Astaldi's Board of Directors approves the 2012-2017 Business Plan

ASTALDI IN 2012: FORECAST REVENUES OF APPROXIMATELY EUR 2.5 BILLION

NET PROFIT UP IN LINE WITH 9 MONTH GROWTH

ASTALDI IN 2017: REVENUES OF EUR 4 BILLION, AVERAGE ANNUAL GROWTH OF +9%

NET PROFIT OF OVER EUR 170 MILLION, + 18%

ORDER BACKLOG OF OVER EUR 22 BILLION, +16%

2017 targets and average annual growth:

- Increase in order backlog to over EUR 22 billion, +16%
- Revenues of EUR 4 billion, +9%
- EBIT of approximately EUR 370 million, +12%
- EBIT margin in excess of 9%
- Net profit of over EUR 170 million, +18%
- High self-financing capacity: cash-flow from construction at EUR 350 million
- Major reduction in construction-related debt which will target zero
- Net financial position at EUR 630 million
- Concession-related debt will total app. EUR 680 million
- Increase in equity to EUR 1000 million by the end of 2017
- Overall debt/equity ratio of 0.6x on 2017

Rome, 13 November 2012 - The Board of Directors of Astaldi S.p.A., chaired by Paolo Astaldi, met today to examine and approve the guidelines of the Group's Business Plan for the next five years.

Stefano Cerri, the Group's Chief Executive Officer, reported the following: *"As regards the last five years we have doubled profits and turnover and ensured a high-quality order backlog despite the real difficulties of markets. At the present time, we have improved control of market-risk and of profitability level such as to be able to guarantee in the future a stable growth.*".

<u>Growth drivers</u>

The 2012-2017 Business Plan reaps the rewards and benefits from the results achieved in relation to the previous Business Plan, laying the foundations for an additional period of growth for the Group. Growth drivers are based on consolidating the Company's hallmark features such as its strong competitive positioning, high-quality order backlog and highly qualified management, and introduce new ideas compared to the past, aiming at optimising the Group's improved integrated offer capacity and maximising the value of concession activities.

We will see intensification of the Group's role in areas where traditionally present and the strengthening of new markets (Canada and Russia) that can already offer interesting development opportunities, while rescaling of activities in the Middle East. Italy will continue to play an all-important role, also thanks to opportunities and synergies that may arise from the concessions sector.

The 2012-2017 Business Plan consolidates the current development model, including through the optimisation of processes to integrate the various operating areas. Said model reflects the know-how acquired in the construction and concessions sectors, as well as the skills consolidated in the engineering systems and project management sectors, also thaks to the recent acquisitions (NBI Impianti ed Energia, TEQ).

<u>Economic and equity targets</u>

Consolidated strategic goals (EUR)	2012 Targets	2017 Targets	Average YOY change 2012-2017
Order backlog	~ 11 billion	~ 22 billion	~ +16%
Total revenues	~ 2.5 billion	~ 4 billion	~ +9%
EBIT	~ 210 million	~ 370 million	~ +12%
EBIT margin *(%)*	~ 8.5%	> 9%	--
Net profit	In line with 9M2012 growth	> 170 billion	~ +18%
Invested capital	~ 1.2 million	~ 1.7 million	
Net financial debt	~ 650 million	~ 630 million	
Equity	~ 540 million	~ 1,000 million	
Debt/equity ratio	1.2x	0.6x	--

The order backlog will amount to approximately EUR 22 billion with an average YOY growth of approximately +16%. Construction will total EUR 13 billion thanks to the significant role of contracts with a high technological content (EPC, General Contracting) and orders deriving from partnerships with the concessions and plant engineering sectors. Concessions will total EUR 9 billion, mostly represented by projects that have already been singled out. We must remember that the development model adopted for concessions provides for a risk/return ratio that is mitigated by minimum fees (availability charges, minimum traffic, water rights) which are already able to guarantee more than 50% of total revenues and hence the return on the investment made.

The breakdown of orders from a geographical and sector viewpoint sees Italy accounting for approximately 38% of the backlog, while the remaining 62% is guaranteed by foreign activities, hence the consolidation of traditional markets is planned along with additional contribution from areas the Group has recently made its entry into. As regards sectors, transport infrastructures will continue to play a key role, but there will also be an increase in the contribution from energy and non-residential construction (especially thanks to expertise acquired in the healthcare construction sector) and from the engineering systems and facility management thanks to the development of solutions integrated with the know-how of the subsidiary NBI Impianti ed Energia.

Total revenues will amount to EUR 4 billion with an average YOY growth of +9% (approximately EUR 2.5 billion forecast for the end of 2012). The planned growth will be backed up by the strengthening of the Group's role in areas where traditionally present (Italy, Europe and Turkey, the Maghreb, Latin America and North America), as well as by consolidation of markets recently entered into (Canada and Russia) able to ensure major development opportunities. Rescaling of the Group's presence is planned in the Middle East where it will limit itself to completing projects currently in progress and where it does not consider the singling out of new investment opportunities to be of interest.

The **EBIT margin will stand at over 9%** (approximately 8.5% forecast for the end of 2012) and will benefit from (i) **the good quality of orders in the backlog** which, in turn, is the result of multi-year, coherent planning of activities; (ii) **the increasing focus on EPC and general contracting initiatives** that, by their very nature, are able to promote the achievement of interesting economies of scale; (iii) **the improved integrated offer capacity** which, on the one hand, will ensure the flow of new construction contracts linked to concession projects that, by their very nature, offer higher margins and, on the other, will offer the opportunity to absorb the portion of margin which to date was instead left to third parties (industrial partnership logic as a result of vertical integration).

Net profit will increase to more than EUR 170 million which is equal to an **average YOY growth of +18%**, also thanks to the contribution from concessions.

With regard to planned growth, **total investments** of approximately EUR 700 million are planned for the whole duration of the Business Plan, mostly self-financed by cash flow from construction projects that will generate cash flow totalling EUR 350 million. Concessions will also guarantee a significant share of self-financing with dividends from the SPVs for a total of approximately EUR 100 million over the five year plan. Lastly, the plan includes the valuation in terms of financial transaction of some concession activities in order to cash-in the value created by the investment made and to support additional growth.

Investments during the Business Plan period will be mainly linked to concession projects already singled out, and will be carried out thanks to good cash flow generation from construction projects and the extension of debt repayments.

Requalification of invested capital, backed up by a high-quality order backlog with high margins, will ensure more marked cash flow generation by the construction sector which will be used to support concession investments.

Overall net financial debt will amount to approximately EUR 630 (approximately EUR 650 million forecast for the end of 2012). A forecast increase in equity to approximately EUR 1,000 million is planned (approximately EUR 540 million forecast for the end of 2012), also thanks to a profit retention policy which provides for a pay-out ratio of approximately 25%. Therefore, the overall debt/equity ratio will stand at 0.6x (1.2x forecast for the end of 2012).

°°°

The 2012-2017 Business Plan will be presented to the financial community in Milan on 15 November – for more details, please consult www.astaldi.com.

ASTALDI GROUP is the leading General Contractor in Italy, working in the design, construction and management of public infrastructures and large-scale civil engineering works, mainly in the transport infrastructure, energy production plant, civil and industrial construction, and plant engineering sectors. It has been listed on the Italian Stock Exchange since 2002 and holds 89th position in the list of Top Global Contractors. ASTALDI GROUP ended 2011 with an order backlog of over EUR 10 billion, a turnover

of EUR 2.4 billion, EBITDA of EUR 259 million, EBIT of EUR 201 million and net profit of EUR 71 million; net financial debt for the year, excluding treasury shares, amounted to EUR 479.7 million.
At the current time, ASTALDI GROUP works in 6 macro-areas worldwide: Italy, Central Europe (Poland, Romania, Russia) and Turkey, the Middle East (Saudi Arabia, United Arab Emirates, Oman, Qatar), the Maghreb (Algeria), Latin America (Venezuela, Peru, Chile, Central America) and North America (Canada, USA).

For more information:

Astaldi S.p.A.
Tel. 06/41766389
Alessandra Onorati
Head of External Relations and
Investor Relations
a.onorati@astaldi.com -- www.astaldi.it

PMS Corporate Communications
Tel. 06/48905000
Giancarlo Frè Torelli
Andrea Lijoi