

EXTRAORDINARY ADMINISTRATION

OF ALITALIA - LINEE AEREE ITALIANE S.P.A. AND ALITALIA SERVIZI S.P.A.

Re: Call for Expressions of Interest (*Bando*) in the context of the Procedure for the Sale of the real estate properties owned by Alitalia Linee Aeree Italiane S.p.A. under Extraordinary Administration and Alitalia Servizi S.p.A. under Extraordinary Administration

1. Introduction

Upon request by Alitalia – Linee Aeree Italiane S.p.A. (hereinafter, “**Alitalia**”), the President of the Council of Ministers, through his own decree dated 29 August 2008, admitted Alitalia to the extraordinary administration proceedings referred to under Legislative Decree No. 347 of 23 December 2003, converted into Law No. 39 of 18 February 2004, as subsequently amended and supplemented by Legislative Decree No. 134 of 28 August 2008, converted into Law No. 166 of 27 October 2008, appointing Prof. Avv. Augusto Fantozzi as extraordinary administrator (hereinafter, the “**Extraordinary Administrator**”).

On 5 September 2008, the Court of Rome declared Alitalia’s state of insolvency, appointing Dr. Umberto Gentili as delegated judge.

By a subsequent decree dated 15 September 2008, the Ministry of Economic Development (hereinafter, the “**Ministry**”), upon request of the Extraordinary Administrator and following the resolution of the Board of Directors, also admitted Alitalia Servizi S.p.A. (hereinafter, “**Alitalia Servizi**”) to the extraordinary administration proceedings. On 25 September 2008, the Court of Rome declared the state of insolvency also of Alitalia Servizi.

On 19 November 2008, the Extraordinary Administrator submitted to the Ministry a sale program of the companies under extraordinary administration pursuant to art. 27, paragraph 2, letter b bis) of Legislative Decree No. 270/1999 (hereinafter, the “**Program**”), which envisages, *inter alia*, the sale of the real estate properties owned by Alitalia and Alitalia Servizi.

By a decree issued on 19 November 2008, the Ministry approved the Program and authorized its implementation.

The Program approved by the Ministry provides that the sale of the real estate properties owned by Alitalia and Alitalia Servizi, must take place through the relevant competitive procedures by means of the publishing of the call of expression of interest to be previously authorized by the Ministry, pursuant to art. 42 of Legislative Decree No. 270 of 8 July 1999, upon consultation with the Supervisory Committee.

With decision dated 16 September 2009, the Ministry, upon consultation with the Supervisory Committee, authorized the beginning of the sale procedure and the publishing of this call for expressions of interest (hereinafter, the “**Call for Expressions of Interest**”) which sets forth the modalities, terms and conditions of the sale by the Extraordinary Administrator (the “**Sale Procedure**”) of the following real estate properties owned by Alitalia and Alitalia Servizi (hereinafter the “**Real Estate Properties**” and each individually the “**Real Estate Property**”) as specified and described in the schedules attached to this Call for Expression of Interest sub letter “**A**”:

LOT	REAL ESTATE PROPERTY	OWNER
1	portion of the building located in Sesto San	Alitalia

	Giovanni (Milan), via XXIV maggio no. 8/10	
2	portion of the building located in Barcellona (Spain), Avenida Diagonal no. 403	Alitalia
4	portion of the building located in Buenos Aires (Argentina), 1111, Calle Suipacha no. 28	Alitalia
5	portion of the building located in San Paolo (Brazil), Avenida Sao Luis no. 50, Andar 29	Alitalia
6	land with the entire building (" <i>fabbricato cielo terra</i> ") located in Rome, viale Alessandro Marchetti no. 120	Alitalia Servizi
7	land with the entire building (" <i>fabbricato cielo terra</i> ") (hangar 7), located in Fiumicino, Via Ezio Bevilacqua – airport area	Alitalia Servizi
8	land with the entire building (" <i>fabbricato cielo terra</i> ") (motor workshop and changing room), located in Fiumicino, Via Ezio Bevilacqua – airport area	Alitalia Servizi

The interested parties may submit their expressions of interest and binding offers for one or more Real Estate Properties, provided however that the Sale Procedure shall be carried out in an autonomous way for each Real Estate Property. Therefore, should the offers be submitted for two or more Real Estate Properties, the offers shall not be cumulative offers and without an analytic and specific indication shall be disregarded; the Extraordinary Administrator will award the individual/s Real Estate Property/ies and the offeror shall in any case purchase the Real Estate Property/ies awarded;

In consideration of the foregoing, set out below are the modalities, terms and conditions applicable to the first phases of the Sale Procedure, which consist of **(i)** the submission of expressions of interest (hereinafter, "**Expressions of Interest**" and, each individually, an "**Expression of Interest**"), **(ii)** the execution of the confidentiality agreement and **(iii)** the carrying out of the due diligence (hereinafter, the "**Due Diligence**").

2. INVITATION TO EXPRESS INTEREST – MODALITIES, TERMS AND CONDITIONS FOR THE EXPRESSION OF INTEREST

2.1 Parties interested in purchasing one or more Real Estate Properties (hereinafter, the "**Interested Parties**" and each individually the "**Interested Party**") are invited to submit an Expression of Interest, in accordance with the modalities, terms and conditions set out below.

The Expression of Interest may be formulated by Italian or foreign entities which, under the laws of their respective country of origin, meet the following requirements, if applicable:

- a) **(i)** they are not currently in a state of winding-up and/or in one of the situations referred to under articles 2446 and 2447 of the Italian Civil Code and/or in analogous situations under the laws of the relevant country of origin;
- (ii)** they are not currently admitted, under the laws of the relevant country of origin, to insolvency proceedings or any other proceeding that denotes a state of insolvency, state of crisis, or cessation of business activities or temporary receivership;
- (iii)** they have not been and are not subject to the injunctive sanction (*sanzione interdittiva*) referred to under art. 9, paragraph 2, letter c) of Legislative Decree No. 231 of 8 June 2001, or, in the case of foreign entities, they have not been subject to analogous sanctions that give rise to a prohibition on contracting with the public administration under the laws of their respective countries of origin;
- b) the members of its administrative, direction and control bodies:
- (i) are not subject to any proceedings for the application of one of the preventive measures referred to under art. 3 of Law no. 1423 of 27 December 1956, or one of the causes for disqualification provided under art. 10 of Law No. 575 of 31 May 1965, as subsequently amended and supplemented or, in the case of foreign entities, are not subject to any analogous proceeding, or hindered by analogous causes for disqualification under the laws of the respective countries of origin, without prejudice to the effects of rehabilitation;
- (ii) have not been found guilty under a final non appealable judgment or criminal judgment that has become irrevocable, for serious crimes against the State or the EU which impact upon their professional moral integrity, save for the effects of rehabilitation or, in the case of foreign entities, have not been found guilty under analogous decisions for comparable crimes under the laws of the respective countries of origin;
- (iii) are not affected by judgments applying punishment upon the request of the parties pursuant to art. 444 of the Italian Code of Criminal Procedure for serious crimes against the State or the EU which impact upon their professional moral integrity or, in the case of foreign entities, have not been found guilty under analogous judgments for comparable crimes under the laws of the respective countries of origin;
- (iv) have not been found guilty, under a final non appealable judgment, for one or more of the crimes involving participation in a criminal organization, corruption, fraud, money-laundering, as defined under the EU acts cited under art. 45, paragraph 1, Directive EC/2004/18, without prejudice to the effects of rehabilitation;
- (v) have not been sentenced, under a final non appealable judgment, to imprisonment for a period of not less than two years, for any offense committed with criminal intent or, in the case of foreign entities, for analogous criminal acts under the laws of the respective countries of origin, without prejudice to the effects of rehabilitation.

Expressions of Interest on behalf of parties to be designated, or submitted as fiduciary agent or on behalf of third parties will not be admitted.

2.2 The following parties may not participate in the Sale Procedure **(a)** those falling within one of the situations of control or affiliation referred to under article 2359 of the Italian Civil Code with another company participating in the Sale Procedure or **(b)** those whose Expressions of Interests and/or offers are imputable to a single decision-making body, pursuant to articles 2497 and subsequent articles of the Italian Civil Code.

3. EXPRESSION OF INTEREST

3.1 Interested Parties must submit their Expression of Interest in writing, in either Italian or English, in compliance with the form enclosed sub letter “**B**” to this Call for Expressions of Interest, accompanied by the documents and declarations set out below, which must also be drafted in either Italian or English. The Expression of Interest must be submitted by 12:00 noon (Italian time) on 12 March 2010, in a closed envelope, or alternatively by telefax at no. + 39 0665625650, and must be addressed to “Extraordinary Administration of Alitalia - Linee Aeree Italiane S.p.A. and Alitalia Servizi S.p.A.– Viale Alessandro Marchetti No. 111, 00148 Rome – to the kind attention of the Extraordinary Administrator Prof. Avv. Augusto Fantozzi” and setting out the wording “*Expression of interest in connection with the sale of the real estate properties*”.

3.2 The Expression of Interest must be signed by the Interested Party’s legal representative or by a person with a power of attorney duly authorized.

4. REQUIRED DOCUMENTATION AND INFORMATION

4.1 The following declarations and documents, drafted in either Italian or English, must be attached to the Expression of Interest for information purpose:

- a. a brief description of the business activities carried out by the Interested Party and, where applicable, by the group to which it/they belongs/belong;
- b. copy of the deed of incorporation and current by-laws of the Interested Party;
- c. copy of the deed of grant of powers to the legal representative / special attorney signing the Expression of Interest and also signing and/or initialing each of the documents attached to the same;
- d. copy of this Call for Expressions of Interest, initialed on each page and signed in full at the end of the document by the Interested Party, for full and unconditional acceptance of all of the terms and conditions set out herein;
- e. list of the members of the management, direction and control bodies of the Interested Party;
- f. copy of the approved financial statements and, if they exist, of the approved consolidated financial statements of the Interested Party for the last three financial years;
- g. outline of the control structure of the Interest Party, also pursuant to art. 2497 of the Italian Civil Code, setting out an indication of the parties which, directly or indirectly, control, are controlled, affiliated or subject to common control with the same, as well as an exact indication of the shareholdings respectively held.

4.2 The Extraordinary Administrator reserves the right to request, where necessary, from the Interested Parties to complete or to provide clarifications on the contents of the certificates, documents and declarations submitted.

5. SUBSEQUENT PHASES OF THE PROCEDURE

5.1 Once it has been verified that the Expressions of Interest received meet the requirements set out in this Call for Expressions of Interest, the Extraordinary Administrator will send to all of the parties admitted to the subsequent phases of the Sale Procedure (hereinafter, the “**Admitted Parties**”) a notice of admission (hereinafter, the “**Notice of Admission**”) indicating the modalities and timetable for the completion of the Due Diligence by the Admitted Parties.

The Notice of Admission will also set out the modalities in accordance with which the Admitted Parties will provide the documentation required in order to confirm the possession of the requirements to participate to this Call for Expression of Interest.

Access to the data room is, in any case, subject to the signature, for full acceptance, of a confidentiality agreement, to be provided in advance to the Admitted Parties.

5.2 Upon completion of the Due Diligence, an additional notice will be sent to the Admitted Parties indicating the terms and modalities applicable to the submission and evaluation of a binding offer (hereinafter, the “**Procedure Letter**”). The Real Estate Property will be awarded, after the relevant authorization of the Ministry, to the party offering the highest price (also following the request of higher offers, if any), provided that the said price is not lower than the value attributed to the Real Estate Property and/or Real Estate Properties by an expert appointed by the Extraordinary Administrator pursuant to article 62 of the Legislative Decree No. 270/1999. In accordance with the provisions set forth in the Program, no deferred purchase price for the purchase of the Real Estate Properties shall be admitted and a first demand bank guarantee issued by a primary lending institution must be attached to the binding offers for the purchase of the Real Estate Properties, in accordance with the modalities to be described in detail in the Procedure Letter.

5.3 The Extraordinary Administrator reserves the right to check, even after the Notice of Admission, the actual satisfaction of the requirements set out in this Call for Expressions of Interest and to exclude from the Sale Procedure even an Admitted Party where one or more of the requirements are found not to be met.

5.4 The Extraordinary Administrator reserves the right to schedule and communicate different timing for the subsequent phases of the Sale Procedure related to the sale of each of the Real Estate Properties.

6. REQUESTS FOR CLARIFICATIONS

For clarifications and/or information on this Call for Expressions of Interest, Interested Party may request the same by sending a specific request by and no later than 17.00 on 2 March 2010, exclusively via e-mail, to the following address: info.immobiliitalia@exitone.it, indicating as the subject matter “*clarifications on the sale procedure of the real estate properties*”.

The Extraordinary Administrator (or such other party as may be delegated by the latter) shall send the requested clarifications and/or information to all of the requesting parties and will publish the answers to the requests for clarification received on a dedicated section of the websites www.alitaliaamministrazionestraordinaria.com and www.alitaliaamministrazionestraordinaria.it, provided that this would not prejudice the confidentiality afforded to offerors.

7. NON-BINDING NATURE OF THIS CALL FOR EXPRESSIONS OF INTEREST

The publication of this Call for Expressions of Interest and the receipt of the Expressions of Interest do not give rise to any obligation or undertaking on the part of the Extraordinary Administrator to proceed with the sale to the Interested Parties and/or to the Admitted Parties nor, for such parties, to any right to receive any performance from Alitalia, Alitalia Servizi and/or the Extraordinary Administrator (including brokerage or consultancy fees) of any nature whatsoever.

The Extraordinary Administrator shall be under no obligation to perform or complete the Sale Procedure as a result of the publication of this Call for Expressions of Interest or receipt of Expressions of Interest. Expressions of Interest do not give rise to any title, right or interest that is legally relevant for purposes of seeking the continuation of the Sale Procedure.

The Extraordinary Administrator reserves the right to make all decisions pertaining to the Sale Procedure, including the right to withdraw at any time from the Sale Procedure, regardless of the state of progress of the same; to suspend, interrupt or amend the terms and/or conditions of the Sale Procedure or to assume undertakings *vis-à-vis* other parties, without entitling the Interested Parties

and/or the Admitted Parties to raise any claim for compensation or indemnity against the Extraordinary Administrator, Alitalia and/or Alitalia Servizi.

This Call for Expressions of Interest does not constitute a solicitation for an offer, or an offer to the public pursuant to art. 1336 of the Italian Civil Code.

Neither the Extraordinary Administrator, nor Alitalia and/or Alitalia Servizi may be held liable for any costs incurred by the Interested Parties in connection with their participation in the Sale Procedure.

Throughout the Sale Procedure, Interested Parties must always act in a manner inspired by principles of fairness and good faith.

8. FURTHER PROVISIONS

All determinations pertaining to this Call for Expressions of Interest, the Sale Procedure and the consequent execution of the sale agreements of the Real Estate Properties are conditioned upon and, in any case, subject to, the powers of authorization resting with the Ministry of Economic Development, as well as the Supervisory Committee's prior opinion.

It should be noted that the Extraordinary Administrator, Alitalia and/or Alitalia Servizi, with the exclusive exception of the warranty of free and clear title and possession and of the construction and town statements (*dichiarazioni edilizie ed urbanistiche*) due pursuant to the law for the transferability of the real estate properties, may not provide any further representations and/or warranties in connection with the Real Estate Properties or the financial, economic and income conditions of Alitalia and Alitalia Servizi and/or their assets and legal relationships, any defects in the same, including latent defects, or absence of qualities, it being agreed that the purchaser would proceed with the purchase of the Real Estate Properties on an "as is" basis, in their current factual and legal state, which is presumed to have been "seen and accepted" ("*vista e piaciuta*") by the purchaser.

The Extraordinary Administrator shall be under no liability in connection with the truthfulness, accuracy or completeness of the information and/or the documentation provided.

The advisors and consultants of the Extraordinary Administrator assume no obligation to the Interested Parties who, by signing this Call for Expressions of Interest, declare that they expressly release such advisors and consultants from any liability whatsoever and waive the right to raise any claim that they would be otherwise entitled to raise in connection with the activities carried out by the same in favor of the Extraordinary Administrator.

The processing of data sent by Interested Parties shall be in accordance with the provisions of Legislative Decree No. 196 of 30 June 2003. Under such provisions, the processing of personal data will be carried out in such a manner as to ensure the full protection of the rights and confidentiality of the Interested Parties; the processing of the data is aimed at verifying the eligibility of the parties to participate in this sale, as well as the correct execution of the same. The holder of the data processing ("*titolare del trattamento*") will be Alitalia, against whom the interested party may enforce the rights referred to under art. 7 of Legislative Decree No. 196 of 30 June 2003.

This Call for Expressions of Interest and the provisions of the same are governed by Italian law.

The Court of Rome shall have exclusive jurisdiction over any dispute that may arise in connection with this Call for Expressions of Interest, its interpretation, validity and effectiveness.

This Call for Expressions of Interest is published on the websites of the Extraordinary Administration Procedure www.alitaliaamministrazionestraordinaria.com and

www.alitaliaamministrazionestraordinaria.it in Italian and English language provided however that the Italian version shall be deemed the only official version of this Call for Expressions of Interest and shall prevail over the English version for all legal purposes. In particular, the sale agreements of the Real Estate Properties will be executed in Italian language.

Rome, 8 February 2010

The Extraordinary Administrator

Prof. Avv. Augusto Fantozzi