

A unique value proposition

2010 - 2015 Business Plan Presentation

September 23, 2010





Mr. Paolo Astaldi

Chairman





- Our proven track record
- Business Plan highlights
- Concession business embedded value
- Strategic levers for growth
- Our unique value proposition



Transforming expectations into facts







Astaldi snapshot

Overview

- Leading operator in public construction sector:
 - leadership in Italy
 - # 95 worldwide (2010 ENR ranking)
 - strong and well-established reputation built over 85 years of activities
- Strong positive result track record
 - Revenues 05-10 CAGR: +14.4%
 - EBIT 05-10 CAGR: +16.9%
- Worldwide direct presence in 23 countries
- Recent diversification in concession sector:
 - 7 concessions under operation
 - 7 concession under construction (Italy and abroad)
 - relevant pipeline of opportunities under negotiation
- Well-balanced organizational structure and management team

(*) Source: 2009 Annual Report

	Actual 2009 Group	Preliminary 2010 Group	Var 09-10 Group
Order backlog (€B)	9.0	~9.2	~2%
Revenues (€M)	1,870	>2,000	~7%
EBIT (€M)	155	~170	~10%
EBIT margin (%)	8.3%	~8.5%	
Net Profit (€M)	51	~62	>20%
Net Indebtdness (€M)	(472)	<(470)	
D/E ratio	1.25x	< 1.1x	

Key figures

ORDER BACKLOG AT 30.06.10





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 Reinforcing market positioning by growing steadily while keeping a solid financial structure



Growing steadily



ASTALDI Growth coupled with a strong financial discipline B€ Revenue Debt/ Equity ratio 2.0 3.0 1.5 2.0 < 1.1 0.93 1.0 < 0.70 1.0 0.5 0.0 0.0 Expected Plan 2005 2010 (end) 2015 (end) NFP (M€) (239)< (470) ~ (600) ~ 430 Equity (M€) 256 ~ 900 Reducing D/E ratio at less than 0.7 while net invested capital growing at 1.5 B€



A current strong market positioning which will be boosted by our future plan...



... improving also our strong positioning in terms of **ASTALDI** financial structure (debt/equity ratio)





• Reinforce market positioning by growing steadily while keeping a solid financial structure

 The development of our concessions business is a key factor for growth



Concessions business: strong backlog and significant value creation



Boost of concessions business reflected in the business valuation



- Reinforce market positioning by growing steadily while keeping a solid financial structure
- The development of our concessions business is a key factor for growth
- 460 M€ allocated to fund our concessions business development mainly provided by general contracting activities



Investing in concessions business





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Concessions business embedded value

 Concessions: a growing business through which Astaldi will extract significant value also by leveraging its superior contracting competences





The concessions business development guarantees a robust **ASTALD** combination of strategic, financial and operational benefits





- Concessions: a growing business through which Astaldi will extract significant value also by leveraging its superior contracting competences
- Astaldi market entry strategy in concessions is focused on building a time hedged portfolio coupled with a risk minimization approach

Time hedged concessions portfolio will continuosly improve balancing between cash generating "in operating" concessions and cash absorbing "under construction"





Astaldi risk mitigation approach

	Key success factors	Risks on	Astaldi approach to minimize risks
-	Timely delivery of turn-key projects without cost overruns	• Execution risks (delays)	Integration with construction and effective project and risk management
•	Quality of service/ profitability in operation	Mismatch between competence needed and operators	Partnership with highly recognized/ specialized local operators
•	Volumes	Macroeconomics & demography parameters:	Minimum guarantee clause in terms of:
	 Highways (trend of light/heavy vehicle traffic) Hospital (numbers of bed and patients) 	 Population, oil prices Population, private consumption level 	- Minimum fee guarantee (e.g: a minimum fee on certain services will be guaranteed)
	 Parking (trend of light vehicle traffic) Water and energy (trend in electricity and water consumption) 	 Population a number and aging Population, urbanization Population and industrial production 	- Take-or-pay mechanism (final customer either pay for the products or pays the supplier a penalty)
•	Project financial sustainability	Level of indebtedness	 High stake of public grant Minority Astaldi stake



Risk profile of current portfolio





- Concessions: a growing business through which Astaldi will extract significant value also by leveraging its superior contracting competences
- Astaldi market entry strategy in concessions is focused on building a time hedged portfolio coupled with a risk minimization approach
- Current portfolio, including parking, healthcare and transportation infrastructure concessions in Italy and water & energy concessions in Latin America, has an equity value higher than 120 M€



Current concessions overview





SEGMENT	EGMENT COUNTRY		EV (€M) Astaldi share Debt (€M)		Equity value Astaldi share Ke		Book Value Astaldi (*)
PARKING	ITALY	85.5	(49.1)	36.4	7%-8%	DCF	22.0
HOSPITAL	ITALY	39.2	(15.9)	23.3	8%	DDM	10.3
TRANSPORTATION	ITALY	24.7	(5.8)	18.9	8%	DDM	5.8
WATER & ENERGY CHILE - HONDURAS		83.6	(40.7)	42.9	9,4%	DDM - Book Value	18.9
TOTAL		233.0	(111.5)	121.5			57.0

(*) Figures referred at june 30 2010



More than 120 M€ of concessions equity value



- Concessions: a growing business through which Astaldi will extract significant value also by leveraging its superior contracting competences
- Astaldi market entry strategy in concessions is focused on building a time hedged portfolio coupled with a risk minimization approach
- Current portfolio, including parking, healthcare and transportation infrastructure concessions in Italy and water & energy concessions in Latin America, has an equity value higher than 120 M€
- Current pipeline of development initiatives will allow us to implement a balanced time hedged concession portfolio within 2015...



A time hedged concessions portfolio "under construction"





Planned timeline for closing and execution of current developing initiatives



Turkey concession to be closed by the end of 2010 and hydro-plants launch in Latin America by mid 2011 reaching more than 1,000MW in 2020



In a few years we will manage a very large concessions portfolio





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- Current portfolio, including parking, healthcare and transportation infrastructure concessions in Italy and water & energy concessions in Latin America, has an equity value higher than 120 M€
- Current pipeline of development initiatives will allow us to implement a balanced time hedged concession portfolio within 2015...

... growing concessions business value at more than 500 M€



Long-term concessions value





- Our proven track record
- Business Plan highlight
- Concession business embedded value

Strategic drivers for growth

• Our unique value proposition



 Continue to diversify geographically by adiacencies in order to hedge market risks and to pursue opportunities in high developing countries



(*) Source: Federcostruzioni and Cresme Ricerche, February 2010







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 Mantain our leadership position in high technology general contracting and a high "visibility" portfolio



Leader in high technology construction





Construction portfolio "visibility"

Construction revenue breakdown (M€)

Cumulated revenue



60% of construction revenue "secured" in the next 5-years horizon



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Our unique value proposition



Our unique value proposition couples contracting capabilities with a time-hedged concessions portfolio





Our unique proposition couples contracting capabilities with a time-hedged concessions portfolio





APPENDIX



Details on current portfolio

				Date of								
Name of project	Country	Status	Order value (€/M)	starting of operation	Duration (no. of ys.)	Segment	Description	Total life revenues	Guarantee	Total investment	% Astaldi	Public grant (€M)
project	country	oraras	(0, 11)	operation		oege.n	3,700		oud diffee		, or totalai	(0.0.)
							parking					
							lots (5		Minimum fee			
							parking		(65% of			
Parking	Italy	Operation	273	1999-2010	37-80 years	Parkings	sites)	€414M	revenues)	€61M	100.0%	22
							680 beds		Minimum fee			
Mestre							20 cradles		(95% of			
Hospital	Italy	Operation	376	2008	25 years	Healthcare	20 dialysis	€1,464M	revenues)	€ 255M	31.0%	120
									Minimum fee			
Naples		Constructi					450 beds		(65% of			
Hospital	Italy	on	601	2014	24 years	Healthcare	50 low care	€ 948M	revenues)	€206M	60.0%	108
							1.700 beds					
							52					
							operationa					
							l theatres		_			
							132		Minimum fee			
4 Hospitals		Constructi					dialysis		(69% of			
in Tuscany	Italy	on	420	2014	19 years	Healthcare	units	€ 1,236M	revenues)	€ 424M	57.0%	242
Milan									Minimum fee			
Subway		Constructi				Transporta			(32% of			
Line 5	Italy	on	206	2011	27 years		6.1 km	£ 1 078M	revenues)	€ 630M	23.3%	350
Milan	itary		200	2011	27 years		0.1 Km	£ 1,070101	Minimum fee	0000	23.370	330
Subway		Constructi				Transporta			(32% of			
	Italy	on	276	2015	27 years		8 km	€1.445M	revenues)	€ 815M	23.3%	430
	,											
						_			Take or pay			
Chacayes		Constructi				Water &			(60% of			
Plant	Chile	on	350	2011	perpetuity	Energy	110MW	€1,320M	production)	USD 448M	27.3%	-
Agua de							85mn					
San Pedro		Constructi				Water &	water					
Sula	Honduras	on	244	2011	28 years		production				15.0%	
TOTAL			2,746		,	;						

6 concessions already in operations (5 parkings and Mestre hospital) while the other project are under construction (end in 2011-15)



Economics detail on concessions business

SPVs in operations will generate profits



Impact on Astaldi Concessions

Astaldi conces- sions	CF/ Dividends EBIT EBT Net income	6,1 3,6 1,5 1,0	> 40 > 36 > 27 > 18	> 82 > 80 > 68 > 40	ス ス ス	
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2010-2015 Business Plan: main targets

	2009 FY	2010 Expected	2015	CAGR 2010- 2015
Backlog	9,031	9,200	15,000	~ 10 %
of which concessions	2,469	~ 2,700	7,000	
Revenues	1,870	> 2,000	> 3,100	~ 10 %
EBIT	155	~ 170	~ 300	~ 13
Ebit margin	8.3%	8.5%	> 9,5%	
Net Income	53	62	~ 135	~ 17 %
Net Invested capital	851	900	~ 1,500	
of which concessions	85	110	570	
NFP	(472)	< (470)	~ (600)	
of which construction	(387)	(360)	~ (100)	
of which concessions	(85)	(110)	~ (500)	
Net Equity	379	~ 430	~ 900	