose the following Exchange Ratios in relation with their respective Financial Information:
 - in respect of Gemina’s ordinary shares, 1 ordinary share in Atlantia with a par value of €1.00 each, ranking equally in all respects with Atlantia’s existing ordinary shares at the effective date of the Merger, for every 9 ordinary shares in Gemina;
 - in respect of Gemina’s savings shares, 1 ordinary share in Atlantia with a par value of €1.00 each, ranking equally in all respects with Atlantia’s existing ordinary shares at the effective date of the Merger, for every 9 of Gemina’s savings shares.

These Exchange Ratios were determined by the Directors by also using the indications contained in the presentations and the fairness opinions referred to in point 2) below.

- 2) The “*Materiale di discussione per il CdA di Atlantia* [Discussion material for the BoD of Atlantia]” document prepared by Goldman Sachs International and Banca IMI – Intesa Sanpaolo in their capacity as financial advisors to the BoD of Atlantia (the “**Advisors to Atlantia**”) and the “*Gemina and Atlantia Merger – Considerations on Exchange Ratio*” document prepared by Barclays Bank and UniCredit in their capacity as financial advisors to the BoD of Gemina (the “**Advisors to Gemina**”; hereinafter collectively referred to as the “**Advisors**”). These presentations, which are dated 8 March 2013 and were prepared upon request of the Companies, set out the valuation methods adopted, the reasons behind their choice and the values originating from the application thereof. Furthermore, we analysed the following fairness opinions, which are all dated 8 March 2013 and are reported in the Information Circulars regarding related party transactions of greater significance concerning the “*Fusione per Incorporazione di Gemina SpA in Atlantia SpA* [Merger by Incorporation of Gemina SpA into Atlantia SpA]”, which were published by Atlantia and Gemina on 15 March 2013:
 - (i) “Fairness Opinion on the exchange ratio” issued by Deutsche Bank to the BoD of Atlantia;

- (ii) “Fairness opinion in relazione al rapporto di concambio proposto nell’ambito della fusione per incorporazione di Gemina in Atlantia [Fairness Opinion on the share swap ratio proposed within the merger by incorporation of Gemina into Atlantia]” issued by Rothschild to the Committee of Independent Directors for related party transactions of Atlantia;
 - (iii) “Opinione sulla congruità, da un punto di vista finanziario, del rapporto di cambio nell’ambito della prospettata operazione di fusione per incorporazione di Gemina SpA in Atlantia SpA [Financial Fairness Opinion on the exchange ratio within the proposed merger by incorporation of Gemina SpA into Atlantia SpA]” issued by Intermonte to the Committee of Independent Directors for related party transactions of Atlantia;
 - (iv) “Financial Fairness Opinion sul Rapporto di Concambio [Financial Fairness Opinion on the Exchange Ratio]” issued by Unicredit to the Board of Directors of Gemina;
 - (v) “Fairness Opinion sul rapporto di cambio [Fairness Opinion on the exchange ratio]” issued by Barclays to the Board of Directors of Gemina;
 - (vi) “Parere sulla ragionevolezza del rapporto di concambio dal punto di vista finanziario [Financial Fairness Opinion on the share swap ratio]” issued by BNP Paribas to the Board of Directors of Gemina;
 - (vii) “Parere di congruità finanziaria del rapporto di concambio nell’operazione di fusione per incorporazione di Gemina SpA in Atlantia SpA [Financial Fairness Opinion on the share swap ratio within the merger by incorporation of Gemina SpA into Atlantia SpA]” issued by Leonardo & Co. SpA to the Committee of Independent Directors for related party transactions of Gemina;
 - (viii) “Fairness opinion of the Exchange Ratio” issued by Credit Suisse Securities Limited to the Committee of Independent Directors for related party transactions of Gemina.
- 3) The following documentation was used by the Advisors to Atlantia and by the Advisors to Gemina to prepare their valuations and later by ourselves for the purposes of our engagement:
- the “Creating an International Scale Leader in Infrastructure” document dated 11 March 2013;
 - the *Convenzione Unica* (Single Agreement) that was entered into between Autostrade per l’Italia (“ASPI”) and ANAS on 12 October 2007 and related annexes and agreements of the Italian and foreign companies in the Atlantia Group;
 - the *Convenzione / Contratto di Programma* (Agreement / Planning Agreement) that was entered into with the Italian Civil Aviation Authority (ENAC, *Ente Nazionale per l’Aviazione Civile*) on 27 December 2012 and related annexes (“**ADR Agreement**” or “**Agreement**”);
 - consolidated financial statements and draft separate financial statements of Atlantia and draft separate financial statements of ASPI for the year ended 31 December 2012, as audited by the independent auditors Deloitte & Touche SpA;
 - consolidated financial statements and draft separate financial statements of Gemina and Aeroporti di Roma SpA (“**ADR**”) for the year ended 31 December 2012, as audited by the independent auditors Deloitte & Touche SpA;

- separate and consolidated financial statements of Atlantia and Gemina for the year ended 31 December 2011 accompanied by the relevant directors' reports, the reports of the boards of statutory auditors and the independent auditors' reports. In particular, the independent auditors KPMG SpA have prepared the auditors' reports on the financial statements of Atlantia, while the independent auditors Deloitte & Touche SpA have prepared the auditors' reports on the financial statements of Gemina;
- the “*Budget 2013 e proiezioni di medio-lungo periodo di Gruppo* [2013 budget and Group's medium to long-term projections]” document which was acknowledged by the BoD of Atlantia on 17 January 2013, while at the same time approving the 2013 Budget;
- economic and financial plans of the main companies in the Atlantia Group until the expiry of the related concessions;
- “*Budget 2013 di ADR* [2013 ADR Budget]”, “*Budget 2013 di Gemina SpA* [2013 Gemina SpA Budget]” and “*Aggiornamento del Piano Economico Finanziario 2013-2044* [Update of the 2013-2044 Economic and Financial Plan]” relating to ADR, which were approved by the BoD of Gemina on 1 February 2013;
- “*Piano AMBAC 2013-2022* [2013-2022 AMBAC Plan]” and related annexes;
- presentation of the merger plan between Atlantia and Gemina to the BoD of Atlantia (“*Progetto San Giuliano Materiale di Discussione* [San Giuliano Project – Discussion material]” – the so-called “Induction”), including: (a) downside scenarios with respect to the Group's medium to long-term projections and (b) downside scenarios with respect to the Update of the 2013-2044 Economic and Financial Plan relating to ADR, as developed by Roland Berger Strategy Consultants (“**Roland Berger**”) at the request of the BoD of Atlantia;
- the “*Valutazione di alcuni elementi del Piano Industriale di Atlantia* [Assessment of some elements of the Business Plan of Atlantia]” document developed by Bain & Company (“**Bain**”) and dated 4 March 2013;
- the “*Analisi del Piano Economico Finanziario 2013 – 2044* [Analysis of the 2013 – 2044 Economic and Financial Plan]” document dated 31 January 2013 and prepared by The Boston Consulting Group (“**BCG**”); the “*Potenziali evoluzioni del vettore nazionale* [Potential outlook of the national carrier]” document dated 8 February 2013 and prepared by BCG, which illustrates downside scenarios with respect to the “*Aggiornamento del Piano Economico Finanziario 2013-2044* [Update of the 2013-2044 Economic and Financial Plan]” approved by the BoD of Gemina;
- performance of the stock exchange prices of Atlantia and Gemina shares, financial analysts' reports on the target prices of Atlantia and Gemina shares, transaction multiples of listed companies, multiples of comparable transactions, information relating to compulsory conversions of savings shares that have occurred historically in Italy;
- pre- and post-Merger By-Laws of Atlantia, By-Laws of Gemina.

We examined the following additional documentation:

- information circular regarding related party transactions of greater significance concerning the



- “Merger by Incorporation of Gemina SpA into Atlantia SpA”, which was published by Atlantia on 15 March 2013;
- information circular regarding related party transactions of greater significance concerning the “Merger by Incorporation of Gemina SpA into Atlantia SpA”, which was published by Gemina on 15 March 2013;
 - the Committee of Independent Directors’ opinion on the related party transactions of Atlantia;
 - the Committee of Independent Directors’ opinion on the related party transactions of Gemina;
 - market, accounting and statistical data, as well as any other information and documentation deemed useful for the present report.

We also obtained a representation attesting to that, to the best of the knowledge of the Companies’ Management, no significant changes had occurred in the data and information considered in carrying out our analyses.

4 *Criteria and methods used by the Directors for the determination of the Exchange Ratios*

Also on the basis of their Advisors’ indications, the Directors, considering the relevance and complexity of the Merger, deemed it appropriate to identify valuation methods that, besides being founded on doctrinal and applicative bases, made it possible to evaluate the two companies in a consistent manner.

4.1 Valuation methods adopted by the BoD of Atlantia

4.1.1 Introduction

The documentation supporting the determination of the Exchange Ratios on the part of the BoD of Atlantia also includes, in addition to the Financial Information, the following documents:

- consolidated financial statements of Atlantia and Gemina for the year ended 31 December 2012;
- the current bylaws of the Companies;
- Atlantia and Gemina business plans consistent with the duration of the various managed businesses, and in particular those concerning motorways and airports under concession and related sensitivity analyses;
- ADR Agreement.

For the purposes of the analysis and definition of the rationale and structure of the transaction and for the purposes of the assessment of the Exchange Ratios, the BoD of Atlantia took into account, in order to identify the values to be assigned to Atlantia and Gemina, the documents prepared by the Advisors to Atlantia, as specified below, sharing their methods, assumptions and considerations. In particular, the BoD of Atlantia made use of the valuation considerations of the financial Advisors Goldman Sachs



International, Banca IMI - Intesa Sanpaolo, Mediobanca and Royal Bank of Scotland, as well as of Roland Berger, as an industrial advisor. Furthermore, the BoD of Atlantia made use of Deutsche Bank, which was asked to provide a financial fairness opinion. According to this fairness opinion, the proposed exchange ratio is considered to be fair in financial terms.

4.1.2 Choice of valuation methods

The BoD of Atlantia identified the Discounted Cash Flow ("**DCF**") and the Sum-of-the-Parts ("**SOTP**") methods as main valuation methods and the market price analysis and the target price analysis carried out by research analysts as control methods.

On the other hand, the BoD of Atlantia decided not to consider any methods based on transaction multiples or arising from comparable transactions, since the comparability inherent in the companies being involved in the deal appeared to be adversely affected by certain differences that mainly related to the regulatory frameworks, terms and features of the concessions.

For any valuation carried out by applying the DCF method, the relevant date used was 31 December 2012.

4.1.3 Description of valuation methods

Discounted Cash Flow Method

The Directors of Atlantia adopted this valuation method for the purpose of grasping the specific features of both Companies in terms of profitability, growth, level of risk and capital structure.

Based on this criterion, the value of the economic capital of a company is estimated as the sum of (i) the present value of the expected unlevered operating cash flows as per the business plan, and (ii) of a terminal value, net of (iii) net financial debt and minorities, as expressed in the following formula:

$$W = \sum_{t=1}^n \frac{CF_t}{(1 + WACC)^t} + \frac{TV}{(1 + WACC)^n} - FD_{t0}$$

where:

W = Value of the economic capital

CF_t = Annual unlevered operating cash flow expected in the period t

TV = Terminal value



FD = Net financial debt and minorities at the time t=0

n = Number of forecast periods

WACC = Weighted Average Cost of Capital

The unlevered operating flows in the explicit forecast period may be analytically determined as follows:

- + Earnings before interest and tax (EBIT);
- Tax on EBIT (net of any non-monetary adjustments to be considered as part of the taxable basis in tax accounting);
- + Amortisation/Depreciation/accruals of a non-monetary nature;
- Fixed investments;
- +/- Change in net working capital.

The terminal value, if present, represents, in the specific case of an infrastructure business under concession, the residual value of the assets at the end of the concession period.

The weighted average cost of capital (WACC) that is used for discounting the expected cash flows and the terminal value is calculated as the weighted average of the cost of equity and of debt, by means of the following formula:

$$WACC = Kd (1 - t) \frac{D}{D + E} + Ke \frac{E}{D + E}$$

where:

Kd = Cost of debt

Ke = Cost of equity

D = Debt

E = Equity

t = Tax rate



Specifically, the cost of debt represents the long-term financing rate applicable to companies or businesses with a similar level of risk, net of any tax effect. On the contrary, the cost of equity reflects the return expected by the investor, taking account of the relative risk of the investment, as calculated on the basis of the Capital Asset Pricing Model through the following formula:

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

where:

Ke = Cost of equity

Rf = Expected rate of return on risk-free investments

β = This measures the correlation between the expected returns on the investment under consideration and the expected returns on the relevant stock market

Rm = Expected average return on equity investments on the relevant stock market

(Rm- Rf)= Return premium required by the relevant stock market (Rm) compared to risk-free investments (Rf)

Generally, the WACC rate used by the Directors of Atlantia for the purposes of estimating the value of the economic capital of Gemina and Atlantia reflects assumptions that are consistent with the market benchmarks related to the cost of debt capital and to the cost of risk capital (expected rate of return on risk-free investments, the Beta risk measure, return premium required by the stock market), as well as with the capital structure of the businesses being assessed.

Sum-of-the-Parts Criterion

Based on of the Sum-of-the-Parts criterion, the value of the economic capital of a company is determined as the sum of the values of the individual business units of such company, to be assumed as economic entities that can be valued separately, as appropriately adjusted to take account of the net financial position of the company and minorities, where significant, as well as of other effects, including those related to off-balance sheet items (if any) and potential tax benefits.

As regards the individual business units, each of them may be valued on the basis of the methods that are considered to be the most appropriate for the specific situation (for instance, by applying the stock exchange quotation method, the market multiples method, balance sheet values, the Discounted Cash Flow method or with values identified by research analysts for such assets, where available).



Market price analysis

The market price analysis allows the identification of the economic value of a company with the value assigned to it by the stock exchange market in which the shares of the company are traded. This method consists in valuing the shares of the company based on the market price at a given date or the average of the share price, as recorded on the stock market where the shares are traded, during a given period of time.

Specifically, the choice of the time interval in which the average of the prices is to be calculated must combine the mitigation of short-term volatilities, if any (a longer time frame would be preferable) and the need to reflect the most recent market conditions and the situation of the company to be valued (only recent prices should be taken into account).

Target price analysis of research analysts

This method consists in the analysis of the recommendations of research analysts which cover the securities being valued. Just as in the analysis of stock exchange prices, the results from the application of such method arise from a logical process which is different from that applied in traditional valuation methods, based on explicit assumptions made by the assessor as to expected future flows, their timing and risk level, the current and perspective capital structure. However, they represent a useful indication for the purposes of the determination of the value of companies the securities of which are listed on a stock exchange, completing the framework of valuation references.

4.1.4 Valuation in the case of different classes of shares

With reference to the treatment of Gemina savings shares for the purpose of determining the proposed Exchange Ratios, the BoD of Atlantia reviewed the compulsory conversions of savings shares that took place in the Italian market between 1999 and the date of the announcement.

The BoD of Atlantia noted that the vast majority of the previous compulsory conversions had been completed at a conversion ratio of one ordinary share for each converted savings share.

The BoD of Atlantia believed that the transactions it had reviewed had other features in common with that in question, since in the majority of cases the shares being converted represented a low percentage of the total capital and the shares being converted had low trading volumes.

Based on this analysis and taking account of the limited liquidity of Gemina savings shares that made a market price analysis insignificant, the BoD of Atlantia decided to value Gemina savings shares at the same value as the ordinary shares and, therefore, to consider the same exchange ratio.

4.2 Difficulties in valuation encountered by the BoD of Atlantia

The BoD of Atlantia reported that the valuations achieved by it for the determination of the Exchange Ratios had to be considered in the light of certain difficulties that may be summarised as follows:

- some valuation methods were applied using estimated economic-financial data prepared by the Atlantia Group and by the Gemina Group. This data is characterised, by its very nature, by uncertainty and vagueness, especially in the current market situation, which is affected by uncertainty about the macro-economic conditions of Italy and Europe;
- the evolution of the traffic of the Companies and of the implementation, in terms of time and costs, of the investment plans of the aforesaid companies is hard to predict;
- the use of the market price method presented some difficulties of application due to the underlying assumption that the market was sufficiently efficient and liquid, especially given the limited free float of Gemina. Furthermore, the trend in market quotations may be characterised by some volatility, especially in the short term;
- with reference to Gemina savings shares, the BoD of Atlantia pointed out that they represented 0.26% of the share capital and were characterised by a low capitalisation and liquidity in terms of traded volumes and countervalues. The BoD of Atlantia also pointed out that, following the announcement to the market on 9 January 2013 - in which Atlantia and Gemina notified that they had established functional contacts to check whether industrial, financial, economic and legal requirements were met for a possible corporate merger between the two listed holdings - the prices of the savings shares recorded considerable volatility both in terms of prices and in terms of volumes compared to their historical performance, so as to reduce their importance;
- Atlantia, which has not issued savings shares, shall contribute to the share swap through the issue of ordinary shares only. Therefore, the Merger is subject to the approval of the Special Savings Shareholders' Meeting of Gemina;
- the valuations did not take account of possible events after the relevant date of the analyses.

With reference to the last point, the BoD of Atlantia also reported that, as of the date of its Report pursuant to article 2501 *quinquies*, no significant events had occurred after the relevant date of the aforesaid analyses.

4.3 Results emerged from the valuation made by the BoD of Atlantia

4.3.1 Application of the main valuation methods

Gemina Group

In the application of the main valuation method of Discounted Cash Flow, the value of Gemina was determined by the BoD of Atlantia by discounting ADR cash flows specified in the consolidated 2013-2044 Economic and Financial Plan approved by the BoD of Gemina on 1 February 2013 ("Management Case"), after the approval of the ADR Agreement.



The terminal value was determined by the Directors of Atlantia, *inter alia*, as regards regulated activities, on the basis of the value of the residual net invested capital at the end of the concession, calculated under the regulatory accounting framework, while, as regards non-regulated activities, on the basis of the residual book value at the end of the concession.

Furthermore, the BoD of Atlantia took account of sensitivity analyses based on alternative airport traffic scenarios, in order to consider the macro- and micro-economic scenarios reflected in the share prices and in the valuations made by research analysts, as prepared by BCG and Roland Berger separately and independently ("Sensitivity Analyses") by applying the Sum-of-the-Parts method, i.e. separating the impact on the regulated business from that on the non-regulated business of ADR.

Starting from the value of the economic capital of ADR estimated in this manner, the BoD of Atlantia went on to estimate the value of the economic capital of Gemina taking account of the value of (i) the minorities of ADR, (ii) the net debt of Gemina, (iii) any other assets owned by Gemina in addition to the equity investment held in ADR, (iv) the holding costs of Gemina and (v) the financial effects linked to the early exercise of the stock option plans of Gemina.

Furthermore, for the purposes of the calculation of the value per share of Gemina, the BoD of Atlantia used a number of Gemina shares based on the total number of issued ordinary and savings shares (thus assigning the same value to ordinary and savings shares), net of any treasury stock held by the company and increased by the number of shares resulting from the early exercise of existing stock option plans.

The table below reports the minimum and maximum value per share of Gemina, as identified by the BoD of Atlantia according to the methods described above.

	<u>Minimum value</u>	<u>Maximum value</u>
Value per share of Gemina – Management Case (Euro)	1.43	1.84
Value per share of Gemina – Sensitivity Analysis (Euro)	1.14	1.34

Atlantia Group

The BoD of Atlantia applied the Sum-of-the-Parts method. Specifically, the BoD of Atlantia calculated the value of the economic capital of Atlantia as the sum of the values of the economic capital of each concession and of the other businesses of the Group resulting from the application of the DCF method (for all the main businesses) to the business plans of the individual entities ("Management Case"), as appropriately adjusted to take account of the net financial debt of the individual entities and minorities. Furthermore, the Directors of Atlantia also took account of a sensitivity analysis based on an alternative traffic and investment scenario prepared by the management of Atlantia ("Sensitivity Analysis") for the purpose of considering the prevailing macro-and micro-economic scenarios which



were in any case reflected in the share prices and in the valuations made by the research analysts.

For the purposes of the calculation of the value per share of Atlantia, the BoD of Atlantia used a number of Atlantia ordinary shares based on the total number of issued ordinary shares, net of any treasury stock held by the company and increased by the number of shares deriving from the exercise of existing stock option and stock grant plans, as resulting from the application of the so-called treasury stock method.

The table below reports the minimum and maximum value per share of Atlantia, as identified by the Directors of Atlantia according to the methods described above, before the distribution of dividends expected in May 2013 and, therefore, before the completion of the Merger.

	<u>Minimum value</u>	<u>Maximum value</u>
Value per share of Atlantia – Management Case (Euro)	18.9	21.3
Value per share of Atlantia – Sensitivity analysis (Euro)	12.5	14.3

The table below reports the minimum and maximum value per share of Atlantia, as identified by the Directors of Atlantia according to the basic method described above and adjusted as a result of the distribution of dividends expected in May 2013 (“Ex-Dividend”).

	<u>Minimum value</u>	<u>Maximum value</u>
Value per Ex-Dividend share of Atlantia – Management Case (Euro)	18.5	20.9
Value per Ex-Dividend share of Atlantia – Sensitivity analysis (Euro)	12.1	13.9

The table below summarises the range of the estimated Exchange Ratios calculated by the Directors of Atlantia, according to the application methods and criteria referred to in previous paragraphs, as the ratio between the value per Ex-dividend ordinary share of Atlantia and the value per ordinary and savings share of Gemina with reference to the minimum and maximum values of the respective ranges previously determined (specifically, the minimum value of Atlantia was compared with the maximum value of Gemina, while the maximum value of Atlantia was compared with the minimum value of Gemina).



	<u>Minimum value</u>	<u>Maximum value</u>
Gemina shares per Ex-Dividend share of Atlantia - Management Case	10.1x	14.6x
Gemina shares per Ex-Dividend share of Atlantia – Sensitivity analysis	9.0x	12.2x

In determining the Exchange Ratios, the BoD has taken into account, in particular, the valuations based on the Sensitivity Analyses for Gemina and Atlantia, which to date, in the opinion of the BoD of Atlantia, better reflect the prevailing macro-and micro-economic scenarios, which are in any case reflected in the share prices and in the valuations made by the research analysts, as also confirmed by the application of the valuation methods for control purposes outlined below.

4.3.2 Application of valuation methods for control purposes

In order to verify the accuracy of the Exchange Ratios determined with the criteria mentioned above, the Directors of Atlantia finally carried out controls by applying the methods specified below.

Market price analysis

In the application of this valuation method and with specific reference to Gemina, the BoD of Atlantia took account of the discontinuity of the stock exchange quotations of the securities generated by the approval of the ADR Agreement on 21 December 2012, which resulted in a realignment of the quotations taking account of the changed profitability level, the growth prospects and the risk level of the company as resulting from the entry into force of the new tariff regime.

Accordingly, this valuation method was applied by the BoD of Atlantia taking account of the exchange ratios (ordinary shares of Gemina for one ordinary share of Atlantia) expressed by the market in relation to (i) the date of 7 March 2013 and (ii) in the period of one month prior to (and including) the date of 7 March 2013.

The table below shows the Exchange Ratios reported by the Directors of Atlantia in the periods of time specified above:

	<u>7 March 2013</u>	<u>Average 1 month prior to 7 March 2013</u>
Gemina ordinary shares per Ex-Dividend share of Atlantia	8.9x	9.7x



As mentioned above, taking due account of the limited liquidity of Gemina savings shares, the BoD of Atlantia believed that an analysis of the market prices of the same had little significance.

Target price analysis of research analysts

The BoD of Atlantia analysed the target prices published by the research analysts as regards Atlantia and Gemina shares. With reference to Gemina the BoD of Atlantia took account of the research published in the period following the approval of the ADR Agreement on 21 December 2012. The table below reports the minimum and maximum value of the target prices of Atlantia and Gemina published by the research analysts and considered by the BoD of Atlantia for valuation purposes:

	<u>Minimum value</u>	<u>Maximum value</u>
Target Price - Atlantia (Euro)	10.0	18.6
Target Price Gemina (Euro)	1.10	1.55

The table below summarises the range of the estimated Exchange Ratios (Ex-Dividend values) calculated by the BoD of Atlantia as the ratio between the target price of Atlantia (Ex-Dividend) and that of Gemina with reference to the minimum and maximum value of the respective ranges previously determined.

	<u>Minimum value</u>	<u>Maximum value</u>
Gemina shares per Ex-Dividend share of Atlantia	8.7x	11.7x

4.3.3 Main elements not considered in stand-alone valuation analyses

The BoD of Atlantia pointed out that, in accordance with the market practice for similar transactions, in order to complete the abovementioned analyses it considered the impact on the Exchange Ratios resulting from potential synergies.

The BoD of Atlantia identified the following potential operating and financial synergies:

- the reduction of the risk in the construction of the works envisaged in the ADR investment plan thanks to the expertise of Atlantia in the execution of complex works;
- financial synergies resulting from the entry of ADR into a group with greater financial strength evidenced by a higher credit rating;
- cost synergies, though limited.

The Directors of Atlantia estimated that the impact of the valuation of such synergies - assuming an equal sharing between the parties – was to mean a reduction of up to 0.3x in the exchange ratio. The



Directors of Atlantia reported, by way of example, that the application of such reduction to the range of Exchange Ratios identified on the basis of the main methods and of the Sensitivity Analyses for Atlantia and Gemina (9.0x - 12.2x Ex-Dividend) would result in a range of Exchange Ratios, including any potential benefits of the transaction, equal to 8.7x - 11.9x.

Other intangible elements to be assessed, which were also identified by the Directors of Atlantia and which were considered to be difficult to quantify, include:

- the reduction of Atlantia's exposure to the volume risk related to the traffic in Italy, thanks to the contribution resulting from the international traffic of ADR;
- diversification of revenue sources with a greater exposure to the global growth linked to the foreign traffic of ADR;
- the possibility of seizing new business opportunities, especially in those countries where Atlantia is already present, such as Brazil and Chile;
- a reference role strengthened within the infrastructure industry in Italy;
- better opportunities to balance the resources at Group level.

In the light of the foregoing and, in particular, of the prevailing macro- and micro-economic scenarios, which were in any case reflected in the share prices and in the valuations made by the research analysts, of the benefits resulting from the transaction, of the negotiations with the counterparty and taking account of the findings of the fairness opinion of Deutsche Bank, the BoD of Atlantia determined the Exchange Ratios as specified below.

4.3.4 The Exchange Ratios

On 8 March 2013, the BoD of Atlantia, after having reviewed and adopted the valuations carried out by the Advisors to Atlantia, and after having acknowledged the reasoned favourable opinion of their respective Committees of Independent Directors established for this purpose pursuant to the regulations on related party transactions, approved the Exchange Ratios between ordinary shares of Atlantia and ordinary and savings shares of Gemina based on which Atlantia shares will be allotted. These ratios were determined by the BoD of Atlantia to the following extent:

- (i) in respect of Gemina's ordinary shares, 1 ordinary share in Atlantia with a par value of €1.00 each, ranking equally in all respects with Atlantia's existing ordinary shares at the effective date of the Merger, for every 9 ordinary shares in Gemina;
- (ii) in respect of Gemina's savings shares, 1 ordinary share in Atlantia with a par value of €1.00 each, ranking equally in all respects with Atlantia's existing ordinary shares at the effective date of the Merger, for every 9 of Gemina's savings shares.

There will be no cash payments.

The determination of the Exchange Ratios specified was carried out by the BoD of Atlantia by also taking account of the expected distribution, in May 2013, prior to the effective date of the Merger, of the final dividend per Atlantia share of Euro 0.391 per share, in addition to the interim dividend



already distributed, which, therefore, will not be paid out to the shareholders of Gemina, who will become shareholders of Atlantia as a result of the Merger.

As specifically provided for in paragraph 5 of the Merger Plan, Atlantia ordinary shares that will be issued and assigned in exchange to the shareholders of Gemina will rank equally in all respects with Atlantia's existing ordinary shares at the effective date of the Merger and will grant their holders the same rights as those granted to the holders of Atlantia's existing ordinary shares at the date of allotment. The BoD of Atlantia reports that in the 2013 financial year it will not approve any interim dividend prior to the effective date of the Merger.

Furthermore, the Directors of Atlantia affirmed that the amount of the capital increase serving the share swap represented the theoretical maximum value in the light of the shareholding structure as at the date of approval of the Merger Plan by the BoDs of Atlantia and Gemina, assuming the full exercise of all options assigned under the current stock option plan of Gemina.

4.4 Valuation methods adopted by the BoD of Gemina

4.4.1 Introduction

The BoD of Gemina took into account, for the purposes of the identification of the values to be assigned to Atlantia and Gemina, their respective business plans prepared consistently with the term of the concessions related to the managed businesses, as well as:

- (i) the analysis conducted by Bain, which was appointed to assist Gemina in assessing the investment plan of ASPI, also with reference to the expected traffic trend in the years of the plan, and of the revenues from sub-concessionaires at service areas, both from oil and from non-oil operators, depending on the traffic and on the specific business;
- (ii) the analysis conducted by BCG, which was appointed by ADR to carry out an analysis of the 2013-2044 Economic and Financial Plan of ADR and of the impacts of alternative scenarios related to the outlook of the national carrier.

Furthermore, the BoD of Gemina made use of the documentation prepared by its financial advisors, and, specifically, of the presentations and documents prepared by Barclays Bank and UniCredit, which also provided their own financial fairness opinions on the Exchange Ratio as to Gemina ordinary shares.

The BoD of Gemina received an independent financial fairness opinion on the Exchange Ratios from BNP Paribas.

These opinions are attached to the information circular prepared pursuant to and for the purposes of section 5 of the Rules on Related Parties.

4.4.2 Choice of valuation methods

In the light of the Companies' operations and of the valuation practice relating to similar transactions in Italy and abroad, the BoD of Gemina used the following valuation methods: (a) the Sum-of-the-Parts method; (b) the stock exchange quotation method and (c) the method of the target prices expressed by the research of the financial analysts.

The BoD of Gemina believed that such methods and principles had to be also considered as an integral part of a single valuation process and, therefore, the analysis of the results obtained with each method had to be read in the light of its complementarity with the other criteria within a single valuation process.

Taking account of the features of Gemina and Atlantia, as group holdings, the BoD of Gemina, with the support of its Advisors, deemed it appropriate to carry out a separate valuation of each one of the two parent companies and of their single investee companies (Sum-of-the-Parts method), by estimating the economic value of the capital of the companies or business units controlled and then aggregating them according to the balance sheet-based method. This approach was preferred to a consolidated valuation which, considering the group as a single business (consolidation method), was to make it impossible to adequately assess, for heterogeneous companies/businesses, any differences existing between different areas of business.

Taking also into account the nature of listed companies of Gemina and Atlantia, the BoD of Gemina, with the support of its Advisors, also considered, for the purposes of the valuation, the methods of stock exchange quotation and target prices expressed by financial analysts.

The valuation analysis did not take account of the methods of market multiples and previous transactions, which consist in applying a set of ratios to the company being valued, i.e. multipliers, implicitly expressed by the market value of comparable listed companies or by acquisitions of companies of comparable sizes and features. In the present case, the comparability with listed companies and/or with companies involved in Mergers and Acquisitions is limited and adversely affected by differences concerning, *inter alia*: (i) the different regulatory and legal frameworks (e.g. the single till or dual till regulatory frameworks), (ii) the average term of the concessions (residual terms that are strongly differentiated; for instance, the main British airports operate under a perpetual concession regime), (iii) the level of diversification of the activities carried out, (iv) the risk profile related to the concentration of revenues (e.g., different weight and risk profile of the main carrier operating at the airport), (v) growth expectations with reference to the market, the relevant carriers, the saturation level of the infrastructures and the investment cycle envisaged, (vi) investment plans that are not comparable as regards size, type of intervention and risk profile of the implementation, (vii) business discontinuities, which impact on the comparability of the expected financial metrics with those recorded in the past, (viii) the economic cycle and the cycle of the financial markets in which the transactions are effected.

Furthermore, the BoD of Gemina reported that it took account of the fact that the airport and motorway regulatory authorities had identified, in the specific case of the ADR and ASPI Agreements, the method based on the discounting of expected cash flows (the so-called "Unlevered Discounted



Cash Flow") as a fundamental valuation method for the determination of the compensation value, also in the case of withdrawal for public interest reasons, as it was appropriate to express all the specific features of the underlying concession relationship (investment plan, traffic development, tariff regime, expected profitability, taxation, specific risks, terminal value (if any), etc.) to be terminated at the expiry date of the concession.

4.4.3 Description of valuation methods

SOTP method

The SOTP method provides for companies to be valued by adding the individual valuations attributable to each group company or business areas, i.e. economic entities capable of being independently assessed, net of the present value of any costs attributable to the holding system.

The valuation is carried out by applying the valuation method which is deemed to be appropriate to each company or business unit that has previously been identified.

Therefore, taking account of the features of the main business areas, the BoD of Gemina deemed it appropriate to apply the following methods.

Gemina Group

Business area / Company	Method
Regulated activities	Method based on the RAB (Regulatory Asset Base)
Non-regulated activities	Unlevered Discounted Cash Flow- "UDCF" method
Minority interests (Aeroporto di Genova S.p.A., SACAL - Società Aeroportuale Calabrese, etc.)	Balance sheet-based method
Fiumicino Energia S.p.A.	Balance sheet-based method
Pentar S.p.A.	Balance sheet-based method
Holding	UDCF method



Atlantia Group

Business area / Company	Method
Italian motorway businesses	UDCF method
Brazilian and Chilean motorway businesses	UDCF method, Levered Discounted Cash Flow -“LDCF method, balance sheet-based method
Polish motorway businesses	UDCF method
Electronic toll business	UDCF method
Other activities and Holding	UDCF method, balance sheet-based method, method of multiples on a residual basis

Below is reported a short description of the various methodologies adopted within the SOTP method.

RAB-based method

In order to assess the regulated activities of airport companies, it is necessary to consider the important development of the regulatory framework that affected such activities in recent years. In this regard, the so-called RAB (Regulatory Asset Base) method has gained popularity, which represents the value of the business assets recognized by the Regulatory Authority (“Authority” or “ENAC”). This method falls within the scope of the so-called "mixed" methods, considering both balance-sheet elements and economic and financial flows, and consists in assuming the recognised value of the RAB, as adjusted by a correction factor, as the indicative Enterprise Value of regulated activities. This correction factor reflects: (a) the company’s ability to generate a profitability level which is higher or less than the return on invested capital recognized by the Authority and (b) efficiency indicators of cost control.

The RAB is the value of the net invested capital that constitutes the basis of calculation for determining the fair remuneration of the airport operator for any activities subject to regulation, for the purposes of determining the relevant revenues.



Unlevered Discounted Cash Flow – “UDCF” method

According to this method, the value of the economic capital is calculated by adding (i) the present value of cash flows from operating activities that the companies or the companies’ business units will presumably be able to generate in a defined period of time, equal to the term of the respective concessions for companies operating on the basis of a concession, and (ii) (b) the present value of the operating assets of the company or of the company’s business unit at the end of the explicit forecast period (the terminal value), (c) the presumed value of surplus assets / liabilities (if any) that are not included in operating cash flows, and by deducting (d) net financial debt and minorities, as expressed in the following formula:

$$W = \sum_{t=1}^n \frac{CF_t}{(1 + WACC)^t} + \frac{TV}{(1 + WACC)^n} + SA - NFD_{t0} - M$$

where:

- W = Value of the economic capital of the company;
- CF_t = Annual net operating cash flow expected in the period t;
- VT = Terminal Value;
- SA = Surplus Assets / Liabilities;
- NFD = Net Financial Debt at the time t=0;
- M = Minorities;
- n = Number of forecast periods;
- WACC = Weighted Average Cost of Capital.

Net operating cash flows relate to the ordinary operations of the companies or of the business units being valued. These flows can be estimated as follows:

- + Operating profit;
- adjusted tax effect on operating profit;
- = Operating profit, net of adjusted taxes (NOPLAT, Net Operating Profit Less Adjusted Taxes);
- + amortisation and depreciation;
- ± change in net working capital;



- ± change in other liabilities/assets;
- ± disinvestments/investments in fixed assets;
- = Net operating cash flow.

For the purposes of estimating the terminal value, the prevailing doctrine and professional practice propose several alternative approaches. Specifically, the terminal value TV may be determined as:

- liquidation value of the assets, net of any residual debts at the end of the explicit forecast period;
- value corresponding to the unlimited capitalisation of the net operating profit at the end of the explicit forecast period;
- value resulting from the use of EV / EBITDA-type empirical multipliers;
- value corresponding to the capitalisation of the average projected financial flow.

On the other hand, the peculiar features of the company being valued may suggest the adoption of alternative approaches that would allow to estimate the impact of specific events, company-related and/or market-related, which can be identified with reasonable certainty and which are expected to occur after the explicit forecast period.

In the case under consideration, for the calculation of the residual value, reference was made to the liquidation value of the assets, net of any residual debts at the end of the explicit forecast period.

The rate used to discount the expected net operating cash flows and the terminal value is calculated as the weighted average of the cost of capital and of the debt through the following formula:

$$WACC = \left[\frac{D}{D + E} \right] \times K_d \times (1 - t) + \left[\frac{E}{E + D} \right] \times K_e$$

where:

- D = net financial debt;
- E = current value of equity;
- K_d = cost of debt;
- K_e = cost of equity.

Specifically, the cost of debt represents the long-term financing rate applicable to companies or businesses with a similar level of risk, as adjusted by tax components. The cost of equity reflects the return expected by the investor and is estimated, in the prevailing practice, on the basis of the Capital Asset Pricing Model (CAPM) as per the following formula:



$$K_e = r_f + \beta (r_m - r_f)$$

where:

r_f = rate of return on risk-free investments;

β = correlation factor between the actual return on shares and the total return on the relevant stock market;

r_m = total return on the relevant market;

$(r_m - r_f)$ = return premium required by the relevant stock market compared to risk-free investments (Equity Risk Premium).

Balance sheet-based method

According to this method, the value of a business is equal to the book value of its equity at the relevant date of valuation, as possibly adjusted to take account of differences (if any) between the current value and the book value of assets and liabilities recognized in the financial statements.

Stock exchange quotation method

This method consists in assigning a value to a company, which is equal to that assigned to it by the stock market in which the company's shares are traded.

According to this method, the prices of shares of listed companies represent the most reliable estimate of the value of a company, since they incorporate all publicly available information relating to such company. In fact, share prices are the result of a systematic process of arbitrage on the part of the market players, which reflects their opinion on the profitability, financial strength, risk level and prospective growth of the company being valued.

Method of the target prices expressed by the researches of the financial analysts

The application of this method results in the analysis and comparison of the ratio between the target prices defined for Atlantia and Gemina on the part of the intermediaries that published researches on the companies. This method is based on the assumption that such target prices, which are periodically recommended by analysts with reference to the securities of the main listed companies, express a quantitative indication of the economic value of the company and thus of the potential valuation of the stock on the market in the medium term.

4.4.4 Valuation in the case of different classes of shares

The existence of different classes of shares raises the problem of dividing the value of the economic capital of the company being valued between the different classes of outstanding shares.

The prevailing doctrine and professional practice suggest, when the different classes of shares are listed on a stock exchange, to directly determine the ratios as identified by the market during periods of time that are deemed to be significant, assuming that the value ratio between the different categories of securities corresponds to the ratio between their quotations.

4.5 Difficulties in valuation encountered by the BoD of Gemina

The valuations achieved by the BoD of Gemina for the determination of the Exchange Ratios had to be considered in the light of certain difficulties that, in the present case, may be summarised as follows:

- some valuation methods were applied using estimated economic-financial data prepared by the Gemina Group and by the Atlantia Group. This data is characterised, by its very nature, by uncertainty and vagueness, especially in the current market situation, which is affected by uncertainty about the macro-economic conditions of Italy and Europe;
- the evolution of the traffic of the Companies and of the implementation, in terms of time and costs, of the investment plans of the same is hard to predict;
- the use of the market price method presented some difficulties and limitations of application due to the underlying assumption that the market was sufficiently efficient and liquid, especially given the limited free float of Gemina. Furthermore, the trend in market quotations may be characterised by some volatility, especially in the short term;
- with reference to Gemina savings shares, the BoD of Gemina pointed out that they represented 0.26% of the share capital and were characterised by a low capitalisation and liquidity in terms of traded volumes and countervalues. The BoD of Gemina also pointed out that, following the announcement to the market on 9 January 2013, the prices of the savings shares recorded considerable volatility both in terms of prices and in terms of volumes compared to their historical performance, so as to reduce their importance;
- the relevant date of the analyses carried out by applying the Sum-of-the-Parts method is 31 December 2012.
- The BoD of Gemina reported that, to the best of its knowledge, as of the date of the Gemina's Report pursuant to article 2501 *quinquies*, no events had occurred which could have altered the valuations' results in a significant manner.

4.6 Results emerged from the valuation made by the BoD of Gemina

4.6.1 Introduction

The BoD of Gemina determined the Exchange Ratios by assuming:

- the existence of a number of Atlantia and Gemina shares calculated (a) by taking account of the total number of shares respectively issued by the Companies, (b) net of any treasury stock held by each of them, (c) as increased by the number of shares arising from the exercise of the stock option and stock grant plans, respectively, adopted by Atlantia and of the stock option plan adopted by Gemina;
- the distribution by Atlantia, before the statutory effective date of the Merger, of a final dividend in favour of its shareholders, equal to Euro 0.391, and the non-distribution by the Companies of interim dividends by the date of completion of the Merger;
- the cancellation without any share swap of all treasury stock held by Gemina at the time of completion of the Merger;
- a ratio of 1:1 between the value of ordinary shares and the value of savings shares of Gemina, also in consideration of the limited liquidity of Gemina savings shares and of the low relative impact that these shares had on the total share capital of Gemina (equal to 0.26% of the capital itself). This ratio was substantially in line with the trend in the ratio between the prices of the two classes of shares in the twelve months before the announcement to the market made on 9 January 2013 and with what can be recorded in the cases of previous compulsory conversions of savings shares occurred in the Italian market.

4.6.2 Sum-of-the-Parts method

In applying the SOTP method for the purpose of determining the basic value of Gemina and Atlantia, the BoD of Gemina, with the support of the Advisors to Gemina, used the approach defined below.

Gemina Group

- In order to determine the Enterprise Value of the regulated activities of ADR, the RAB-based method was used, taking into account the value of the RAB as recognised by ENAC at the beginning of the first regulatory period 2012-2016, equal to approximately Euro 1.8 billion, and the present value of the incremental return recognised on certain new investments, which have a particular strategic importance for the development of the airport capacity and of the environmental protection. With the application of such method, it was assumed that the value of the regulated activities was equal to the net present value, as calculated by using the WACC recognised by the Authority (real pre-tax WACC equal to 11.9% in the first regulatory period, which was assumed to decrease in the plan period consistently with the improvement in the financial structure of ADR), of the following measures: (i) all operating cash flows of the regulated activities in the plan period 2013 - 2044 resulting from the trend in revenues, costs and investments calculated consistently with the forecasts in the ADR Agreement, and (ii) the presumed net book value resulting from regulatory accounts (i.e. the revalued current value) of the assets allocated to the services subject to tariff regulation, which will be delivered at the end of the concession to ENAC or to the new successor (if any). Finally, the application of this method took account of all the terms laid down in the ADR Agreement, including, but not limited to, the protection against traffic risk (i.e. the re-modulation of tariff parameters in case of significant changes in traffic flows), return on investments, profit sharing of productivity

recovery (if any) in excess of any targets established *ex-ante*, compliance with defined qualitative parameters.

- In order to determine the Enterprise Value of the non-regulated activities of ADR, reference was made to the operating cash flows resulting from the 2013-2044 Economic and Financial Plan approved by the Boards of Directors of ADR and Gemina on 1 February 2013. For the purpose of calculating the residual value of non-regulated activities, reference was made, as provided for in the Agreement, to: (a) the expected net book value resulting from regulatory accounts discounted of the assets instrumental to the business intended for commercial use, which will be delivered, at the end of the concession, to ENAC or to the new successor (if any), (b) the presumed value of net working capital and of residual provisions for risks and charges.
- The weighted average cost of capital (WACC) was calculated by making reference to a sample of comparable companies operating in the airport sector.
- As regards the other companies owned by Gemina, the valuation was carried out according to the balance sheet-based method, according to which a value was assigned to such companies which was equal to the entry value of the equity investment in the financial statements.

Atlantia Group

- The Atlantia Group consolidates, on a line-by-line basis, some sub-holdings and companies that operate motorways under Italian and foreign concessions, of which the parent company Atlantia does not hold 100% of the economic capital. Consistently with the SOTP method, the Directors took steps to assign to Atlantia the value of the economic capital of the sub-holdings and of the companies that hold concessions, net of any minorities.
- In compliance with the IAS/IFRS, the consolidated financial statements of Atlantia account for some income statement and balance sheet items, which are mainly linked to the so-called "guaranteed minimum" of some concessions in Chile and France, according to the financial model provided for in IFRIC 12. In financial reporting, the company also presents adjusted data, in order to ensure comparability with the economic and financial data relating to any other concessions. According to a principle of prudence and like-for-like presentation of results, the valuation was based on adjusted data.
- In order to determine the Enterprise Value of the motorway concessions of Atlantia, reference was made to the operating cash flows resulting from the economic and financial plans of subsidiaries and/or investee companies, up to the related expiry of the concession. Specifically, the BoD of Gemina made reference to the 2013-2038 economic and financial plan of ASPI and to the plans for the remaining subsidiaries as they were made available to the Company and to its Advisors.
- As regards every Italian motorway company, unlevered cash flows were discounted at the weighted average cost of capital. The flows that were used covered a period of time from 2013 to the expiry of the concession.
- The weighted average cost of capital (WACC) used for the Italian motorway concessionaires was calculated by making reference to a sample of comparable companies operating in the motorway sector in Europe.
- As regards Brazilian and Chilean activities, the valuation was based on the methods of unlevered or levered discounted cash flows, as applicable, which are expected from 2013 until

the expiry of the individual concessions, as well as on the balance-sheet-based and market multiples methods.

- The weighted average cost of capital (WACC) used for the Brazilian and Chilean concessionaires was calculated by making reference to a sample of comparable companies operating in the motorway sector in the Latin America.
- For the purpose of calculating the residual value of the motorways under concession, explicit reference was made to the agreements executed by the concessionaires with the respective granting entity and to the forecasts of the management of Atlantia. Except for the subsidiary Autostrade Meridionali S.p.A., these concessions do not provide for take-over values. For certain concessions close to expiry, a possible extension cannot be ruled out. On the other hand, according to a principle of prudence, these possible extensions were not considered for valuation purposes.
- In relation to any other subsidiaries and/or investee companies of the Atlantia Group, which operate in the sector of electronic toll, engineering & construction, maintenance services and in any other residual or non-core businesses, and to the holding activities, the valuation was based on differentiated methods, including the balance sheet-based method, the unlevered discounted cash flows method and, on a residual basis, the multiples method.

In performing the valuation, the BoD of Gemina, with the support of the Advisors to Gemina, carried out the following sensitivity analyses, in consideration of the relevant macro-and micro-economic scenarios: (i) for Gemina the impact of alternative scenarios related to the outlook of the national carrier was analysed; (ii) for Atlantia the impact of alternative conservative scenarios related to traffic trends, investments and royalties was analysed.

On the basis of this method, the BoD of Gemina achieved a valuation of Gemina and Atlantia in the ranges determined on the basis of the abovementioned sensitivity analyses, as specified in the table below.

	Value per share (Euro)		Post-dividend Exchange Ratio
	Gemina	Atlantia	
Values per share	1.37 – 1.70	12.5 – 15.7	7.1x – 11.2x

4.6.3 Stock exchange quotation method

With reference to Gemina ordinary shares, the application of the stock exchange quotation method was based on the closing prices after the approval of the ADR Agreement (from 27 December 2012 to 7 March 2013), which took account of the effects produced by the new regulatory and tariff regime of ADR on these quotations.

With reference to Atlantia, the application of the stock exchange quotation method was based on the closing prices recorded in the last 3 months (from 7 December 2012 to 7 March 2013).



	Value per share (Euro)		Post-dividend Exchange Ratio
	Gemina	Atlantia	
Values per share	1.06 – 1.39	12.4 – 14.1	8.6x – 12.9x

4.6.4 Method of the target prices expressed by the researches of the financial analysts

Taking account that (i) the information on the new regulatory and tariff regime of ADR was made available to the market in January 2013, (ii) on 4 January 2013 the presentation “ADR’s New Concession Agreement ERA to Come into Effect and 2012 Traffic Performance” was published on the website of Gemina, (iii) on 8 January 2013 ENAC published the full text of the ADR Agreement, together with the related annexes, on its website, the BoD of Gemina only considered (in applying the target price method) the reports published from the beginning of January 2013, which then estimated the impact deriving from the application of the new regulatory and tariff regime.

With reference to Atlantia, for time homogeneity purposes, the reports published by the analysts as from January 2013 were considered.

Below are reported the results from these analyses.

	Value per share (Euro)		Post-dividend Exchange Ratio
	Gemina	Atlantia	
Values per share	1.30 – 1.55	12.0 – 17.0	7.5x – 12.8x

4.6.5 The Exchange Ratios

On 8 March 2013, the BoD of Gemina, while considering the values per share as determined above, the consequent share swap ranges and the result of the negotiations with Atlantia, as well as after having reviewed and adopted the valuations and opinions prepared by its own Advisors, and after having acknowledged the reasoned favourable opinion of the Committee of Independent Directors established for this purpose pursuant to the regulations on related party transactions, approved the following Exchange Ratios between ordinary shares of Atlantia and ordinary and savings shares of Gemina. These Exchange Ratios appeared to be included in all the valuation intervals identified above and, specifically, were in line with the intermediate value resulting from the interval of the valuation carried out according to the SOTP method:

- in respect of Gemina’s ordinary shares, 1 ordinary share in Atlantia with a par value of €1.00 each, ranking equally in all respects with Atlantia’s existing ordinary shares at the effective date of the Merger, for every 9 ordinary shares in Gemina;
- in respect of Gemina’s savings shares, 1 ordinary share in Atlantia with a par value of €1.00



each, ranking equally in all respects with Atlantia's existing ordinary shares at the effective date of the Merger, for every 9 of Gemina's savings shares.

There will be no cash payments.

5 Work performed

5.1 Work performed on the "documentation used" referred to in point 3) of paragraph 3 above

We carried out a critical analysis of the Directors' Reports, as well as of the related drafts which were made available to us as early as in the weeks prior to the date of delivery of the final version of the Directors' Reports.

As mentioned above, the draft separate financial statements for the year ended 31 December 2012, which were taken as reference financial information pursuant to article 2501 *quater* of the Civil Code, and the consolidated financial statements as at the same date, as approved by the BoD of Atlantia on 8 March 2013, were audited by the independent auditors Deloitte & Touche SpA, which issued their unqualified audit reports on 29 March 2013. The separate and consolidated financial statements of Atlantia for the year ended 31 December 2011 were audited by the independent auditors KPMG SpA, which issued their unqualified audit reports on 2 April 2012.

Likewise, the draft separate financial statements for the year ended 31 December 2012, which were taken as reference financial information pursuant to article 2501 *quater* of the Civil Code, and the consolidated financial statements as at the same date, as approved by the BoD of Gemina on 8 March 2013, were audited by the independent auditors Deloitte & Touche SpA, which issued their unqualified audit reports on 25 March 2013. The separate and consolidated financial statements of Gemina for the year ended 31 December 2011 were audited by the independent auditors Deloitte & Touche SpA, which issued their unqualified audit reports on 22 March 2012.

In relation to the Financial Information, as well as to the consolidated financial statements of Atlantia and Gemina for the year ended 31 December 2012 (the "Consolidated Financial Statements"), we carried out certain procedures, which mainly consisted in meetings and discussions with the Management of Atlantia and Gemina and with the independent auditors Deloitte & Touche SpA, for the purpose of finding the accounting standards used and any relevant facts related to their preparation, as well as critical analyses of the amounts included therein and of the financial statement ratios resulting therefrom, and analyses of fluctuations in such amounts and ratios. The aforementioned procedures on the Financial Information and on the Consolidated Financial Statements were carried out to the extent necessary to achieve the purposes of our engagement, as specified in paragraph 2 above.



We gathered information, through interviews with the management of Atlantia and Gemina, about the subsequent events after the closing of the Financial Information that may have a significant effect on the determination of the values under this examination. As confirmed to us by the Management, as at the date of this report, no events or circumstances have occurred which would require changes in the Exchange Ratios.

We discussed with the Management of the Companies the criteria used for the drawing up of the economic and financial plans of Atlantia and Gemina, without prejudice to the inherent uncertainties and limits of whatever forecast.

We also discussed:

- with the Management and the Advisors to Atlantia, the sensitivity scenarios produced in relation to the economic and financial plan of Atlantia and to the economic and financial plan of Gemina with the support of Roland Berger;
- with the Management and the Advisors to Gemina, the sensitivity scenarios produced in relation to the economic and financial plan of Gemina with the support of BCG and to the economic and financial plan of Atlantia with the support of Bain.

In relation to the prospective financial information of Atlantia and Gemina, we noted that it had been prepared by taking account of the terms and conditions of their respective concession agreements and, in the related down side versions, by mainly taking account of alternative traffic scenarios.

5.2 Work performed on the methods used for the determination of the Exchange Ratios

We carried out the following procedures:

- we discussed with the Management of the Companies and with the Advisors the valuation approaches, the methodologies adopted and, in general, the overall work performed and its results;
- we verified the completeness and the consistency of the procedures followed by the Directors for the determination of the Exchange Ratios;
- we developed sensitivity analyses in the scope of the valuation methods adopted;
- we verified that the valuation methods were applied in a consistent way;
- we verified if the data used were consistent with the reference sources and with the “Documentation used” described in the previous paragraph 3;
- we verified the mathematical correctness of the calculation of the intervals of the Exchange Ratios made through the application of the valuation methods adopted by the Directors also on the basis of the suggestions of the Advisors.



6 *Comments and clarifications on the appropriateness of the valuation methods adopted by the Directors for the determination of the Exchange Ratios*

With reference to the present engagement we deem it right to underline that the main purpose of the decision-making process of the Directors consisted of an estimate of the economic values related to Atlantia and Gemina, carried out through the application of homogeneous criteria for the determination of the Exchange Ratios. This estimate cannot be used for any other purposes. The Directors, consistently with the purposes of the valuations carried out, focused on the selection of methods suitable to express comparable values for the Companies, for the purpose of determining the Exchange Ratios.

On the other hand, for these purposes, the Directors attached importance to the principle of valuation homogeneity as required in merger transactions. However, it should be noted that this principle does not necessarily involve the application of the same valuation parameters for the companies being merged. This circumstance induced the Directors to use, in some cases, different valuation parameters with reference to the two Companies, so as to be able to adequately appreciate their respective specific features.

It is worth noting that the purpose of the valuation procedure performed by the Directors was to determine the exchange ratios based on the relative values of the individual companies involved in the Merger, through the application of uniform methods. Therefore, these values cannot be used for any other purposes.

The Directors exactly established the Exchange Ratios to be submitted to the approval of their respective Shareholders' Meetings, by identifying them from within certain ranges. The final exchange ratio determined by the Directors, also taking into account the development of the negotiations between the parties, was of 1 ordinary share of Atlantia for every 9 ordinary or savings shares of Gemina.

For the determination of the Exchange Ratios, the Boards of Directors made use of their own Advisors, which issued their respective documents summarized in paragraph 3.

The Reports prepared by the Directors of Atlantia and Gemina to illustrate the Merger transaction describe the reasons underlying the selection of the methods made with the support of their respective Advisors, and the logical process followed to determine the Exchange Ratios.

In this regard, we report below our considerations on the adequacy, with regard to their reasonableness and non-arbitrariness, of the valuation methods adopted by the Directors of Atlantia and Gemina for the determination of the Exchange Ratios, as well as on their correct application.

- The overall methodological approach adopted by the Directors is in line with the valuation practice and with the prevailing professional technique. The valuation of the economic capital of Atlantia and Gemina was carried out by the Boards of Directors for the specific purposes of



the transaction under examination, using methods which are commonly accepted and largely shared in professional practices.

- In applying the selected valuation methods, the Directors appropriately considered the features and the limits implied in each one of them, based on the professional, national and international valuation technique usually adopted.
- The Companies have been valued by using a plurality of methods, according to an approach widely shared in general practice since it allows to check the relative values estimated for each company. Specifically, the adoption by the Directors of a plurality of methods allowed them to achieve a considerable coverage of analyses, which led to the identification of ranges of exchange ratios, also confirmed by the fairness opinions issued by the Advisors. In the present case, the Directors of Atlantia decided to use, for each one of the companies being valued, one main method (DCF and SOTP methods) and two control methods (methods of stock exchange quotation and target prices of financial analysts). The Directors of Gemina decided to use a panel of methods (methods of SOTP, stock exchange quotation and target prices of financial analysts), attaching equal importance to them; this circumstance did not entail the need to identify criteria of relative importance within the aforementioned methods. Both approaches appear to be reasonable and are equally used in the valuation practice.
- The financial and market methods used by the Directors are, as of today, those most widely applied, with regard to both the strength and consistency of the basic theoretical principles, and of the higher level of familiarity within investors, experts and international observers.
- The Directors carried out their valuations of Atlantia and Gemina from a stand-alone perspective, i.e. regardless of any consideration concerning the possible synergies deriving from the proposed merger of the operating activities of the companies. These synergies, even though they are likely to generate incremental value, do not affect the definition of the relative value of the companies for the purposes of the determination of the Exchange Ratios. This decision appears to be reasonable and in line with the consolidated approach of the best business doctrine and with constant practice in this type of transactions.
- The use by the Directors of Gemina, in the valuation of both Companies, of the SOTP method, which is frequently applied in the assessment of holding companies operating in different business sectors, such as Atlantia and Gemina, is in line with professional practices and techniques. The Directors' Report of Gemina highlights the methods used by them to determine the value of the individual activities and business areas (DCF, RAB and balance sheet-based method) and the main parameters used, as well as the results of the relevant analyses. Therefore, the choice made by the Directors in this regard appears to be appropriate and consistent with the principles expressed in the best business doctrine.
- The main methods used by the Directors of Atlantia were:
 - (a) the DCF method for the valuation of Gemina: specifically, the DCF method was used

- to assess the economic capital of ADR, to be subsequently able to estimate the value of the economic capital of Gemina, taking account of any minorities, the net debt, any other assets owned by Gemina, as well as of the so-called holding costs and the financial effects linked to the early exercise of the existing stock option plans of Gemina;
- (b) the SOTP method for the valuation of the economic capital of Atlantia, the value of which has been determined as the sum of the values of the economic capital of each concession and of the other assets of the group resulting from the application of the DCF method, as adjusted to take account of the net debt of the individual entities and of any minorities.

In this regard, the Directors of Atlantia have pointed out that the principle of the uniformity of the valuation criteria for the companies involved in the Merger does not necessarily entail the use of identical valuation methods for all companies directly or indirectly involved in the merger, especially if operating in different sectors, but, rather, the adoption of criteria and methods that comply with the same valuation approach and that are more appropriate for the companies being valued, taking into account, in any case, the different features that characterise them, for the purpose of proposing comparable values for the determination of exchange ratios. The choice made by the Directors of Atlantia was, under the circumstances, reasonable and non-arbitrary, also in the light of the reasons provided in this regard and also taking account of the fact that the valuation of the individual entities of Atlantia was mainly conducted on the basis of the same DCF method as used to value Gemina.

- The unlevered DCF method is widely used in the international business practice and falls within the scope of the methods based on future cash flow projections recognised by the best doctrine. In this regard, the Reports of both Boards of Directors describe the valuation procedure carried out by the Directors with the support of the Advisors, as well as the reasons underlying the decisions made for the purpose of identifying the different parameters. The choices made by the Directors in this regard are, under the circumstances, adequately grounded and reasonable.
- In the respective applications of the SOTP and DCF methods, the Boards of Directors of the Companies also conducted sensitivity analyses based on alternative scenarios, with specific reference, for Gemina, to the outlook of the national carrier and, for Atlantia, to traffic trends, investments and royalties. In this regard, the Board of Directors of Atlantia found that, as to the results from the application of the main methods selected by the Board itself, the valuations based on said sensitivity analyses better reflect, to date, the macro- and micro-economic scenarios incorporated in the share prices and in the valuations of the research analysts. In particular, the Exchange Ratios determined by the Directors of Atlantia and Gemina fall within the ranges identified by them as described in paragraph 4 above.
- The reference to the Stock Exchange method identified by the Directors of Gemina as main method and by the Directors of Atlantia as a mere control method is commonly accepted and used, both at a national and international level, and is in line with the consistent conduct



adopted in the professional practice, as we are dealing with companies with shares listed in regulated markets. In fact, the Stock Exchange quotations represent an essential parameter for the valuation of listed companies. In fact, the Stock Exchange quotations usually reflect, in an efficient market, the value attributed by the market to the shares being traded and consequently provide important indications as regards the value of the company to which the shares refer, since they reflect the information available to analysts and investors, as well as their expectations about the economic and financial performance of the company. In the present case, in the application of the stock exchange method, the Directors of the two companies used values recorded over different time intervals.

- Specifically, the Directors of Gemina made reference to different periods of time falling before 7 March 2013, the day prior to the approval of the Merger Plans on the part of the Boards of Directors of the Companies. In fact, the Board of Directors of Gemina used the stock exchange prices recorded in the quarter before the abovementioned date (7 December 2012 – 7 March 2013) for Atlantia, while for Gemina observations were limited to the period between the date of approval of the ADR Agreement, i.e. 27 December 2012 and 7 March 2013. The Directors of Atlantia also made reference to an average of the stock exchange prices of Atlantia and Gemina shares, as identified by the same in a month prior to 7 March 2013. The decision made by the Directors of Atlantia and Gemina to use average values measured after 27 December 2012, based on the consideration that the share prices of Gemina after such date would also reflect the effects of the new regulatory and tariff regime of ADR on the quotations, appears to be reasonable and non-arbitrary under the circumstances, taking account of the flow of information made available to the market. The Directors of Atlantia also made reference to the market prices of Atlantia and Gemina shares as at 7 March 2013. These market prices, although less representative from a methodological perspective than the average prices, represent important information for the shareholders as to the market prices of the aforementioned securities close to the date of approval of the Merger Plan.
- The method of the target prices expressed by the financial analysts falls within the scope of market criteria and makes it possible to appreciate the value and appeal of a company based on all the information available to the market, at the time of the valuation, about the company and its relevant sector. The method under examination was identified by the Directors of Gemina as main method and by those of Atlantia as a mere control method. In the present case, the Directors' decision to only use, with reference to Gemina, the analysts' reports published from the beginning of January 2013, and therefore after the execution of the ADR Agreement, appears to be reasonable and non-arbitrary, as it takes account of the disclosures to the market as to the new regulatory and tariff regime.
- The Directors of Gemina expressly report that they did not consider, within the context of their valuation process, the further methods of the market multiples and of the previous transactions that consist in applying a set of multipliers to the company being valued, which are implicitly expressed by the market value of comparable listed companies or by acquisitions involving companies with comparable sizes and features. The Directors of Gemina also give reasons for this decision, affirming that the comparability with listed companies and/or

companies being involved in transactions is limited and adversely affected, in the present case, by differences concerning, *inter alia*: (i) the different regulatory and legal frameworks (e.g. the single till or dual till regulatory frameworks), (ii) the average term of the concessions (residual terms that are strongly differentiated, for instance, the main British airports operate under a perpetual concession regime), (iii) the level of diversification of the activities carried out, (iv) the risk profile related to the concentration of revenues (e.g., different weight and risk profile of the main carrier operating at the airport), (v) growth expectations with reference to the market, the relevant carriers, the saturation level of the infrastructures and the investment cycle envisaged, (vi) investment plans that are not comparable as regards size, type of intervention and risk profile of the implementation, (vii) business discontinuities, which impact on the comparability of the expected financial metrics with those recorded in the past, (viii) the economic cycle and the cycle of the financial markets in which the transactions are effected. The Directors of Atlantia did not consider any methods based on transaction multiples or arising from comparable transactions, since the comparability inherent in the companies being involved in the deal appeared to be adversely affected by certain differences that mainly related to the regulatory frameworks, terms and features of the concessions. The choice made by the Directors appears to be, under the circumstances, grounded and non-arbitrary.

- For the purposes of the determination of the Exchange Ratios, the Directors took account of the presence of different classes of shares, and specifically ordinary shares and savings shares representing the share capital of Gemina. Therefore, the approach adopted by the Directors, as outlined in paragraph 4 above, appears to be, under the circumstances, consistent with the practice widely applied in the market.

7 ***Specific limits met by the auditor and other important aspects (if any) in performing the present engagement***

- i) As to the difficulties and limits encountered during the performance of our task, it should be pointed out that:
 - The valuations made by the Boards of Directors by applying the DCF method are based on economic and financial forecasts inferred from the business plans of the companies involved. It should be noted that the forecast data and the assumptions used by the Directors for the purposes of their preparation contain, by their very nature, elements of uncertainty and are subject to changes, which may be significant, in the case of any changes in the market context and in the macro-economic scenario. Furthermore, it should be noted that, due to the uncertainty related to the realization of any future event, both as regards the occurrence of such event and as regards the extent and timing of its occurrence, the discrepancy between actual values and forecasts might be significant, even if the events foreseen within the context of the assumptions used should actually occur.

- The valuations based on methods that use market variables and parameters, such as the method of stock exchange quotations and of the target prices expressed by the analysts, are subject to the specific performance of the financial markets. The performance of the financial markets, both in Italy and abroad, tends to be characterised by significant fluctuations over time, especially with reference to the uncertainty of the general economic situation. The stock performance may also be affected by positive or negative speculative pressures, which are completely unrelated to the economic and financial prospects of the individual companies. Therefore, the application of the market methods may identify values different from one another, to a more or less significant extent, depending on the time when the valuation is carried out.
- The current international financial crisis has had, and continues to have, a significant impact on the macroeconomic scenario and on the financial system in particular. In the light of the characteristics of the valuation methods developed by the Boards of Directors for the purpose of determining the Exchange Ratios, it may not be ruled out that the persistence of the crisis and its evolution, which cannot be predicted to date, may significantly affect the economic values determined for the purposes of the transaction.

ii) Furthermore, the following important aspects should also be noted:

- The completion of the Merger transaction is subject to the approval of the Extraordinary Shareholders' Meetings of Atlantia and Gemina, respectively, and of the Special Savings Shareholders' Meeting of Gemina, as well as to the fulfilment of the following conditions by the date of execution of the deed of Merger, and, in any case, by 31 December 2013:
 - (a) the issue of the approval, authorisation or exemption by the Italian Competition Authority (*Autorità Garante della Concorrenza e del Mercato*) with no condition or reservation that may have a significant impact on the structure of interests underlying the transaction;
 - (b) the absence of objections from ENAC following the submission of the information required by article 3, paragraph 8, of the ADR Agreement;
 - (c) the effectiveness of the ADR Agreement following the approval by the Italian Court of Auditors (*Corte dei Conti*) of the decree issued by the President of the Council of Ministers in the meeting held on 21 December 2012;
 - (d) the absence on the part of judicial or administrative authorities, by the date of execution of the deed of Merger, of any actions or measures that would affect, in whole or in part – provided that, in the latter case, to a significant extent and in any way such as to alter the risk profile or the valuations underlying the determination of the Exchange Ratio - the validity and/or effectiveness (1) of the ADR agreement and/or of its contents, (2) of the decree issued by the

- President of the Council of Ministers in the meeting held on 21 December 2012, (3) the programme contract finally entered into between ENAC and ADR, or (4) of the resolution no. 38 passed by the Board of Directors of ENAC on 19 October 2012;
- (e) the issue of the consent to the Merger on the part of the lending banks of Atlantia, Gemina and ADR, pursuant to the loan agreements in place;
 - (f) the acknowledgement and acceptance by the financial creditors of ADR, based on the majorities envisaged in the financial documentation, of the fact that the ADR Agreement qualifies as a "Material Contract" under such financial documentation.
- In their Report, the Directors acknowledge that, as at the date hereof, the following conditions had already been fulfilled:
 - ✓ the condition specified under (b) above, given that, on 27 March 2013, ENAC notified, pursuant to article 3, paragraph 8, of the ADR Agreement, that it had raised no objections as to the Merger, given that the compliance with the requirements and the fulfilment of the obligations under article 3, paragraph 6, of the aforesaid ADR Agreement were guaranteed;
 - ✓ the condition specified under (c) above, given that, on 8 March 2013 (as notified by ENAC to ADR on 18 March 2013), the Court of Auditors took steps to register the Decree of approval issued by the President of the Council of Ministers (DPCM, *Decreto del Presidente del Consiglio dei Ministri*), which made the ADR Agreement fully effective;
 - ✓ the condition specified under (f) above, following the notice given by the Security Agent Mediobanca on 18 March 2013, in which the financial creditors of ADR acknowledged and accepted that the ADR Agreement qualifies as a "Material Contract" under the financial documentation.
 - As reported by the Directors of Gemina and Atlantia, there are no cases of correlation between said companies, which are relevant to the purposes of the provisions under the Consob Regulation approved by resolution no. 17221 of 12 March 2010, as amended by resolution no. 17389 of 23 June 2010 (the "**Rules on Related Parties**"). Notwithstanding the above, in consideration of the fact that Sintonia SpA is in any case a major shareholder of both Atlantia and Gemina, the Directors report that in any case the Companies have intended to apply, in relation to the Merger, the rules laid down in their respective Procedures governing related party transactions "of greater significance". On 15 March 2013 Atlantia and Gemina published the related information circulars pursuant to article 5 of the Rules on Related Parties, including any opinions from their respective committees of independent directors and from the advisors appointed by the latter, as summarized in paragraph 3 above.
 - The BoD of Atlantia points out that the valuations do not take account of events (if any) occurred after the relevant date of the analyses and that, in any case, as at 29

March 2013, no significant events occurred after the relevant date of such analyses.

- The BoD of Gemina reports that the relevant date of the analyses carried out by applying the Sum-of-the-Parts method is 31 December 2012.

The BoD of Gemina reports that, to the best of its knowledge, as of the date of the Gemina's Report pursuant to article 2501 *quinquies* no events occurred which could have altered the valuations' results in a significant manner.

- In the Report of the Board of Directors of Gemina, it is specified that the Merger will be subject to the approval of the Special Savings Shareholders' Meeting of Gemina, since, at the time of the Merger, the savings shareholders of Gemina will be offered Atlantia ordinary shares in exchange and, as a result of such allotment, the savings shareholders of Gemina will be deprived of their financial privileges currently linked to the savings shares of Gemina. Pursuant to article 146, paragraph 1, letter *b*), of the Consolidated Finance Act (TUF, *Testo Unico della Finanza*), the special shareholders' meeting resolves "*on the approval of the resolutions of the company's meeting that affect the rights of the category, with the favourable vote of as many shares as representing at least twenty per cent of the shares of the category.*"

iii) It should be also noted that the Exchange Ratios were determined by the Directors of Atlantia and Gemina based on the following assumptions, which also constitute assumptions of this opinion:

- the existence of a number of Gemina shares based on the total number of ordinary and savings shares issued (thus assigning the same value to ordinary and savings shares), net of any treasury stock held by the company and as increased by the number of shares arising from the early exercise of the existing stock option plans (considering that a portion of the treasury stock will be used to serve the existing stock option plans);
- the existence of a number of Atlantia ordinary shares based on the total number of ordinary shares issued, net of any treasury stock held by the company and as increased by the number of shares arising from the exercise of the existing stock option and stock grant plans;
- the distribution by Atlantia, before the statutory effective date of the Merger, of a dividend in favour of its shareholders, equal to Euro 0.391 and the non-distribution of interim dividends by the date of completion of the Merger;
- the cancellation without any share swap of all treasury stock held by Gemina at the time of completion of the Merger;
- a ratio of 1:1 between the value of Gemina ordinary shares and the value of Gemina savings shares.



8 Conclusions

On the basis of the documentation examined and of the procedures indicated above, and considering the scope and extent of our work as illustrated in this report, as well as what is specified in paragraph 7 above and in particular the assumptions under point *iii*), we deem the valuation methods adopted by the Directors of the Companies, with the support of their respective Advisors, adequate, because they are reasonable and not arbitrary under the circumstances, and they have been correctly applied for the purposes of the determination of the Exchange Ratios **equal to (i) 1 ordinary share of Atlantia for every 9 ordinary shares of Gemina and (ii) 1 ordinary share of Atlantia for every 9 savings shares of Gemina.**

Rome, 29 March 2013

PricewaterhouseCoopers SpA

Signed by

Massimo Grifantini
(Partner)

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