

PRESS RELEASE
Monthly Observatory
SEPTEMBER 2007

The demand of new proposals ends in September

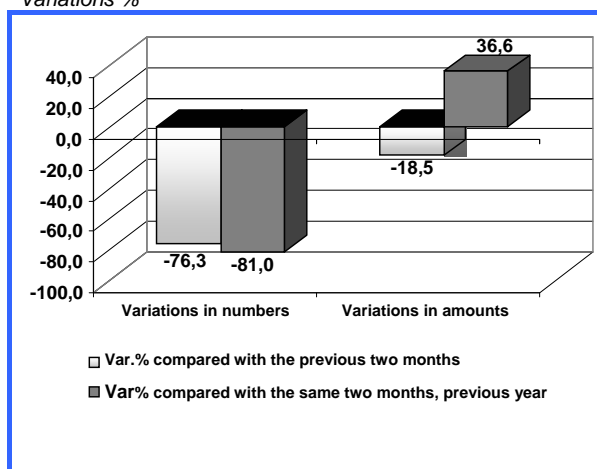
The demand of new proposals ends on the ninth month of the year as per art.37 bis law 109/94, as replaced by art. 153 of Law Decree n. 163/06. As indicated by The National Observatory of the Public Private Partnership - promoted by the Ministry of Finance, Technical Department for Project Financing- CIPE, "Unioncamere" and the Chamber of Commerce of Rome (Camera di Commercio di Roma) and implemented by AeT in collaboration with CRESME –during September 2007, in the whole national territory there where only 4 calls for proposals with a total investment that didn't reach 10 million euros. We have to go back to December 2002 to find worst results, 2 calls for an investment worth 7.6 million euros.

In September 2007, the potential market of PPP is represented by 97 projects with a volume of business worth only 191.4 million. The accounts of the month are strongly negative as far as expenses are concerned, - 76.3% compared to August 2007 and -81% compared to September 2006, whereas the number of projects have decreased to 22 units compared to the previous month and increased to 26 units compared to last year. The halt of investments is due to a lower economical consistency of medium-big works higher than 5 million: in September 2007, 147.2 million for 10 projects, all under 50 million compared to 706.9 million for 25 tenders (out of which 6 maxi ones) on August 2007 and 974.8 million for 17 interventions (out of which 4 maxi ones) on September 2006.

. P.P.P.: PROCEDURE NOTICES - SEPTEMBER 2007

| | NUMBER* | AMOUNT |
|--|-----------|--------------------|
| Calls for proposals | 4 | 9.570.000 |
| Building and Management (BM) contracts as suggested by the promoter | 8 | 44.626.290 |
| Building and Management (BM) contracts as suggested by the contracting station | 20 | 98.839.731 |
| Service contracts | 42 | 37.556.581 |
| Other PPP contracts | 23 | 845.000 |
| TOTAL | 97 | 191.437.602 |

P.P.P.: MONTH PERFORMANCES- SEPTEMBER 2007- Variations %



Source: National Observatory of the Public Private Partnership – elaboration by Cresme for AeT – Environment and Territory, Special Agency of the Chamber of Commerce of Rome(www.infopieffe.it)
* includes notices without specified amount

Altogether, during the first nine months of 2007, there were 1.171 projects started with a business volume worth 14.2 billion. In terms of dynamics, although the result of September was moderate, the budget was still positive: +19% and +6% of its value.

In consideration of the turnover of PPP tenders, net of notices of calls for proposals, its weight on the general market of tenders for public works, registered by the Cresme-Edilbox Observatory, went down to 17.6% of share, 8 points less than a year ago.

The collapse of the market, compared to August 2007, is mainly due to the sudden stop of project financing: the calls for proposals have lost 35 notices and 330 million, and the Building and Management (BM) contracts as suggested by the promoter went down to 15 projects and 202 million less. The trend of public proposals and of other PPP contracts goes double the speed, both with a numerical growth but with an economical drop, although the intensities of the dynamics are very different between the two procedures. The budget for service contracts was absolutely positive: +10.5% for the numbers and + 12.3% for the value.

Private calls for proposals have had a strong contraction also compared to September 2006: the number of projects went down from 16 to 4 units; the investment from 931 million to just 9.6. This is the result that determines the negative budget result in comparison to a year ago, but that doesn't influence the real market trend of PPP, i.e. the market of tenders, that witnesses an increase of +69% in number of opportunities and +133% for investment. As far as number are concerned, the four tender procedures have achieved better results than September 2006, where spreads went from +33% of contracts as suggested by the contracting station to 92% of other PPP contracts. As far as investments are concerned, the growth rates are over hundred for each procedure, with the exception of public contracts that have had 87% growth.

Project Financing

In September, there were 12 PF implemented initiatives, out of which 4 calls for proposals and 8 Building and Management (BM) contracts as suggested by the promoter. The business volume reached 54.2 million, out of which 9.6 million belonged to phase 1 of the procedure and 44.6 million to phase 2.

Calls for proposals, compared to September 2006, show negative accounts of -75% for numbers and -99% for investments. September's sudden fall hasn't however inverted the period trend that managed to keep up with the first nine months of 2006: 437 notices equivalent to 9.2 million against last year's 371 projects worth less than 7.7 billion.

On the contrary, **contracts as suggested by the promoter**, considering last year weak result, have shown in the whole, a positive budget : +60% for numbers and investments went from 6.9 million to 44.6 million.

Building and Management (BM) contracts as suggested by the contracting station

In September, there were 20 Building and Management (BM) contracts as suggested by the contracting station with a volume of business close to 100 million euros. The budget, compared to September 2006, is absolutely positive: +33% for numbers and + 86% for its value.

This particular form of partnership is used for the implementation of the two most economically important interventions of the month. The first one promoted by the Municipality of Caggiano (SA), worth 45.3 million,

consists in the design, implementation, operation, management and maintenance of wind power plants and its related additional functions and connecting works to be located in the municipal territory. In the call for bids it is stated that the financing of all the works is totally at contractor's expense whose compensation will consist in the revenues of the sale of the electrical power produced during the entire period of concession, established in 360 months. The second one, promoted by the local health corporation (U.S.L 3) of Lagonegro (PZ), is worth 18.3 million and it refers to the selection of the partner to be involved in the experimentation and management innovation within the sanitary field, inclusive of the final and feasible design as well as the works related to the implementation of a multispecialistic centre for rehabilitation and rehabilitative long hospital stay at Maratea Hospital.

Among the other works to be committed in the form of public contracts, a note is made to the tender promoted by the municipality of Quattro Castella (RE) finalized to the implementation of two new primary schools, located in Montecavolo and Puianello and an indoor school multiple use track as well as the relevant urbanisation works, for a total investment valued around 9.45 million. In addition to the design and to the execution of the works, the tender includes the general functional management as well as the current and extraordinary maintenance for a 20 years period starting from the date of the actual delivery of the works. All works implemented will be subject to the direct use of the institution and in return the contractor will receive an amount equal to the whole investment value (9.45 million) that will be paid part in money (5.6 million) and part in properties (3.8 million), as well as an annual maximal rent equal to 199 thousand euros.

P.P.P.: MONTHLY SUMMARY - SEPTEMBER 2007

| | Calls for proposals | | (BM) contracts as suggested by the promoter | | BM contracts as suggested by the contracting station | | Service contracts | | Other PPP contracts | | Total | |
|-----------------------|---------------------|----------------------|---|----------------------|--|--------------------|-------------------|--------------------|---------------------|--------------------|--------------|-----------------------|
| | N.* | Amount | N.* | Amount | N.* | Amount | N.* | Amount | N.* | Amount | N.* | Amount |
| January | 9 | 42.176.345 | 15 | 268.715.203 | 24 | 152.285.156 | 29 | 12.069.990 | 6 | 750.860 | 83 | 475.997.554 |
| February | 13 | 272.078.489 | 9 | 32.625.692 | 20 | 49.684.010 | 25 | 113.813.022 | 5 | - | 72 | 468.201.213 |
| March | 32 | 319.583.083 | 12 | 195.858.773 | 22 | 36.856.486 | 35 | 18.572.564 | 6 | - | 107 | 570.870.906 |
| April | 85 | 480.795.533 | 14 | 888.786.956 | 20 | 41.637.404 | 27 | 30.262.144 | 4 | 2.104.000 | 150 | 1.443.586.036 |
| May | 109 | 2.812.639.143 | 7 | 66.215.124 | 25 | 134.430.443 | 47 | 18.743.701 | 2 | - | 190 | 3.032.028.409 |
| June | 75 | 421.786.395 | 12 | 183.356.775 | 10 | 20.595.588 | 64 | 18.928.035 | 19 | 36.483.000 | 180 | 681.149.794 |
| July | 71 | 4.548.331.070 | 13 | 1.876.202.102 | 22 | 103.671.606 | 47 | 39.540.010 | 20 | 9.454.000 | 173 | 6.577.198.788 |
| August | 39 | 339.667.619 | 23 | 247.100.555 | 18 | 120.072.802 | 38 | 33.433.492 | 1 | 66.712.242 | 119 | 806.986.709 |
| September | 4 | 9.570.000 | 8 | 44.626.290 | 20 | 98.839.731 | 42 | 37.556.581 | 23 | 845.000 | 97 | 191.437.602 |
| Jan- Sept 2007 | 437 | 9.246.627.675 | 113 | 3.803.487.470 | 181 | 758.073.225 | 354 | 322.919.540 | 86 | 116.349.102 | 1.171 | 14.247.457.011 |
| 1st quarter | 54 | 633.837.917 | 36 | 497.199.668 | 66 | 238.825.651 | 89 | 144.455.576 | 17 | 750.860 | 262 | 1.515.069.672 |
| 2nd quarter | 269 | 3.715.221.070 | 33 | 1.138.358.854 | 55 | 196.663.435 | 138 | 67.933.880 | 25 | 38.587.000 | 520 | 5.156.764.239 |
| 3rd quarter | 114 | 4.897.568.688 | 44 | 2.167.928.947 | 60 | 322.584.139 | 127 | 110.530.084 | 44 | 77.011.242 | 389 | 7.575.623.100 |

Source: National Observatory of the Public Private Partnership - elaboration by Cresme for AeT – Environment and Territory, Special Agency of the Chamber of Commerce of Rome (www.infopieffe.it)

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