



**ASTALDI**

## **H1 2010 RESULTS**

Conference call - August 3, 2010



- ▶ **Production:** revenues EUR 976mn +5.5% yoy  
**End of the year target over EUR 2bn is confirmed**
  
- ▶ **Profitability:** EBIT margin at 8.6% proves **good quality of orders' backlog**
  
- ▶ **New orders for over EUR 1bn** and further positive updates on incoming orders  
**Backlog at EUR 9.1bn as of today**
  
- ▶ **Net financial position improves to EUR 456mn** from EUR 543mn as of Q1 2010 benefiting from positive cash-flow during Q2 2010
  
- ▶ **“ASTALDI CONCESSIONI”:** the new **Concessions Company** has been created

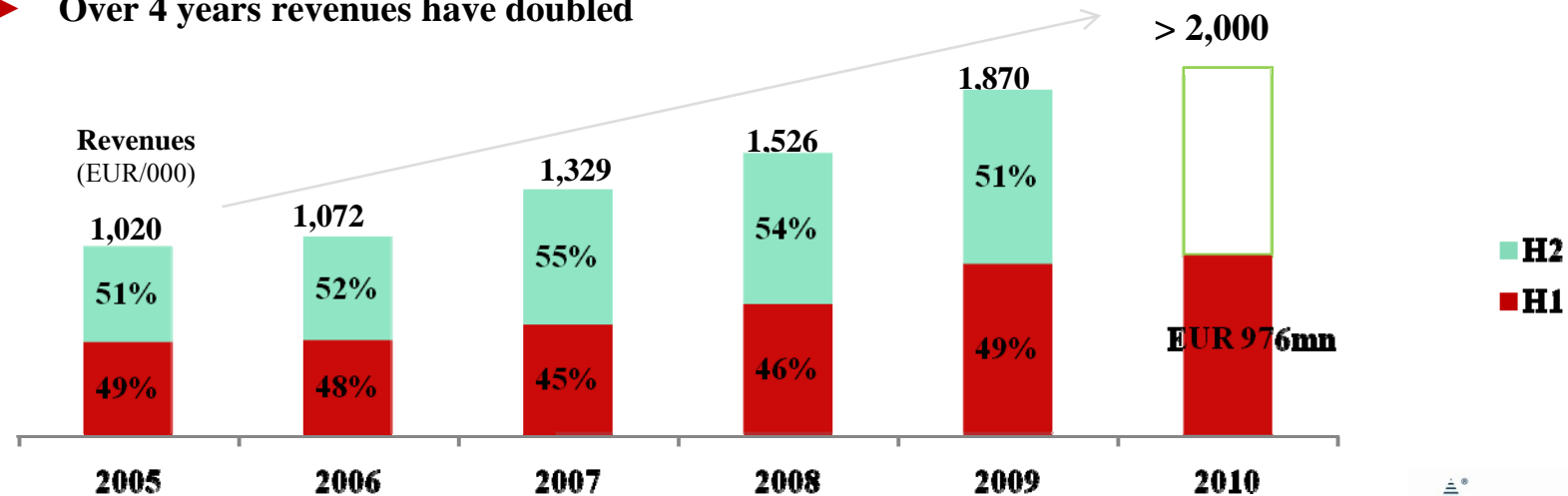
▶ **H1 2010 Revenues at EUR 976mn: +5.5% yoy**

▶ **2H 2010 will benefit from the additional production contribution** coming from:

- ▶ Huanza Hydroelectric Power Plant in Peru: *start-up stage completed*
- ▶ Warsaw Subway in Poland: *start-up stage completed*
- ▶ Hällic Bridge in Turkey: *production will start as the final tranche of financing has been granted to Municipality of Istanbul*
- ▶ Railway project is planned to increase production in Algeria: *executive design has been approved*
- ▶ Extension of the Milan Subway Line 5

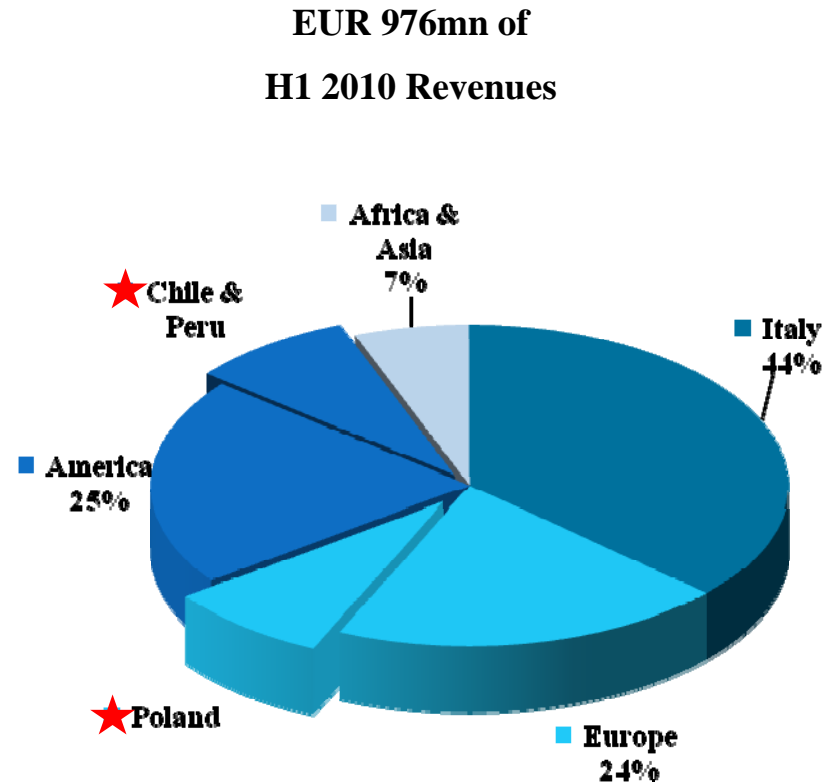
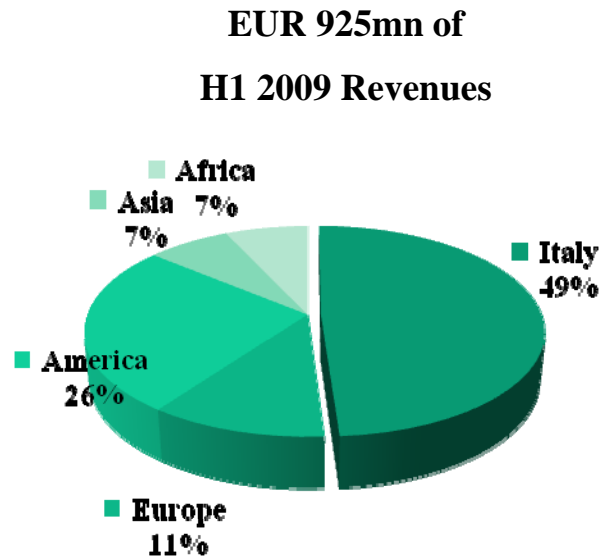
▶ **Confirmed end of year target of over EUR 2bn in revenues** even with a production from Venezuela which, due to the devaluation of the bolivar, translates into a lower EURO contribution

▶ **Over 4 years revenues have doubled**



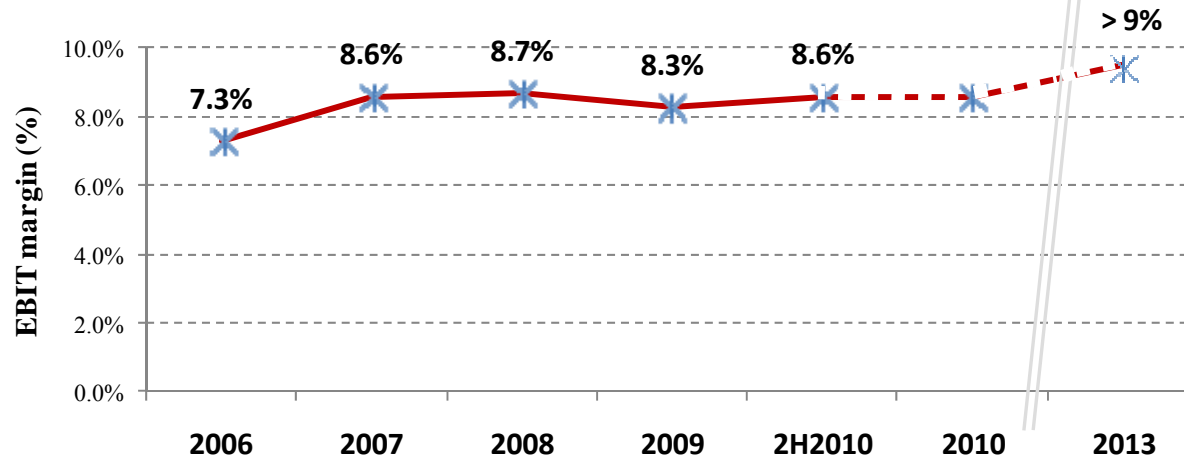
## H1 2010 Results

## Geographical distribution of revenues



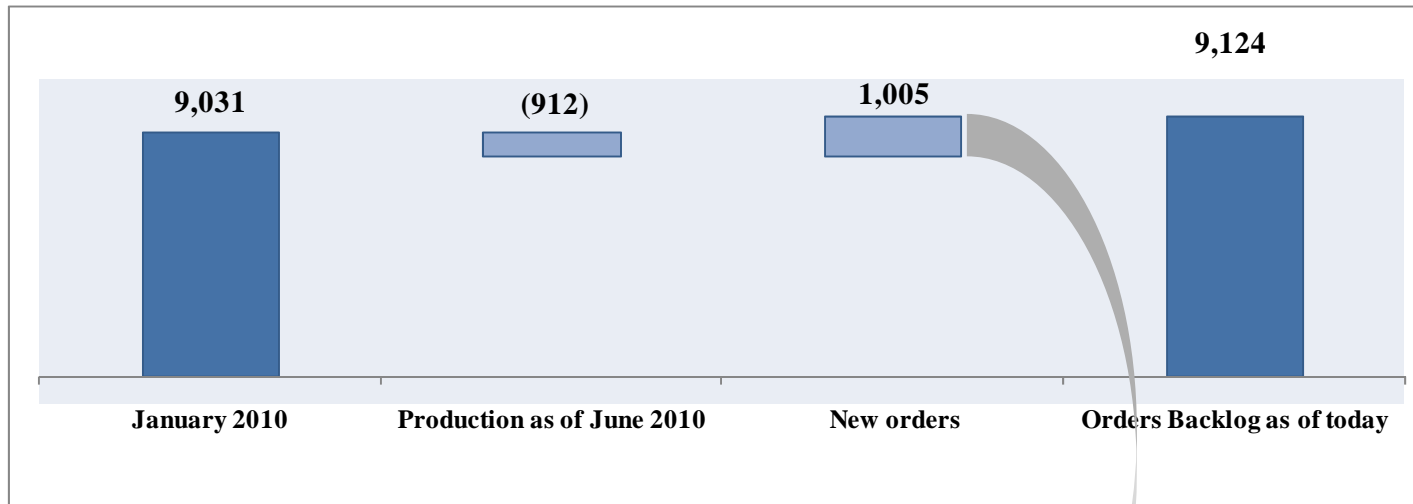
- ▶ Revenues increase reflects the **strategic guidelines to expand into neighboring markets**
- ▶ In **America**, activities in Venezuela are being reduced to < 10% of revenues, offset by Chile and Peru

- ▶ H1 2010 EBIT at EUR 84mn with margin over revenues at 8.6%



- ▶ Such a good level of profitability can be sustained over time only if the backlog in execution contains high quality contracts as a result of the combination of:
  - ▶ Successful commercial strategies
  - ▶ Conservative tender procedures/parameters
  - ▶ Strong risks management
  - ▶ Strong technical know-how
  - ▶ Efficient planning and control system

▶ **New orders for over EUR 1bn**



- ▶ **Milan Subway Line 5 (Italy):** EUR 446mn for construction and EUR 276mn for concessions (Astaldi shares)
- ▶ **Rome Subway Line C (Italy):** EUR 100mn (Astaldi share) referred to T3 (San Giovanni-Colosseo stretch)
- ▶ **Jubail Export Refinery Project (Saudi Arabia):** USD 80mn

# H1 2010 Results

## Construction backlog in execution

Country	Project	Stage of completion (%)	Order backlog Astaldi share value (€/000)	Ending Year
Italy	Rome Subway, Line C	30%	686.4	> 2012
Italy	Milan Subway, Line 5	28%	505.0	2015
Italy	Jonica National Road (Lot "DG22")	9%	257.7	> 2012
Italy	Jonica National Road (Lot "DG21")	64%	199.5	2011
Italy	"Pedemontana Lombarda" Highway	4%	197.6	> 2012
Italy	Bologna High Speed Railway Station	54%	185.8	> 2012
Italy	Academy of Police Officer in Italy	33%	177.6	> 2012
Italy	Four Hospitals in Tuscany	4%	156.4	2012
Italy	Parma - La Spezia Railway	28%	144.6	> 2012
Italy	Turin Railway Hub	70%	140.9	2012
Italy	"Infralegrea" Project in Naples	53%	80.6	2012
Italy	Other Initiatives		237.9	
			<i>Total</i>	2,970.0
			<i>Concessions (Italy)</i>	2,151.0
			<i>Order backlog (Italy)</i>	<b>5,121.0</b>
Algeria	Saida - Mulay Slissen Railway	10%	504.3	> 2012
Bulgaria	Plovdiv - Svilengrad Railway	25%	121.3	> 2012
Chile	Chacayes Hydroelectric Power Plant	52%	88.5	2011
El Salvador	El Chaparral Hydroelectric Power Plant	37%	96.5	> 2012
Poland	Warsaw Subway, Line 2	2%	331.0	> 2012
Poland	National Road 8 ("Piotrkow-Trybunalski" stretch)	5%	119.5	> 2012
Romania	Otopeni International Airport in Bucharest (Phase n. 3)	26%	110.2	2012
Romania	Railway projects in Romania	58%	74.8	2012
Romania	Medgidia - Costanza Highway	15%	74.8	2012
Romania	DN79 - Arad Oradea Highway	15%	55.0	2012
Turkey	Istanbul Subway	58%	155.2	> 2012
Venezuela	Puerto Cabello - La Encruicada Railway	53%	578.9	> 2012
Venezuela	San Juan De Los Morros - San Fernando de Apure Railway	38%	368.7	2012
Venezuela	Chaguaramas - Cabruta Railway	63%	86.3	> 2012
Abroad	Other Initiatives		644.1	
			<i>Total</i>	3,409.0
			<i>Concessions (abroad)</i>	594.0
			<i>Order backlog (abroad)</i>	<b>4,003.0</b>
			<i>Total Order Backlog as of June 30, 2010</i>	<b>9,124.0</b>

## H1 2010 Results

## Incoming orders

- As of Q1 2010 incoming orders were over EUR 8bn, but since then there have been important updates:

INITIATIVES	1 Q 2010 STATUS	UPDATE AS OF TODAY	ACQUISITION TIMING
<ul style="list-style-type: none"> <li>▼ ITALY, Milan Subway Line 5 extension (concession)</li> <li>▼ ITALY, Rome Subway Line C (construction)</li> </ul>	<ul style="list-style-type: none"> <li>▼ Nov. 2009: CIPE approves executive design and financing is allocated</li> <li>▼ In development</li> </ul>	<ul style="list-style-type: none"> <li>▼ July 2010: Assignment of contract extension</li> <li>▼ July 2010: CIPE approves last tranche of financing of T3 stretch</li> </ul>	<p>IN BACKLOG ✓</p> <p>IN BACKLOG ✓</p>
<ul style="list-style-type: none"> <li>▼ TURKEY, Gebze-Izmir Highway (concession)</li> </ul>	<ul style="list-style-type: none"> <li>▼ In development</li> </ul>	<ul style="list-style-type: none"> <li>▼ Negotiations with Turkish Government are progressing well. <u>Approval by the Turkish High Planning Council expected by year end.</u></li> <li>▼ Financial close: summer 2011</li> </ul>	<p>2H 2010 ✓</p>
<ul style="list-style-type: none"> <li>■ ITALY, Ancona highway (project finance)</li> </ul>	<ul style="list-style-type: none"> <li>▼ In development</li> </ul>	<ul style="list-style-type: none"> <li>▼ May 2010: CIPE approves preliminary design</li> </ul>	<p>TBD</p>
<ul style="list-style-type: none"> <li>■ LATIN AMERICA, hydroelectric projects in Chile and others</li> </ul>	<ul style="list-style-type: none"> <li>▼ In development</li> </ul>	<ul style="list-style-type: none"> <li>▼ Negotiation with our partner, Pacific Hydro, are well advanced on the construction and concessions of further power plants in the Cachapoal Valley</li> </ul>	<p>1H 2011</p>
<ul style="list-style-type: none"> <li>■ LATIN AMERICA, railway project in Venezuela</li> </ul>	<ul style="list-style-type: none"> <li>▼ In development</li> </ul>	<ul style="list-style-type: none"> <li>▼ May 2010: Signing of the 6th Bilateral Agreement which foresees further infrastructural investments and payments linked to oil barrels</li> </ul>	<p>&gt; 2012</p>



## H1 2010 Results

## Reclassified Income Statement

Main economic items (EUR/000.000)	H1 2010	% on rev.	H1 2009	% on rev.	%
<b>Total revenues</b>	<b>976.3</b>	<b>100.0%</b>	<b>925.1</b>	<b>100.0%</b>	<b>+5.5%</b>
Costs of production	(732.0)	(75.0)%	(695.3)	(75.2)%	+5.3%
Labor costs	(121.6)	(12.5)%	(119.1)	(12.9)%	+2.1%
Other operating costs	(12.9)	(1.3)%	(7.5)	(0.8)%	<i>n.m.</i>
<b>EBITDA</b>	<b>109.7</b>	<b>11.2%</b>	<b>103.2</b>	<b>11.2%</b>	<b>+6.3%</b>
Amortizations and depreciations	(25.9)	(2.7)%	(21.3)	(2.3)%	+21.4%
Provisions	(0.3)	0.0%	(1.2)	(0.1)%	(78.3)%
Write-downs	--	0.0%	(2.0)	(0.2)%	(100)%
(Capitalization of internal costs)	0.5	0.0%	0.4	0.0%	+14.3%
<b>EBIT</b>	<b>84.1</b>	<b>8.6%</b>	<b>79.1</b>	<b>8.5%</b>	<b>+6.3%</b>
Net financial charges	(35.4)	(3.6)%	(34.5)	(3.7)%	+2.7%
Effects of evaluation of inves. at equity method	1.5	0.1%	(0.2)	0.0%	<i>n.m.</i>
<b>Profit before taxes</b>	<b>50.1</b>	<b>5.1%</b>	<b>44.4</b>	<b>4.8%</b>	<b>+12.8%</b>
Taxes	(18.7)	(1.9)%	(16.8)	(1.8)%	+11.7%
Minorities	(0.2)	0.0%	(0.6)	(0.1)%	(67.4)%
<b>Net income</b>	<b>31.1</b>	<b>3.2%</b>	<b>27.0</b>	<b>2.9%</b>	<b>+15.3%</b>

### ✓ EBIT

- From a geographical point of view the contribution is well diversified among the different areas

- The greatest contribution comes from larger transport infrastructure projects

✓ Net financial charges include FOREX. Good risk control measures have tamed the effects on FOREX management from the devaluation of the Venezuelan bolivar

## H1 2010 Results

## Balance sheet and Net debt

MAIN BALANCE SHEET ITEMS (EUR/000)	H1 2010	Q1 2010	FY 2009 (*)
Total fixed assets	446,367	453,617	449,618
Working capital	461,703	545,731	403,697
Total funds	(34,227)	(33,360)	(33,364)
<b>Net invested capital</b>	<b>873,843</b>	<b>965,989</b>	<b>819,952</b>
<b>Net financial receivables/liabilities</b>	<b>(515,919)</b>	<b>(597,435)</b>	<b>(469,610)</b>
Financial receivables coming from concessions	55,064	49,703	43,046
<b>Total financial receivables/liabilities</b>	<b>(460,855)</b>	<b>(547,733)</b>	<b>(426,564)</b>
<b>Net equity</b>	<b>412,988</b>	<b>418,256</b>	<b>393,387</b>

- ▶ Strong cash-flow production: in Q2 2010 approx. EUR90mn from both domestic and international activities

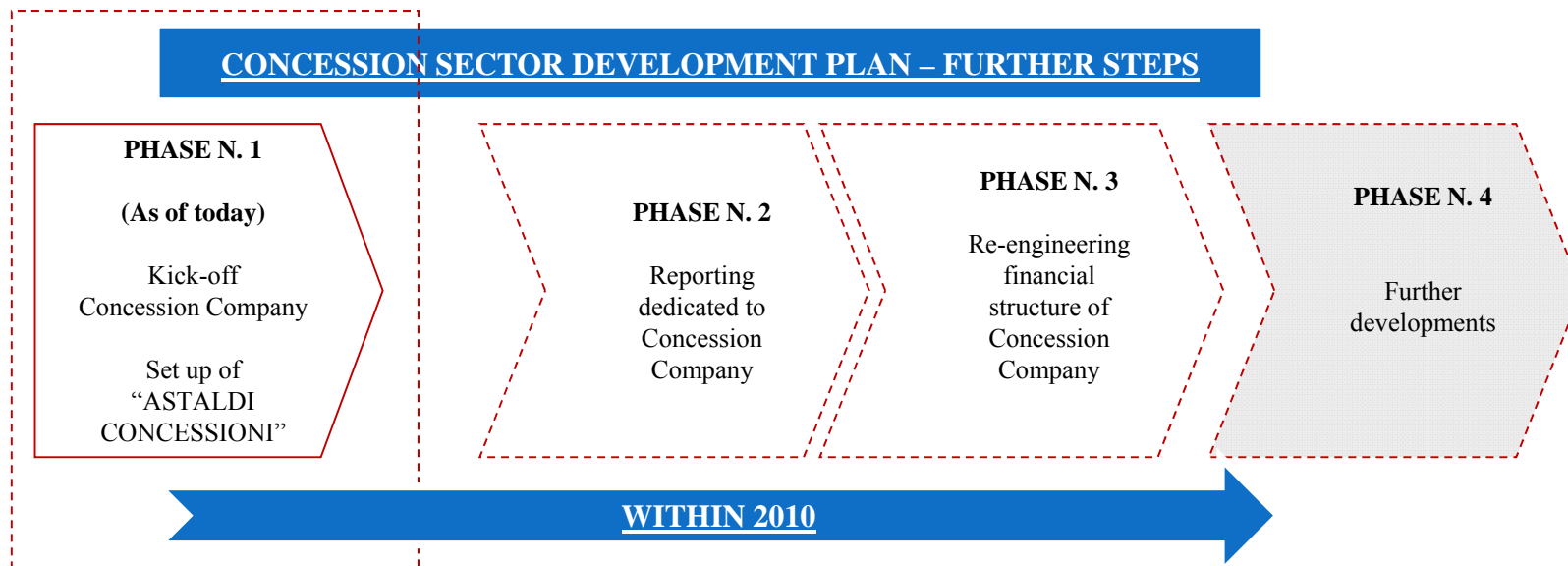
- ✓ Debt/Equity ratio at 1.1
- ✓ Corporate debt/equity < 1

NFP (EUR/000)	H1 2010	Q1 2010	FY 2009 (*)
<i>Cash and cash equivalents</i>	328,229	294,836	448,312
<i>Current financial receivables</i>	41,347	29,481	24,461
Current financial debt	(290,931)	(341,360)	(365,983)
Net current financial debt	78,645	(17,043)	106,790
Non current financial debt	(594,564)	(580,392)	(576,400)
<b>Net financial debt</b>	<b>(515,919)</b>	<b>(597,435)</b>	<b>(469,610)</b>
Financial receivables coming from concessions	55,064	49,703	43,046
<b>Total net financial debt</b>	<b>(460,855)</b>	<b>(547,733)</b>	<b>(426,564)</b>
Own shares	4,383	4,382	5,172
<b>Net financial position</b>	<b>(456,472)</b>	<b>(543,350)</b>	<b>(421,392)</b>

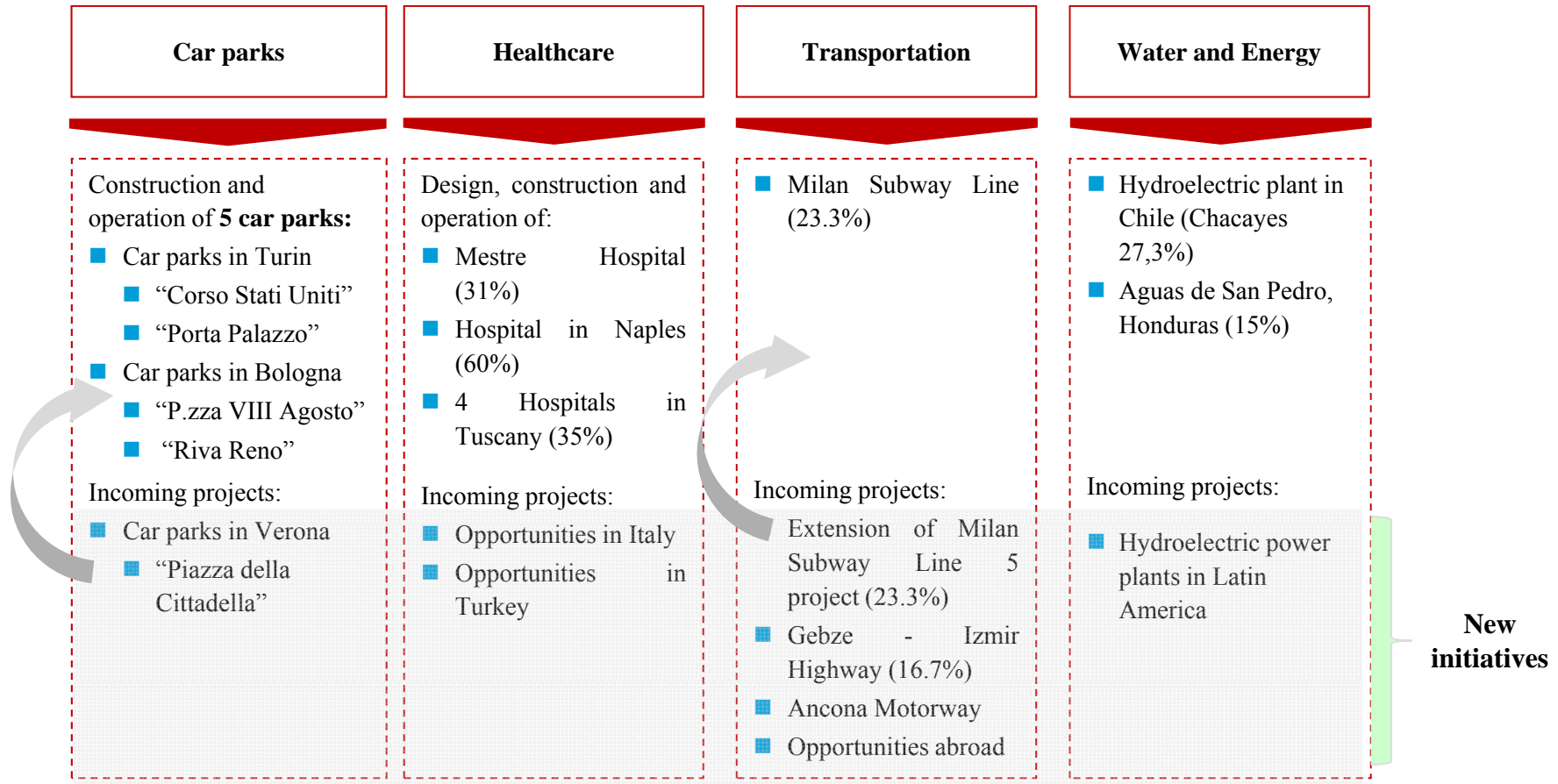
- ▶ A virtuous cycle has started based on a strict control over invested capital and on efficient cash management
- ▶ D&A cover CAPEX needs

(\*) Restated according to IFRIC12.

- ▶ The NewCo Astaldi Concessioni has been set up as the implementation of the project of **creating a separate Company**, 100% owned by Astaldi, to group all concessions activities in order to:
  - ▶ **Define a new organizational structure** in order to capitalize on the experience accrued and to create a “knowledge centre” suitable for the implementation of the Group’s development strategies;
  - ▶ **Express the real value of the assets**, highlighting their strategic role,
  - ▶ **Vest the concessions sector with its own legal, economic and financial identity;**
  - ▶ **Optimize the sources of finance**, in order to have a match between deadlines and projects’ economic and financial cycles.



- ▶ The concession activities will be transferred at book value to the new concession company on a step by step basis. The activities to be transferred are:



- ▶ As of today, all car parks and the participation in the concessions in Chile and Honduras have been transferred to the new concession company

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# APPENDIXES

## H1 2010 Results

## Reclassified Consolidated Income Statement

<i>EUR/000</i>	30/06/10	% on rev.	30/06/09	% on rev.
Revenues	912,268	93.4%	886,336	95.8%
Other revenues	64,006	6.6%	38,723	4.2%
<b>Total revenues</b>	<b>976,275</b>	<b>100.0%</b>	<b>925,059</b>	<b>100.0%</b>
Costs of production	(732,033)	(75.0)%	(695,307)	(75.2)%
<b>Added value</b>	<b>244,241</b>	<b>25.0%</b>	<b>229,752</b>	<b>24.8%</b>
Labor costs	(121,569)	(12.5)%	(119,087)	(12.9)%
Other operating costs	(182,926)	(1.3)%	(7,469)	(0.8)%
<b>EBITDA</b>	<b>109,747</b>	<b>11.2%</b>	<b>103,196</b>	<b>11.2%</b>
Amortisation	(25,874)	(2.7)%	(21,310)	(2.3)%
Provisions	(265)	(0.0)%	(1,221)	(0.1)%
Write-downs	--	0.0%	(2,000)	(0.2)%
(Capitalization of internal construction costs)	465	0.0%	407	0.0%
<b>EBIT</b>	<b>84,073</b>	<b>8.6%</b>	<b>79,072</b>	<b>8.5%</b>
Net financial income and charges	(35,438)	(3.6)%	(34,495)	(3.7)%
Effects of valuation of shareholdings at equity method	1,457	0.1%	(169)	(0.0)%
<b>Income (loss) before the taxes</b>	<b>50,091</b>	<b>5.1%</b>	<b>44,407</b>	<b>4.8%</b>
Taxes	(18,739)	(1.9)%	(16,782)	(1.8)%
<b>Income (loss) for the period</b>	<b>31,352</b>	<b>3.2%</b>	<b>27,625</b>	<b>3.0%</b>
Minority profit (loss)	(197)	(0.0)%	(605)	(0.1)%
<b>Group net income</b>	<b>31,155</b>	<b>3.2%</b>	<b>27,020</b>	<b>2.9%</b>

## H1 2010 Results

## Reclassified Consolidated Balance Sheet

EUR/000	June 30 2010	December 31 2009
Intangible fixed assets	4,075	3,966
Tangible fixed assets	313,242	319,959
Shareholdings	97,622	93,397
Other net fixed assets	31,428	32,297
<b>TOTAL Fixed assets (A)</b>	<b>446,367</b>	<b>449,618</b>
Inventories	83,440	90,316
Contracts in progress	816,094	648,626
Trade receivables	33,090	27,541
Accounts receivables	587,954	683,536
Other assets	177,949	157,581
Tax receivables	96,561	78,391
Advances from customers	(380,458)	(382,905)
<i>Subtotal</i>	<i>1,414,630</i>	<i>1,303,086</i>
Trade payables	(126,957)	(90,034)
Due to suppliers	(549,842)	(543,639)
Other liabilities	(276,128)	(265,716)
<i>Subtotal</i>	<i>(952,928)</i>	<i>(899,389)</i>
<b>Working capital (B)</b>	<b>461,703</b>	<b>403,697</b>
Employee benefits	(9,185)	(9,555)
Provisions for non-current risks and charges	(25,042)	(23,809)
<b>Total Funds (C)</b>	<b>(34,227)</b>	<b>(33,364)</b>
<b>Net invested capital (D) = (A) + (B) + (C)</b>	<b>873,843</b>	<b>819,952</b>
Cash and cash equivalents	324,238	444,138
Current financial receivables	20,986	22,043
Non current financial receivables	20,362	2,418
Securities	3,991	4,175
Current financial liabilities	(290,931)	(365,983)
Non current financial liabilities	(594,564)	(576,400)
<b>Net financial receivables / payables (E)</b>	<b>(515,919)</b>	<b>(469,610)</b>
Financial receivables coming from concessions	55,064	43,046
<b>Total net financial payables / receivables (F)</b>	<b>(460,855)</b>	<b>(426,564)</b>
Group equity	(392,336)	(375,122)
Minority equity	(20,652)	(18,265)
<b>Group net equity (G) = (D) - (F)</b>	<b>412,988</b>	<b>393,387</b>

	30/06/10	30/06/09
<i>Results for the period attributable both to the Group and minority shareholders</i>	31,352	27,625
<i>Gross operating cash-flow</i>	25,311	26,193
<i>Total (increase)/decrease in working capital</i>	(61,737)	(68,343)
<b>A – TOTAL CURRENT OPERATING CASH-FLOW</b>	<b>(5,074)</b>	<b>(14,524)</b>
<b>B – (INCREASE)/DECREASE IN FIXED ASSETS</b>	<b>(46,672)</b>	<b>(83,132)</b>
<b>C – (INCREASE)/DECREASE IN FINANCING ACTIVITIES</b>	<b>(68,153)</b>	<b>23,868</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(119,899)</b>	<b>(73,788)</b>