

## NET DEBT AS OF 29 FEBRUARY 2008

- **The Group's net debt as of 29 February 2008 amounted to 1,368 million euros, with an increase in net indebtedness of 88 million euros (+6.9%) compared to the situation on 31 January 2008 which was 1,280 million euros (management figures), mainly due to the typical seasonality of this month's proceeds and payments.**
- **The net debt of the parent company Alitalia as of 29 February 2008 amounted to 1,357 million euros, with an increase in net indebtedness of 92 million euros (+7.3%) compared to the situation on 31 January 2008 which was 1,265 million euros (management figures).**
- **The Group's cash-to-hand and short-term financial credits as of 29 February 2008 amounted to 180 million euros, showing a reduction of 102 million euros (-36.2%) compared to the situation on 31 January 2008 which was 282 million euros (management figures).**

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To comply with instructions from Italy's Securities and Exchange Commission (CONSOB), this document contains information relating to the net debt as of 29 February 2008 (as well as any debts falling due for Alitalia and the Group), published via press releases issued by the end of each month, referring to the previous month.

It should be pointed out that, in line with CONSOB recommendations, and as already reported in a previous press release (issued for the first time on August 30, 2004, relating to the Group's financial situation as of July 31, 2004), **data regarding current portions of amounts falling due within twelve months are no longer classified under medium/long-term indebtedness, but now form part of data relating to short-term financial debt.**

	31 January 2008 MANAGEMENT FIGURES		29 February 2008 MANAGEMENT FIGURES	
	GROUP	ALITALIA	GROUP	ALITALIA
Cash-on-hand and short-term financial credits	(282)	(297)	(180)	(191)
Short-term financial indebtedness	147 (*)	147 (*)	147 (*)	147 (*)
<b>Net short-term financial indebtedness</b>	<b>(135)</b>	<b>(150)</b>	<b>(33)</b>	<b>(44)</b>
Medium/long-term indebtedness	1,415	1,415	1,401	1,401
Medium/long-term investments	0	0	0	0
<b>Net Debt</b>	<b>1,280</b>	<b>1,265</b>	<b>1,368</b>	<b>1,357</b>
(*) of which current instalments of medium/long-term financial debts falling due within twelve months	147	147	147	147

(all figures in millions of euros)

It should be noted that the figures in the above table reflect the outcome of management analysis and include several estimated items which, however, do not affect the overall significance of the information.

The following observations on the most important changes that have taken place during the two periods in question refer to the situation for the Group. However, given the preponderance of Alitalia within the whole Group, these observations are in fact representative of the parent company's performance alone; specific facts and figures referring only to Alitalia are glossed by notes.

The Group's net debt as of February 29, 2008 amounted to 1,368 million euros, showing an increase in net indebtedness of 88 million euros (+6.9%) compared to the situation on January 31, 2008, announced on February 29, 2008: this trend is due to the typical seasonality of this month's proceeds and payments.

The net debt of the parent company Alitalia including short-term financial credits for subsidiaries on February 29, 2008 (including short-term financial credits of subsidiaries) amounted to 1,357 million euros showing an increase of 92 million euros (+7.3%) compared to net debt as of January 31, 2008.

The Group's cash-to-hand and short-term financial credits as of February 29, 2008, at the Group level and for Alitalia, amounted to 180 and 191 million euros respectively (the corresponding figures on January 31, 2008 were 282 and 297 million euros).

It should be noted that as of February 29, 2008, there were several leasing contracts at the Group level (referring almost entirely to fleet aircraft mostly held by the parent company amounting to 81 million euros) whose capital share, including lease closure value, amounted to 93 million euros (of which 12 million euros represent the current capital share falling due within twelve months of the reference date, with 10 million euros held by the parent company). By comparison, the same figure as of January 31, 2008, amounted to 94 million euros (of which 12 million euros falling due in the twelve months from the reference date); the corresponding figures for the parent company on January 31, 2008, amounted to 82 and 10 million euros respectively.

It should also be noted that existing debts to banks are almost entirely backed up by real guarantees (mortgages on aircraft) or by personal guarantees (mainly guarantees issued by banks for export credit). The relative financing contracts contain standard legal clauses relating to withdrawal. None of the contracts refer to specific requirements regarding assets or economic/financial aspects, in order to maintain the credit line.

During February 2008, repayments were made of medium/long-term financing amounting to about 14 million euros.

Regarding debts of a financial, fiscal and social welfare nature, there were no outstanding sums or payment irregularities on February 29, 2008, both for the parent company and for the other companies in the Group.

As far as debts of a commercial nature are concerned, decisions are still pending for the petitions filed by Alitalia regarding the following: a) an injunction related to supposed different pricing policies, issued by a carrier for 6 million euros (two decrees); b) another injunction issued by a supplier of on-board movies for 1.2 million euros (two decrees); c) a further injunction has been issued by an IT services supplier for 812,000 euros; d) an injunction has been issued by an Italian subsidiary of an air carrier bankruptcy for 288,000 euros; e) another injunction has been issued by a maintenance services supplier for 492,000 euros; f) a further injunction has been issued by the special manager of a firm for presumed debts relating to air ticket sales, for 3.2 million euros; g) one injunction issued by a fuel supplier for about 1 million euros; h) another injunction has been issued by an airport management company for limited failure to pay handling fees

for about 375,000 euros; i) an injunction has been issued by four suppliers, for 188,000 euros.

Except for the above, there are no other executive actions undertaken by creditors notified as of February 29, 2008, nor are there any threats by suppliers to suspend operations. It should be pointed out that, as part of ordinary management practices, the Company is committed to maintaining commercial relations with its customers and suppliers who guarantee – in the absence of critical situations or operational emergencies – the necessary financial flexibility in support of cash-to-hand requirements.

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