

# Company Presentation

Growing steadily since 1920



- **Astaldi Group**
- 2010-2015 Business Plan
- Appendix

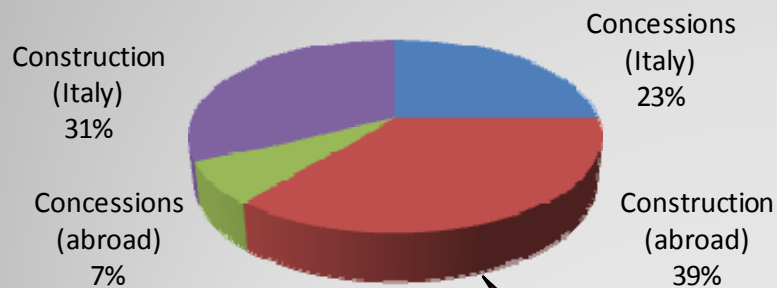
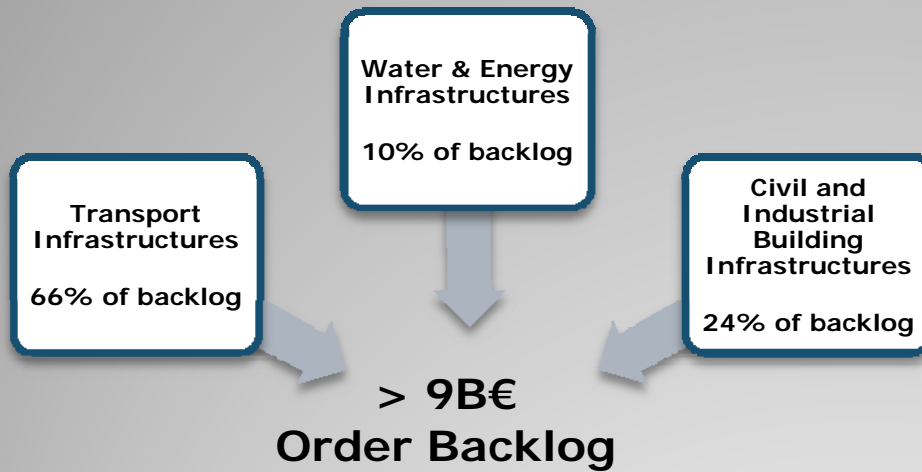
## Who we are

- **ASTALDI is one of the world's leading contractor, operating also as promoter of project finance initiatives**
  - # 95 contractor worldwide
    - # 6 in mass transit & rail sector
  - strong and well-established reputation built over 85 years of activity



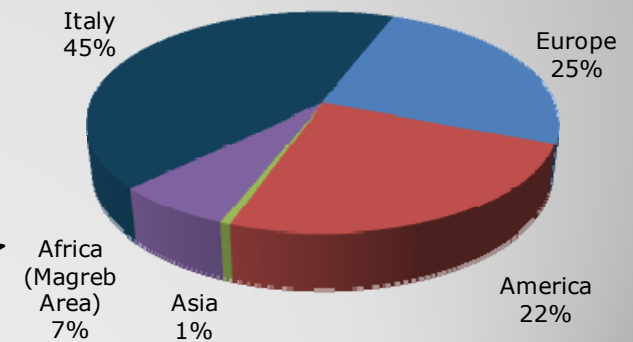
ITALY, Pont Ventoux  
Hydroelectric Power Plant

## What we do



Well-balanced mix of activities

**> 2B€ revenues**



- Astaldi Group
- **2010-2015 Business Plan**
- Appendix

## A path for growth

...YESTERDAY...

2000-2005

- IPO
- A path for growth



TURKEY , Anatolian Motorway  
(general contracting, abroad)

...TODAY...

2006-2010

- Becoming a market leader



ITALY , Jonica National Road  
(general contracting, Italy)

...TOMORROW...

2010-2015

- A dual strategy in infrastructures: concessions and general contracting

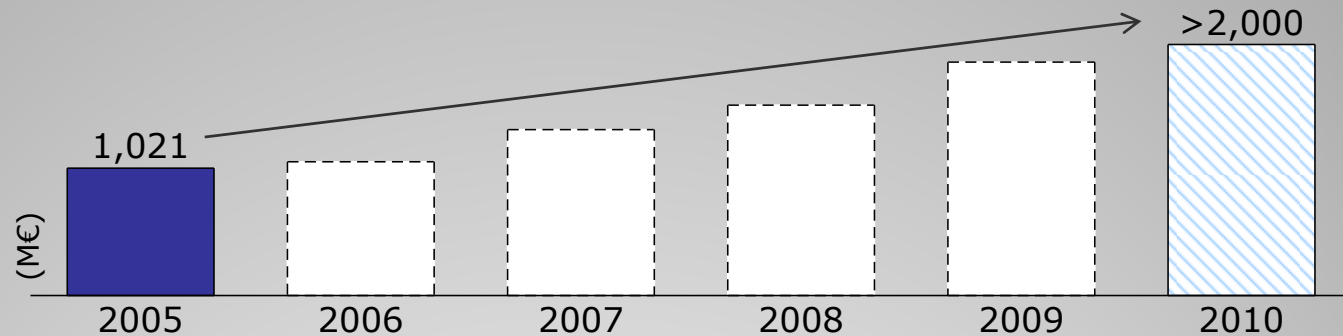


CHILE, Chacayes Dam  
(concession, abroad)

## Transforming expectations into facts

BUSINESS PLAN 2005-2010 (PRESENTED IN 2005)

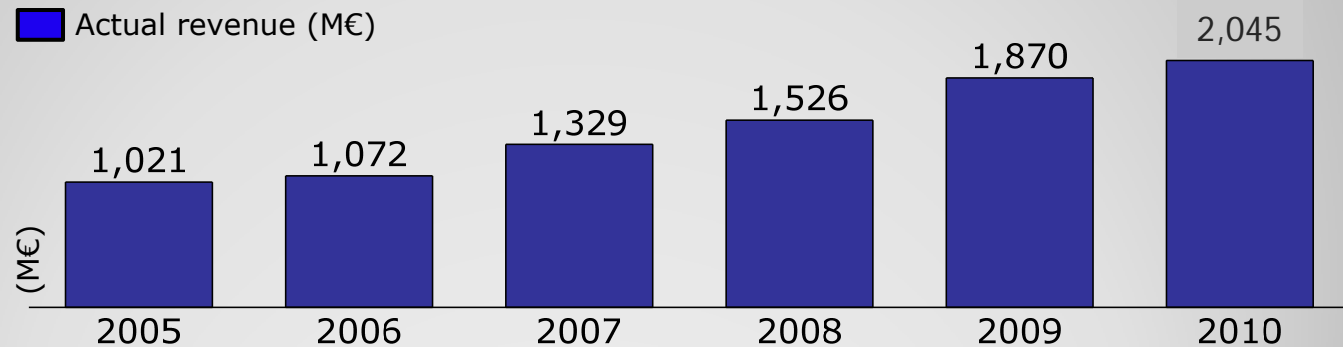
What we  
planned  
in 2005...



EBIT % 7.6% → > 8.0%

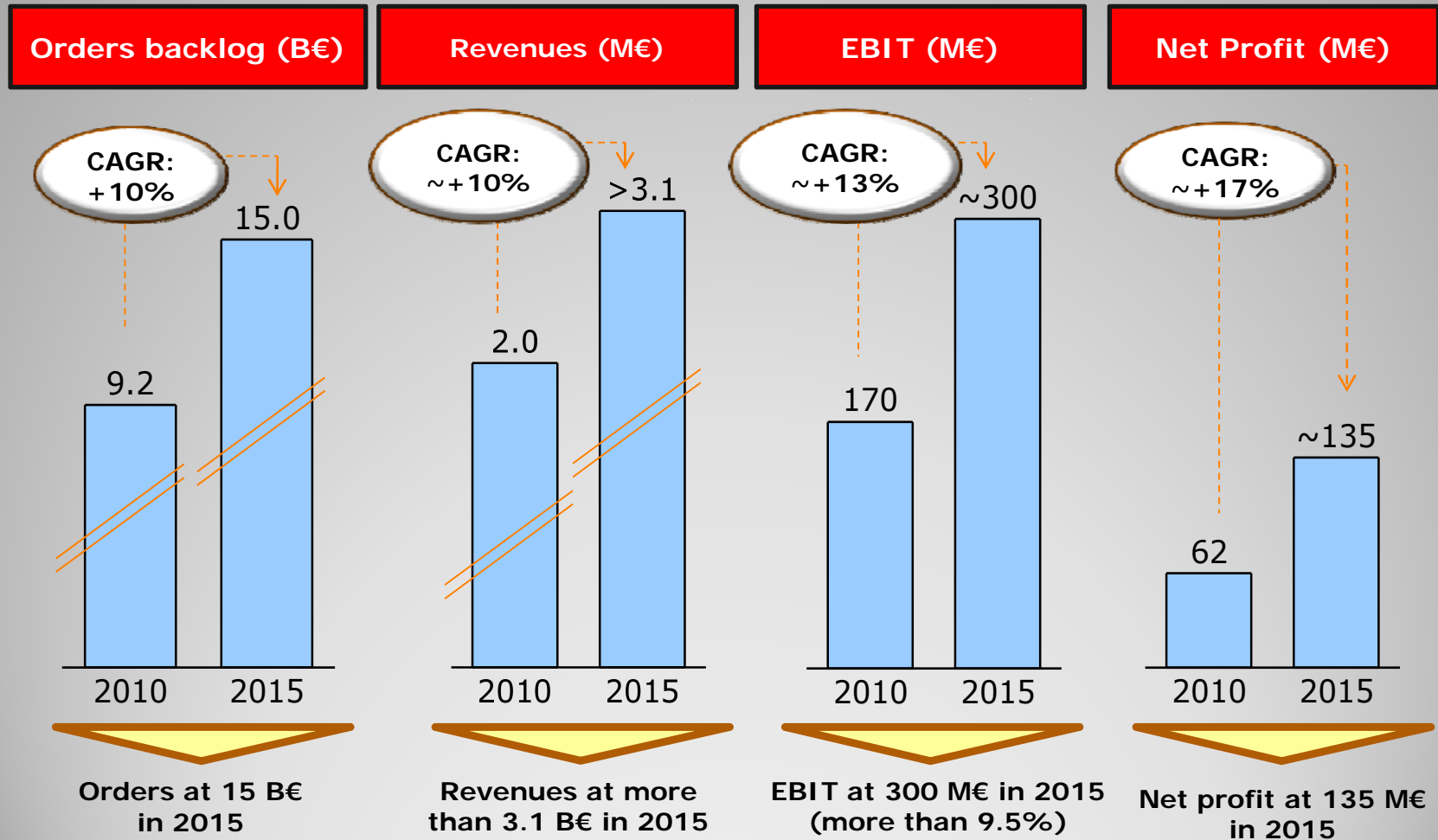
... what  
we have  
achieved

Actual revenue (M€)



EBIT % 7.6% 7.3% 8.6% 8.7% 8.3% 8.5%

## 2010–2015 Business Plan targets





## 2010-2015 Business Plan drivers for growth

1

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

- Continue to diversify geographically by adjacencies in order to hedge market risks and to pursue opportunities in high developing countries
- Maintain our leadership position in high technology general contracting and a high “visibility” portfolio
- Develop concession business is a key factor for growth

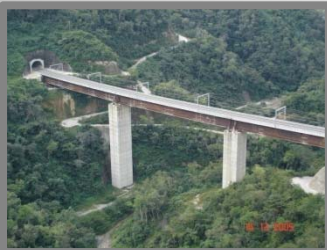
1

- Astaldi prevailing interest in turn key contracts with high technological content
  - Competitive hedge and higher profitability

## TRANSPORT INFRASTRUCTURES

Major transport infrastructures works completed in the last 10 years:

- Italy: Rome-Naples High-Speed Railway, 202 km
- Turkey: Anatolian Motorway , 400 km
- Venezuela: 560 km of railway lines under construction and 42 km of railway lines already delivered



VENEZUELA, Caracas-Tuy Railway  
(general contracting)



ITALY, Jonica National Road  
(general contracting)

## Reinforcing market positioning ...



ITALY, Rome Subway Line C  
(general contracting)



ITALY, Milan Subway Line 5  
(concession under construction)

## SUBWAYS (in progress)



- Astaldi prevailing interest in turn key contracts with high technological content

### WATER & ENERGY *(in progress)*

*On going projects:* Chacayes (Chile, 106MW), Huanza (Peru, 90MW), El Chaparral (El Salvador, 66MW), Pirris RCC Dam (Costa Rica)

*Further initiatives to be developed in El Salvador, Nicaragua, Chile with multilateral or sovereign funds/guarantees*



CHILE, Chacayes Hydro. Plant  
(concession under construction)

## Reinforcing market positioning ...

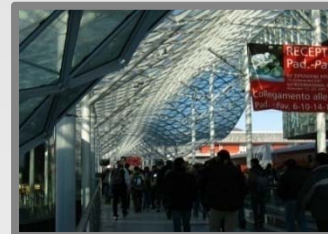
### CIVIL and INDUSTRIAL BUILDING

Major C&IB completed in the last 10 years:

- Italy: Mestre Hospital – first project finance hospital in Italy (680 beds), New Milan Expo Fair Centre (1,400,000 sq.m.), “Carlo Poma” Hospital in Mantua (241 beds)
- Qatar: civil works related to a plant for the construction of the aluminium in Mesaieed (4 silos of 300,000 cubic meters of total volume)

*On going:* 4 Hospitals in Tuscany (Italy, 1,700 beds), Naples Hospital (Italy, 450 beds)

*Further initiative to be developed in Chile and Turkey*



ITALY, Rho-Pero Expo  
Fair Centre in Milan

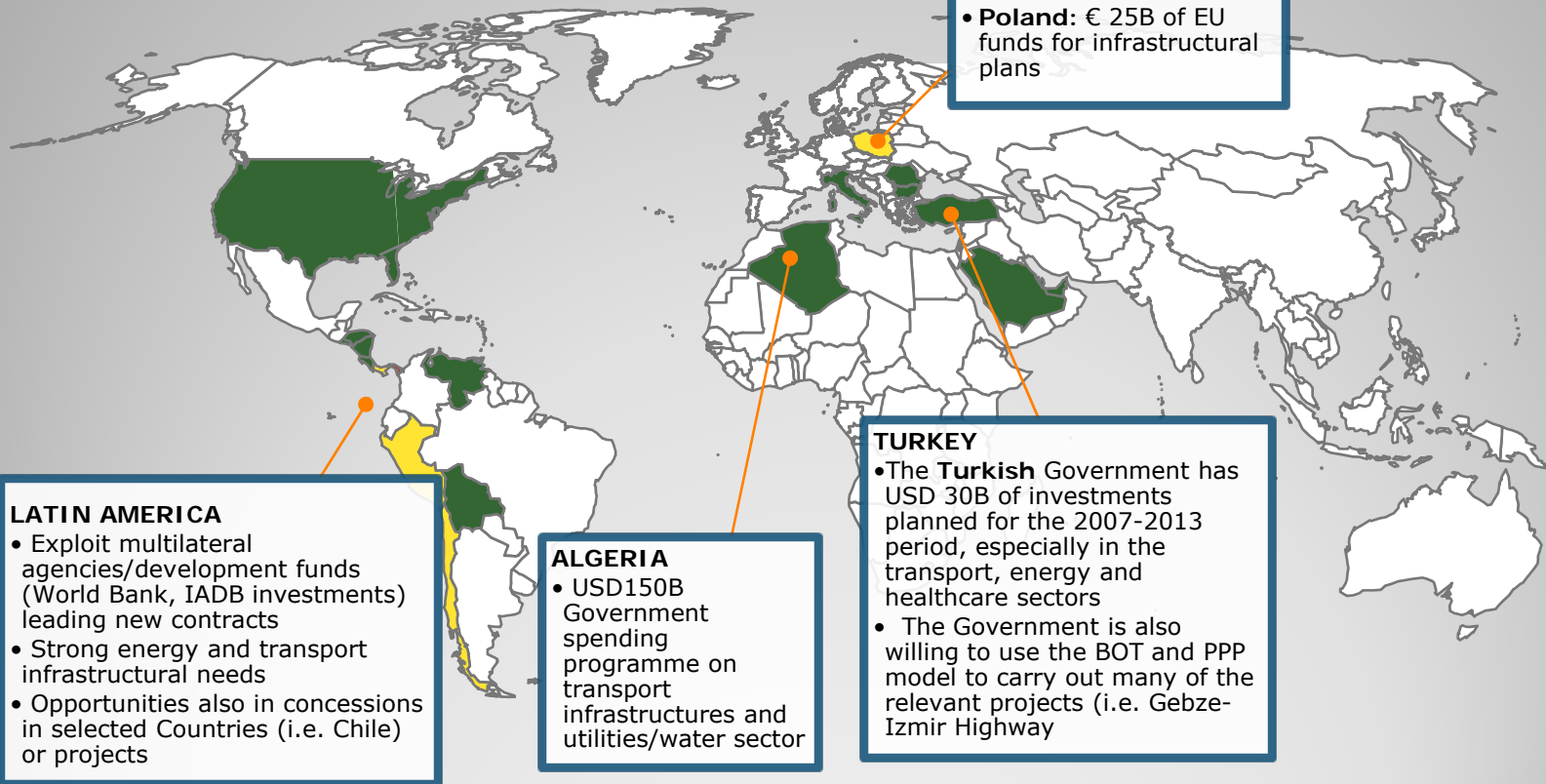


ITALY, Mestre Hospital

## Reinforcing market positioning ...

- Expansion in markets with ambitious spending plan, also in order to fill infrastructural needs in strategic sectors, such as energy, transport infrastructures

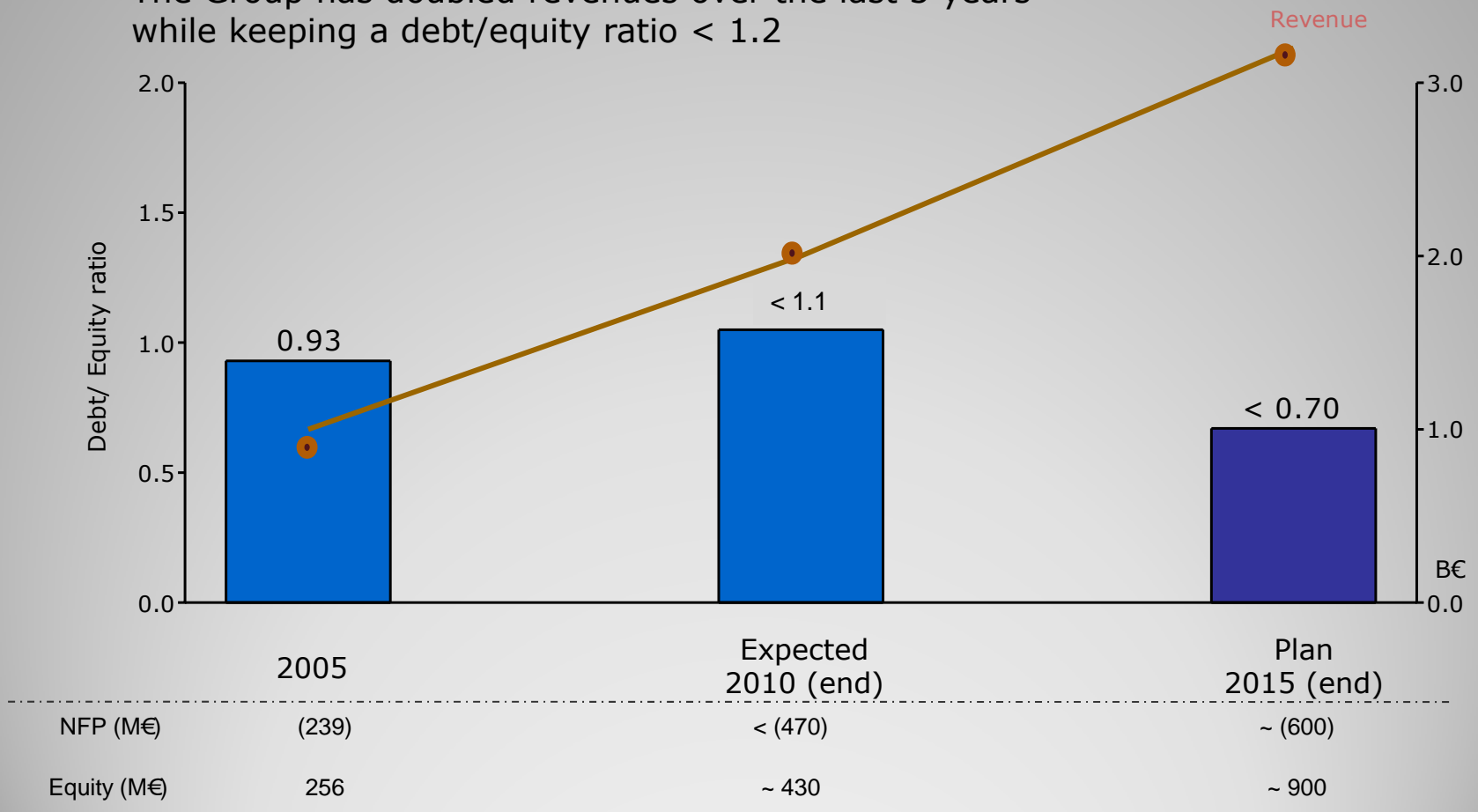
Recent areas  
Traditional areas



1

... while keeping  
a solid financial structure

- The Group has doubled revenues over the last 3 years while keeping a debt/equity ratio  $< 1.2$





1

## Over the last few business plans the Group has proven its ability to self-finance concession projects

> € 100M of extra investments to **open new markets**  
(Algeria + Chile, Middle East, Peru)

### LAST 5 YEARS

	2006 - 2010
Self-financing	390
CAPEX construction	(440)
Cash Flow/Balance	(50)
Working capital + Other	(75)
Dividends	(50)
Cash Flow from construction	(175)
Investments in concessions	(150)
Self-financing from concessions	40
<b>Total cash flow</b>	<b>(285)</b>

### NEXT 5 YEARS

	2011 - 2015
Self-financing	814
CAPEX construction	(269)
Cash Flow/Surplus	545
Working capital + Other	(140)
Dividends	(148)
Surplus from construction	257
Investments in concessions	(463)
Self-financing from concessions	76
<b>Total cash flow</b>	<b>(130)</b>

- CAPEX at normalized level approx. € 50M per year (approx. € 40M in 2010)
- Strong commitment to develop new concessions initiatives
- 2015 targets:
  - 500km highway
  - > 30km subway
  - 1,200MW
  - > 4,000 beds

The Group's self financing capability further improves over 2010-2015 producing financial resources to cover concession investment requirements (as for ex. Turkey, Chile)

Large technical CAPEX are no more necessary

All cash-flow is available for concessions investments

1

## Investing in concessions business

	CONSTRUCTIONS	CONCESSIONS	OVERALL
Net indebtedness 2010	< (360)	~ (110)	< (470)
Self financing	814	45	859
Change in NWC	(140)	-	(140)
Capex	(269)	(463)	(732)
Dividends	(148)	-	(148)
Change in equity/ Minorities	-	31	31
Net indebtedness 2015	~(100)	~(500)	~(600)

Var.  
< 260

Var.  
< (400)

Var.  
< (130)

Approx. 130 M€ overall financial need in 5-years horizon

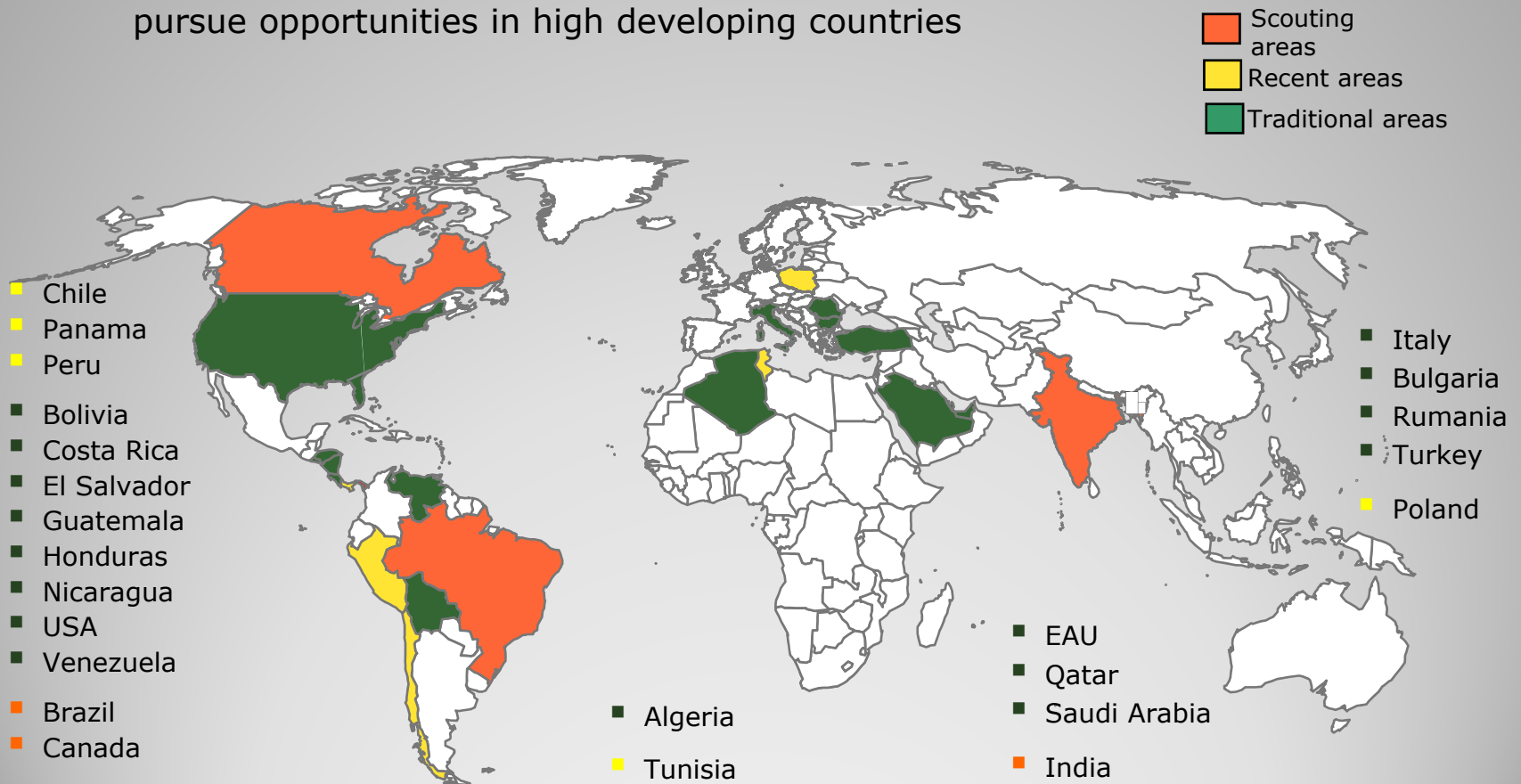
## 2010-2015 Business Plan drivers for growth

- 1 Reinforcing market positioning by growing steadily while keeping a solid financial structure
- 2 Continue to diversify geographically by adjacencies in order to hedge market risks and to pursue opportunities in high developing countries
  - Maintain our leadership position in high technology general contracting and a high “visibility” portfolio
  - Develop concession business is a key factor for growth



## Continue to diversify geographically...

- ... by adjacencies in order to hedge market risks and to pursue opportunities in high developing countries



## 2010-2015 Business Plan drivers for growth

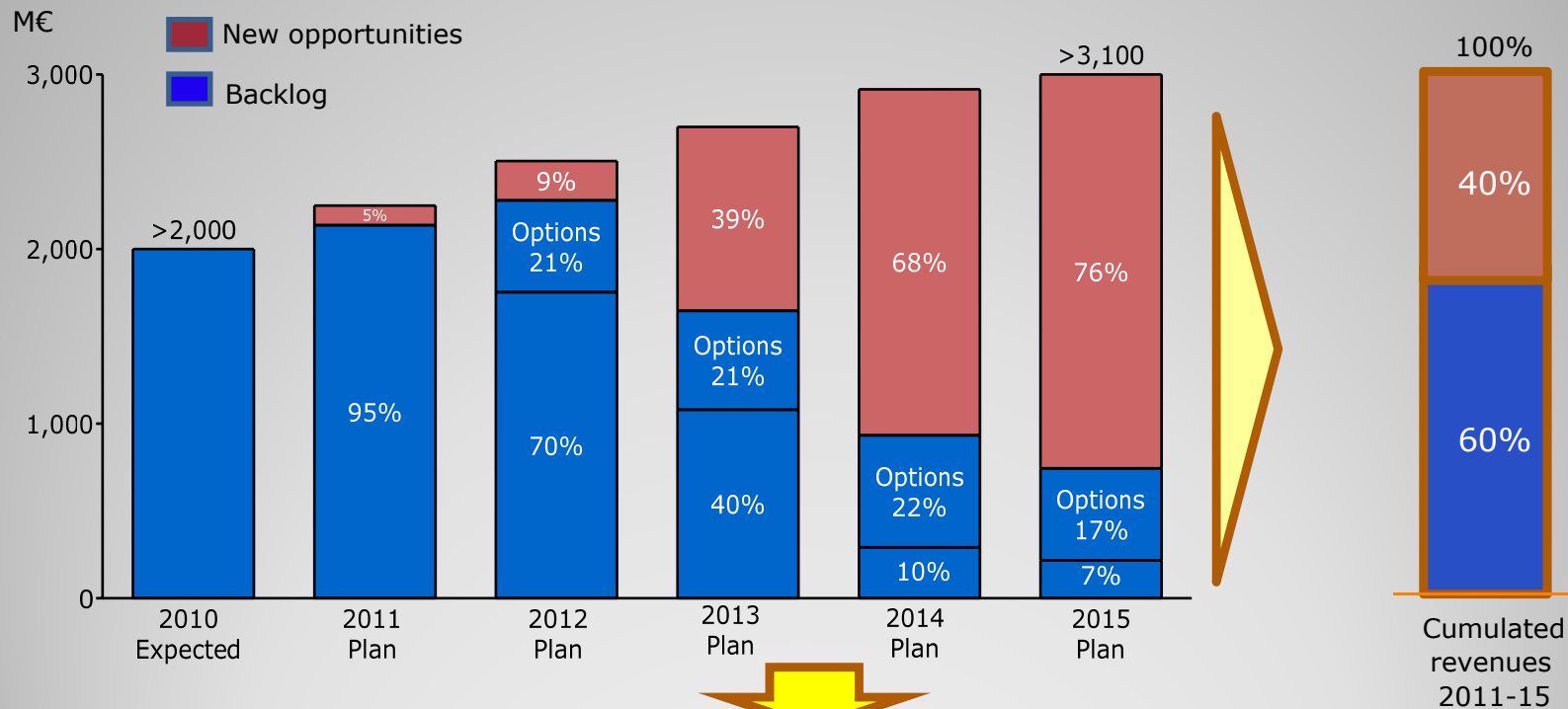
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- Develop concession business is a key factor for growth

3

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

### Construction revenue breakdown (M€)

### Cumulated revenue



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

## 2010-2015 Business Plan drivers for growth

- 1 Reinforcing market positioning by growing steadily while keeping a solid financial structure
- 2 Continue to diversify geographically by adjacencies in order to hedge market risks and to pursue opportunities in high developing countries
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- 4 Develop concession business is a key factor for growth

	TRANSPORT	WATER & ENERGY	CIVIL and INDUSTRIAL BUILDING	
			HEALTHCARE	PARKINGS
	TOTAL Inv.: 1.4 B€	TOTAL Inv.: USD 448M	TOTAL Inv.: 885M€	TOTAL Inv.: 61M€
ITALY	<ul style="list-style-type: none"> <li>Line 5 of the Milan underground (Italy)</li> <li>Extension of the Line 5 of the Milan underground (Italy)</li> </ul>		<ul style="list-style-type: none"> <li>1 Hospital in Mestre</li> <li>1 Hospital in Naples</li> <li>4 Hospitals in Tuscany</li> </ul>	<ul style="list-style-type: none"> <li>2 car parks in Turin</li> <li>2 car parks in Bologna</li> <li>1 car park in Verona</li> </ul>
ABROAD		<ul style="list-style-type: none"> <li>Chacayes hydroelectric plant (Chile)</li> <li>Management of water distribution and sewage disposal in San Pedro Sula (Honduras)</li> </ul>		
Incoming projects	<ul style="list-style-type: none"> <li>Gebze-Izmir Highway, Turkey (16.7% of a USD 6B of total investment)</li> <li>Milas-Bodrum Airport, Turkey</li> <li>Ancona Motorway, Italy</li> </ul>	<ul style="list-style-type: none"> <li>&gt; 1,000MW hydroelectric power plants in Latin America (approx. € 1.3B of investment and € 1.8B of concession revenues)</li> </ul>	<ul style="list-style-type: none"> <li>Opportunities in Italy and in Turkey</li> </ul>	

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

### Strategic benefits

- Drive current and future growth
- Profit increase/stabilization in the long term due to business profitability/project length

### Financial benefits

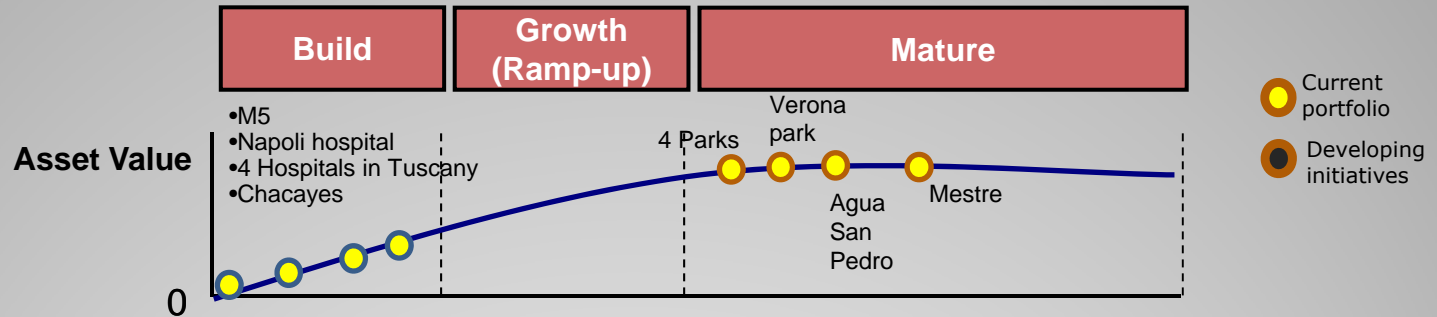
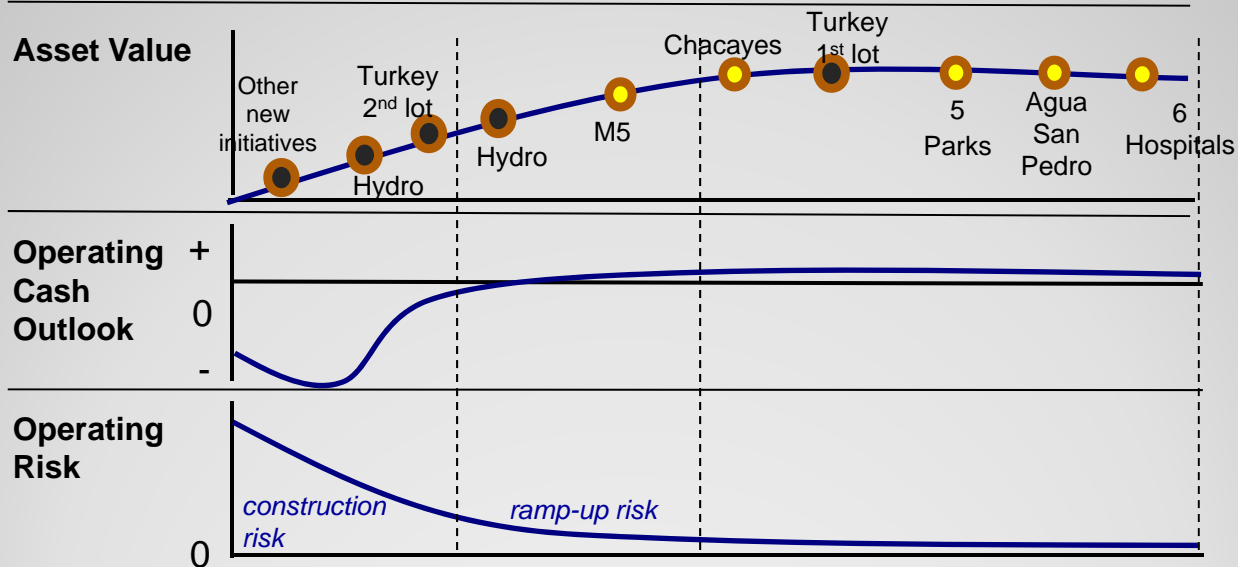
- Count on significant dividend stream from the SPVs
- More "liquid" EBITDA
- Concessions CAPEX self-financing in the short-term from construction cash generation

### Operational benefits

- Cross-benefits between concessions and construction within consolidated countries
- "Integrated" commercial offer
- Construction and concessions project synergies in terms of project management

## A time hedged concessions portfolio "under construction"

2010

2015  
outlook

4

## Risk profile of current portfolio

Astaldi stake policy

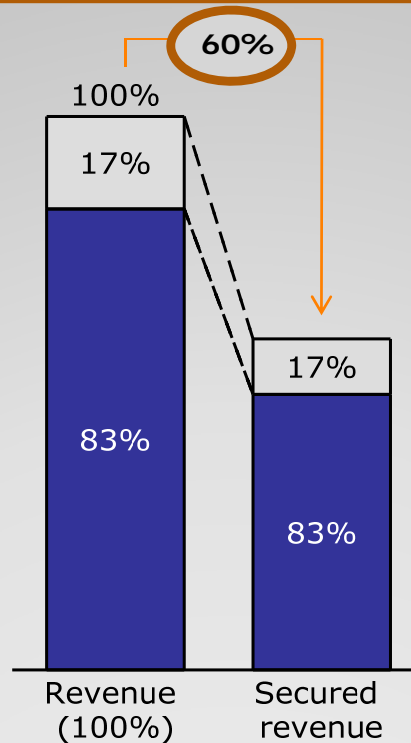
Minimum fee

Public contribution

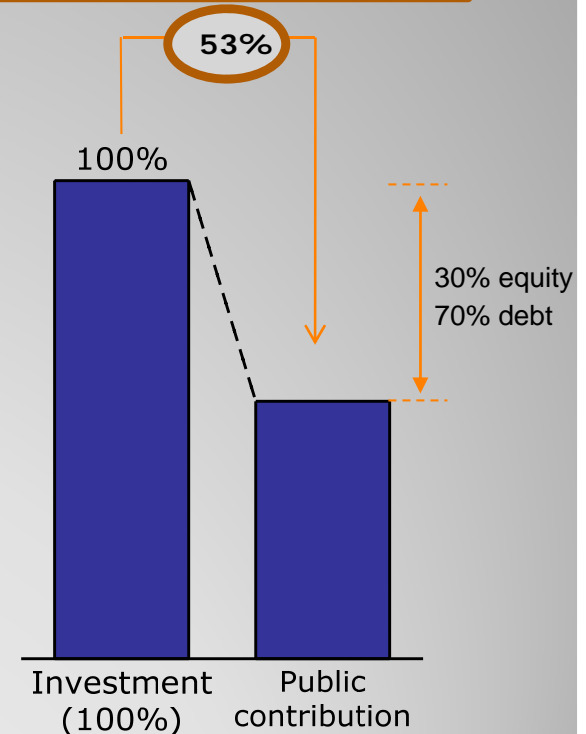
Italy  
Abroad



**Key role in governance  
with limited exposure**



**Minimizing business risks**

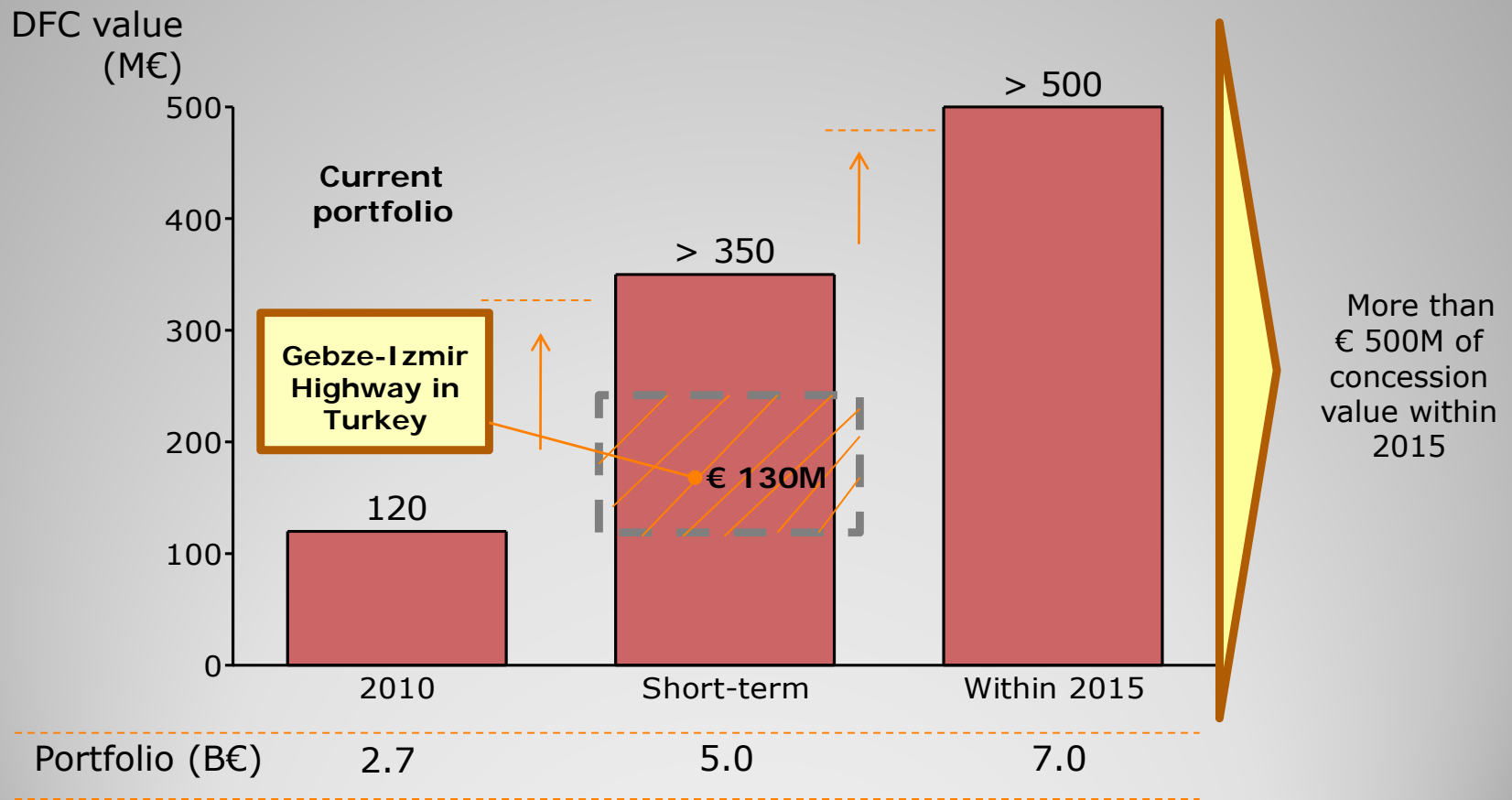


**Minimizing debt exposure**

Note: Concessions figures related to current portfolio



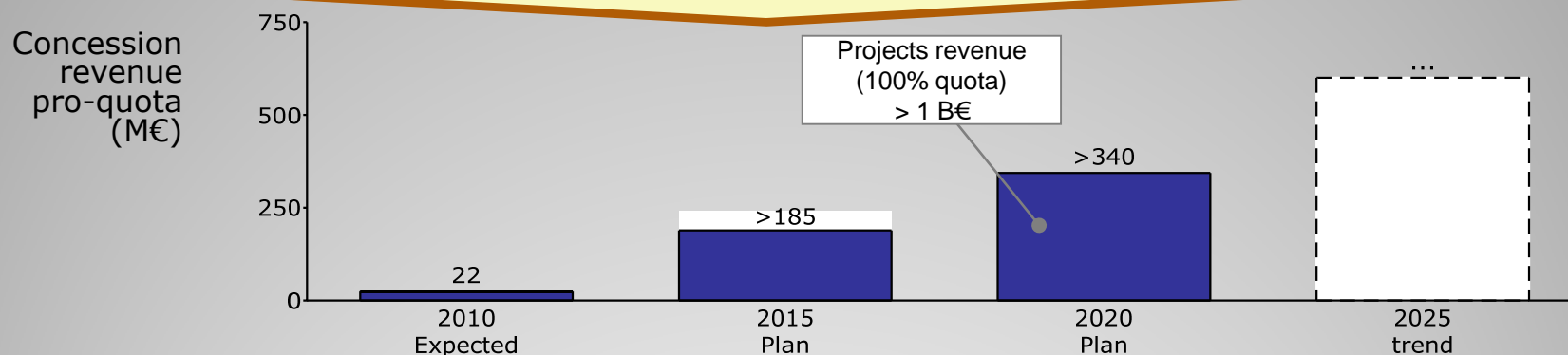
## Develop concession business is a key factor for growth



- Astaldi Group
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- **Appendix**

## Economics detail on concessions business

### SPVs in operations will generate profits



#### SPVs (Astaldi share)


EBIT	7,3	>105	>185	
%	33%	>50%	> 50%	↗
EBT	3	> 50	>120	==

### Impact on Astaldi Concessions

#### Astaldi conces -sions

CF/ Dividends	6,1	> 40	> 82	↗
EBIT	3,6	> 36	> 80	↗
EBT	1,5	> 27	> 68	↗
Net income	1,0	> 18	> 40	↗

## Current concessions portfolio valuation

SEGMENT	COUNTRY	EV (€M) Astaldi share	Debt (€M)	Equity value Astaldi share	Ke	Valuation Method	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 portfolio

Name of project	Country	Status	Order value (€/M)	Date of starting of operation	Duration (no. of ys.)	Segment	Description	Total life revenues	Guarantee	Total investment	% Astaldi	Public grant (€M)
Parking	Italy	Operation	273	1999-2010	37-80 years	Parkings	3,700 parking lots (5 parking sites)	€ 414M	Minimum fee (65% of revenues)	€ 61M	100.0%	22
Mestre Hospital	Italy	Operation	376	2008	25 years	Healthcare	680 beds 20 cradles 20 dialysis units	€ 1,464M	Minimum fee (95% of revenues)	€ 255M	31.0%	120
Naples Hospital	Italy	Construction	601	2014	24 years	Healthcare	450 beds 50 low care	€ 948M	Minimum fee (65% of revenues)	€ 206M	60.0%	108
4 Hospitals in Tuscany	Italy	Construction	420	2014	19 years	Healthcare	1.700 beds 52 operational theatres 132 dialysis units	€ 1,236M	Minimum fee (69% of revenues)	€ 424M	57.0%	242
Milan Subway Line 5	Italy	Construction	206	2011	27 years	Transportation	6.1 km	€ 1,078M	Minimum fee (32% of revenues)	€ 630M	23.3%	350
Milan Subway Line 5, extension	Italy	Construction	276	2015	27 years	Transportation	8 km	€ 1,445M	Minimum fee (32% of revenues)	€ 815M	23.3%	430
Chacayes Plant	Chile	Construction	350	2011	perpetuity	Water & Energy	110MW	€ 1,320M	Take or pay (60% of production)	USD 448M	27.3%	-
Agua de San Pedro Sula	Honduras	Construction	244	2011	28 years	Water & Energy	85mn water production				15.0%	
<b>TOTAL</b>			<b>2,746</b>									

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