1Q 2011 Results

Conference call
May 11, 2011

Growing steadily since 1920

ASTALDI

1Q 2011 Results – main items

- **Total revenues up +10.1%** to € 511M, thanks to the positive trend of activities in Italy and abroad
- **Net profit up +17.8%** to € 17.3M
- **Excellent earnings level**
  - EBITDA of € 56.3M (+7%), EBITDA margin to 11%
  - EBIT of € 44.3M (+10.7%), EBIT margin increased to 8.7%
- **Order backlog at € 9.03Bn**, with over € 500M of new orders
- **Net debt at € 528M** reflects seasonality and acceleration of investments in concessions
- Change in consolidation criteria from equity to proportional method for associated companies under joint control in order to fully show all activities performed by the Group (in compliance with IAS-31) – no material effects on 2010 restated results

1Q 2011 Results – Income Statement

(€/000)	**y-o-y (%)**	**1Q 2011**	**1Q 2010 (*)**
Total revenues	+10.1%	510,959	463,962
EBITDA	+7.0%	56,354	52,646
EBITDA margin	--	*11.0%*	*11.3%*
EBIT	+10.7%	44,319	40,041
EBIT margin	--	*8.7%*	*8.6%*
Net income	+17.8%	17,314	14,702

- Revenues are well supported by a **good performance of activities in Italy and abroad**, thus confirming the target of +10% revenues growth for 2011

(*) Restated value: limited impact of +€ 3M on revenues, +€ 0.8M of EBITDA and +€ 0.6M on EBIT (*full table in Appendix*)

1Q 2011 Income Statement by business lines

	Construction (€/M)	Concessions (€/M)	Astaldi Consolidated 1Q 2011
Total revenues	507	4	**511**

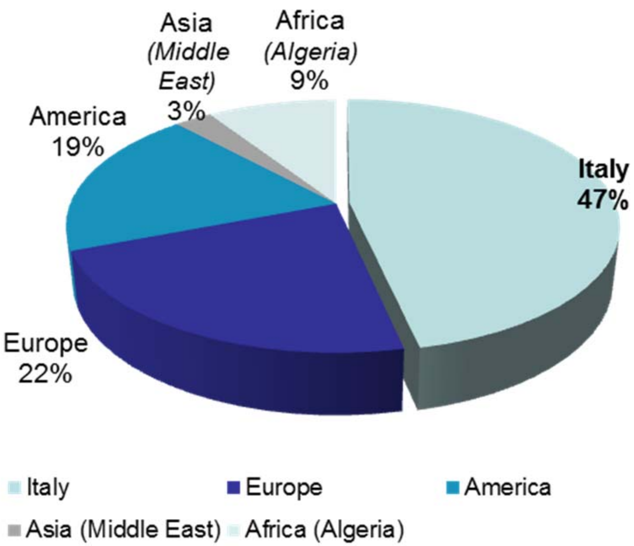
- **Construction revenues at € 507M**, mainly due to the positive trend of:
  - ITALY: Lot DG-21 and Lot DG-22 of "Jonica" National Road
  - CENTRAL EU and TURKEY: Istanbul Subway (Turkey), Warsaw Subway (Poland), "Henri Coanda" International Airport in Bucharest (Romania)
  - ALGERIA: railway projects

- **Concessions revenues at € 4M**, mainly due to:
  - ITALY: New Hospital in Mestre (now consolidated with proportional method) and car parks

Construction revenues at € 507M in 1Q 2011

- **Italy accounts for 47%** of total Group revenues
- **All projects performing as planned**

1Q 2011 REVENUES



Country	Project	Stage of completion (%)	Order backlog Astaldi share value (€/000)	Ending Year
Italy	Rome Subway Line C (*)	43%	503.6	> 2013
Italy	Milan Subway Line 5 (*)	32%	473.4	> 2013
Italy	Jonica National Road (Lot DG-22)	28%	222.9	> 2013
Italy	Pedemontana Lombarda Highway	6%	203.4	> 2013
Italy	Bologna High-Speed Railway Station	58%	176.9	2013
Italy	School of Italian Police Officers in Florence	42%	157.3	2013
Italy	Four Hospitals in Tuscany	20%	146.0	2013
Italy	Parma - La Spezia Railway	35%	137.9	2013
Italy	Jonica National Road (Lot DG-21)	76%	133.5	2012
Italy	Turin Railway Hub	80%	101.1	2013
Italy	"Infraflegrea" Project in Naples	61%	66.8	> 2013
Italy	Other Initiatives		212.2	
		Construction Backlog (Italy)	2,535.0	
		Concessions Backlog (Italy)	2,092.0	
		Order backlog (Italy)	**4,627.0**	

(*) % of completion on Rome Subway Line C and Milan Subway Line 5 are calculated on the new extended contracts.

Construction revenues at over € 507M in 1Q 2011

- **Foreign markets account for 53% of total revenues**
  - **Poland, Romania and Turkey** amount for 22.4% of revenues at € 110M and show an increase in production vs. 2010
  - Decreased contribution from **America Area** at 19% (€ 93M) vs. 24% in 2010 due to the completion of works in Honduras (transport) and in Costa Rica (energy production plants)
  - **Algeria**: 9.7% of total revenues vs. 6% in 2010. As of today, Algeria does not present specific problems. Good performance of activities notwithstanding the difficult social and political scenario affecting the Maghreb Area

Country	Project	Stage of completion (%)	Order backlog Astaldi share value (€/000)	Ending Year
Algeria	Saida - Mulay Slissen Railway	20%	510.1	2013
Algeria	Saida - Tiaret Railway	0%	250.2	> 2013
El Salvador	El Chaparral Hydroelectric Project	39%	97.0	> 2013
Oman	BidBid-Sur Road	0%	118.3	> 2013
Peru	Huanza Hydroelectric Power Plant	35%	52.7	2012
Poland	Warsaw Subway	4%	350.4	2013
Poland	Remodernization of NR8	9%	146.0	2012
Romania	Otopeni International Airport in Bucharest (Phase n.3)	60%	62.2	2012
Romania	Medgidia - Costantia Highway	32%	60.9	2012
Romania	Bucharest Subway Line 5	0%	86.0	> 2013
Romania	Orastie-Sibiu Road Lot 4	0%	78.9	> 2013
Turkey	Milas-Bodrum International Airport	6%	90.1	2011
Turkey	Istanbul Subway	84%	61.5	2013
Turkey	Halic Bridge	36%	52.8	2012
Venezuela	Puerto Cabello - La Encrujicada Railway	61%	483.7	> 2013
Venezuela	San Juan De Los Morros - San Fernando de Apure Railway	45%	290.6	> 2013
Venezuela	Chaguaramas - Cabruta Railway	52%	133.8	2013
Abroad	Other Initiatives		606.8	
		Construction Backlog (abroad)	**3,532.0**	
		Concessions Backlog (abroad)	**871.0**	
		Order backlog (abroad)	**4,403.0**	

Concessions revenues at € 4M in 1Q 2011

- **1Q 2011 Concessions revenues are made of:**
  - Car parks in Italy, plus
  - New Hospital in Mestre in Italy, which is now consolidated with proportional method vs. equity method

- **Expected total revenues from concessions for 2011 < € 20M**

- **Concession revenues are expected to more than double in 2012**, as new projects enter the operation phase:
  - Chile, Chacayes Hydroelectric Power Plant
  - Turkey, Milas-Bodrum International Airport
  - Italy, Milan Subway Line 5

ITALY, New Hospital in Mestre

ITALY, New Car Park in Verona

CHILE, Chacayes Hydroelectric Plant

1Q 2011 Results – Financial items

	1Q 2011	FY2010*	1Q 2010*
Total net debt (*)	€ 527.6M	€ 362.4M	€ 526.2
Net equity	€ 463.9M	€ 443.2M	€ 418.3M
Debt/Equity ratio	1.14x	0.82x	1.26x

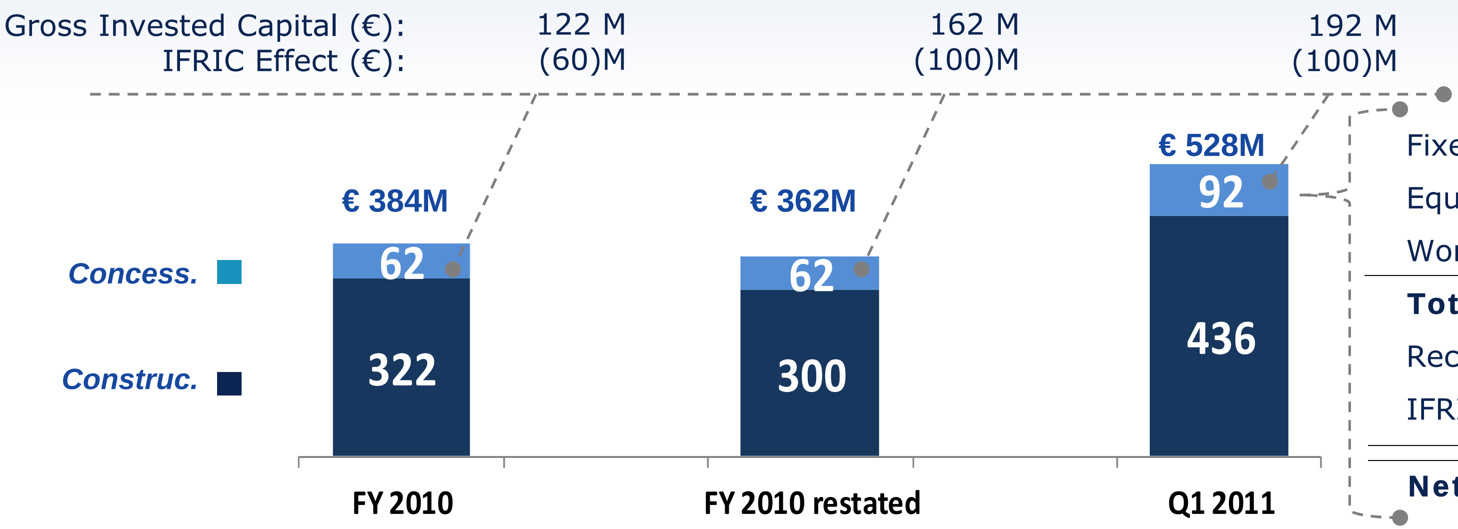
(*) Net of own shares equal to € 4M for Q1 2011, € 4.2M for FY2010, € 4.9M for Q1 2010.

- Good performance of total net debt, which **remains stable compared to 1Q 2010 with an increase of 10% in revenues**

(*) Restated values: *for full details, please refer to Appendix*.

Net Debt by segment

NET DEBT (*)



Fixed assets:	101
Equity+Semiequ.:	87
Working Capital:	19
Total	**207**
Receivables	(15)
IFRIC Effect	(100)
Net total	**92**

- ✓ **Q1 2011 Net debt** at € 528M shows the typical seasonal effect related to this period - Net debt of € 526M at Q1 2010 showed the same effect
- ✓ **Concessions debt increases due to acceleration of investments** in new projects, such as:
  - Turkey: Milas-Bodrum Airport and Gebze-Izmir Highway
  - Italy: Milan Subway Line 5

(*) Net of own shares equal to € 4M for Q1 2011, € 4.2M for FY2010, € 4.4 for Q1 2010.

Cash-flow by segment

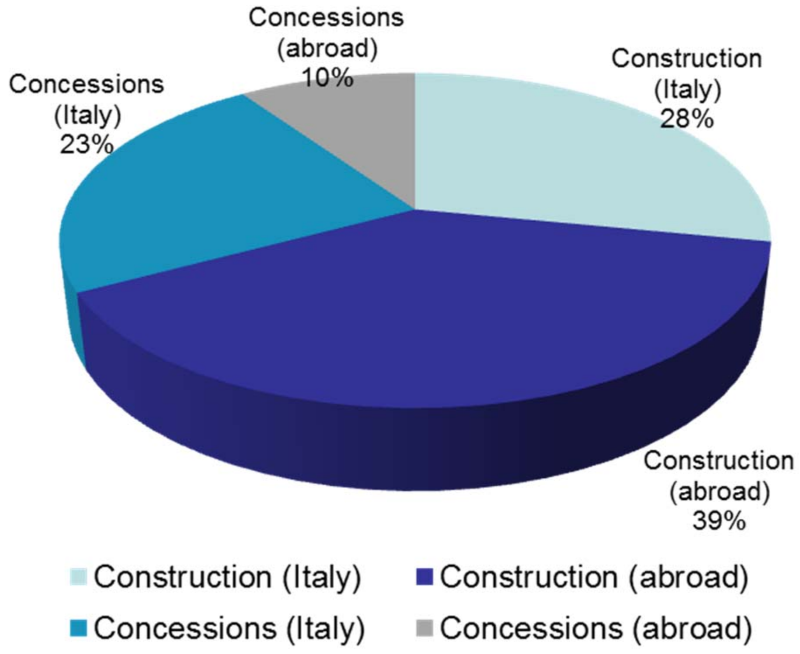
	CONSTRUCTION	CONCESSIONS	OVERALL
NET INDEBTEDNESS 31.12.2010	**(300)**	**(62)**	**(362)**
Self financing	30	-	30
Change in NWC	(161)	(8)	(169)
CAPEX	(8)	(22)	(30)
OPERATING CASH-FLOW	**(139)**	**(30)**	**(169)**
Dividends	-	-	-
Change in equity	3	-	3
NET INDEBTEDNESS 31.03.2011	**(436)**	**(92)**	**(528)**

- ✓ **Cash-flow will be improved in the second quarter**, thanks to good trend from abroad advanced payments
- ✓ **Net debt in 1Q 2011 should represent the peak level for 2011**

1Q 2011 Order backlog at over € 9B

✓ Total new orders inflow in 1Q 2011 at € 505M

1Q 2011 ORDER BACKLOG



NEW ORDERS - CONSTRUCTION

- ✓ € 215M (40% Astaldi share) – Bucharest Subway Line 5 (Romania)
- ✓ OMR 125M, equal to approx. € 231M (51% Astaldi share) – BidBid-Sur Road (Oman)
- ✓ € 114M (70% Astaldi share) – Orastie-Sibiu Highway (Romania)

NEW ORDERS - CONCESSIONS

- ✓ € 210M (100% Astaldi) – operation for Milas-Bodrum Airport (Turkey)

Astaldi Portfolio Concessions

	TRANSPORT	WATER and ENERGY	CIVIL and INDUSTRIAL BUILDING – HEALTHCARE	CIVIL and INDUSTRIAL BUILDING – PARKINGS
TOTAL INVESTMENT	€ 1.5B	USD 448M	€ 885M	€61M
CONCESSION BACKLOG (Ast. %)	650M	€ 664M	€ 1,368M	€ 281M
Equity IRR	≈ 10%	> 15%	> 12%	≈ 15%
	– Milan Subway Line 5 (Italy), 31% – Milas-Bodrum International Airport (Turkey), ≈ 93%	– Chacayes plant (Chile), ≈ 27.3% – San Pedro Sula (Honduras)	– 1 Hospital in Mestre (Italy), 31% – 1 Hospital in Naples (Italy), 60% – 4 Hospitals in Tuscany (Italy), 35%	– 2 car parks in Turin (Italy) – 2 car parks in Bologna (Italy) – 1 car park in Verona (Italy)
OPTIONS				
TOTAL INVESTMENT	€ 6480M	€ 1,767M	--	--
TOTAL CONCESS. BACKLOG	€ 3,058M	€ 2,034M	€ 40M	--
Equity IRR	≈ 10%	> 15%	> 12%	≈ 15%
	– Gebze-Izmir Highway (Turkey), 16.67% – Increase in % in SPV related to Milan Subway Line 5 (Italy) – Milan Subway Line 4 (Italy), 9.67% – Ancona road network, 25%	– > 1,000MW hydroelectric power plants in Latin America, 30% – Further initiatives (Italy)	– Increase in % in SPV related to the New Hospital in Mestre (Italy)	

€ 3B

€ 5.1B

€ 8.1B CONCESSION BACKLOG (including potential option)

Update on initiatives in progress

- Italy, Milan Subway Line 5
  - First stretch Bignami-Garibaldi is close to completion
  - **Operations for first stretch are planned to start in 2012.**
  - **Astaldi has increased from 23.3% to 31% its stake in the project**; this entails an increase of € 124M in the concession portfolio to be shown in 2Q 2011

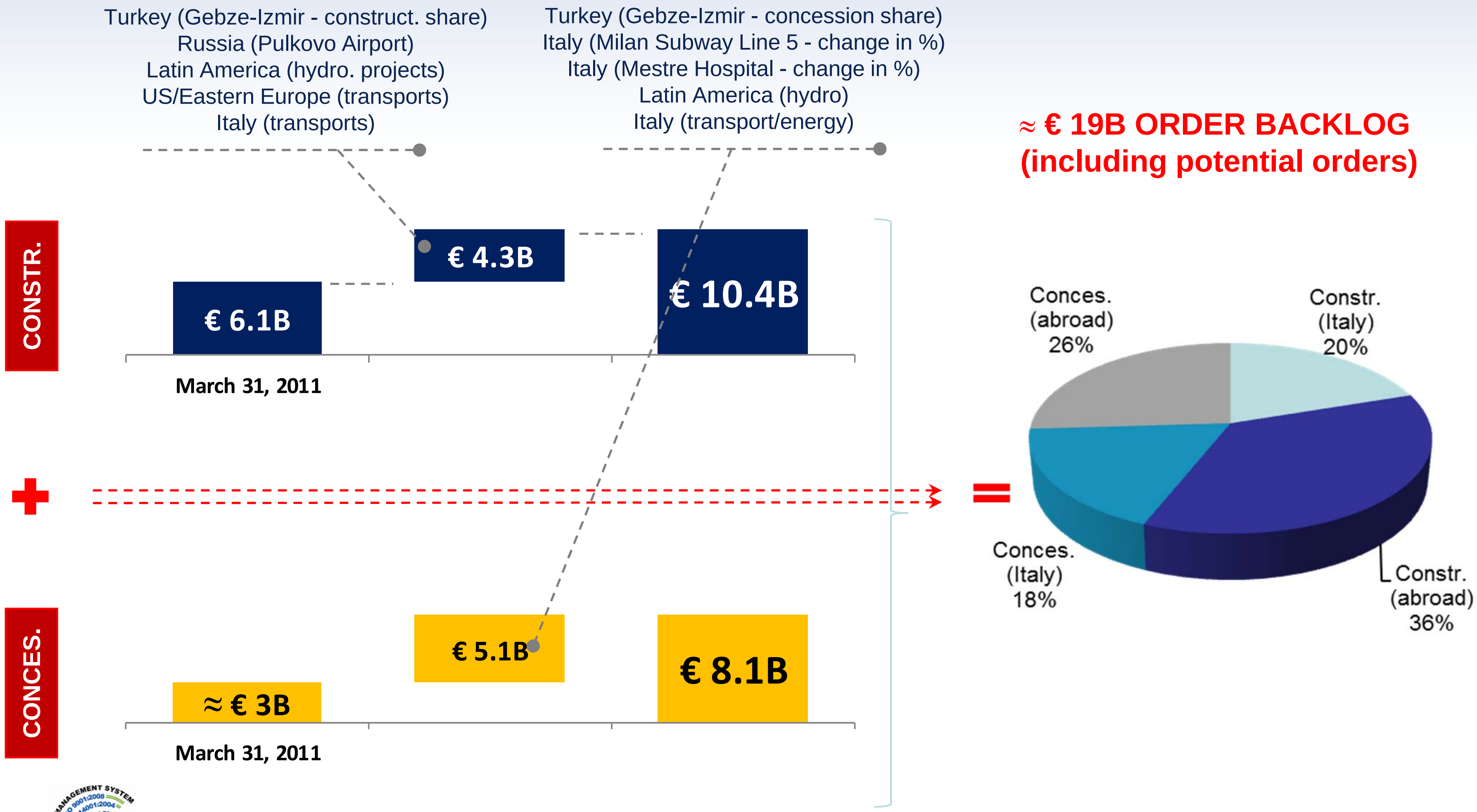
- Italy, New Hospital in Mestre
  - **Astaldi is increasing its stake in the project from 31% to 34.5%** in order to strengthen its leadership in the health care concession sector

- Turkey, Milas-Bodrum Airport
  - Construction **to be completed by the end of 2011**
  - **Operations are planned to start in 2012**

Update on initiatives in progress

- Turkey, Gebze-Izmir Highway Concession
  - Design and preliminary test works are being performed
  - Financial closing and booking of the contract expected within 2011
- Chile, Chacayes Hydroelectric Power Plant + Hydroelectric concessions
  - Chacayes: construction to be completed in 2011 and start of operation phase
  - The framework agreement for the joint development of further hydroelectric projects in the Alto Cachapoal Valley is close to be finalized
  - The EPC contract for an additional hydroelectric plant is closed to be signed since the design is almost completed. Works are planned to start in 1H 2012
- Offer to buy 4.75% stake of Italian Highway “Serenissima”
  - Final acquisition of the stake to be finalized by the end of May 2011 for a total value of € 50.4M
- Russia, Pulkovo Airport in Saint Petersburg
  - Feb. 2011: Astaldi with a Turkish partner results preferred bidder for developing the Russia’s fourth biggest airport.
  - Signing of the contract by the end of May 2011, subject to approval of the financing banks

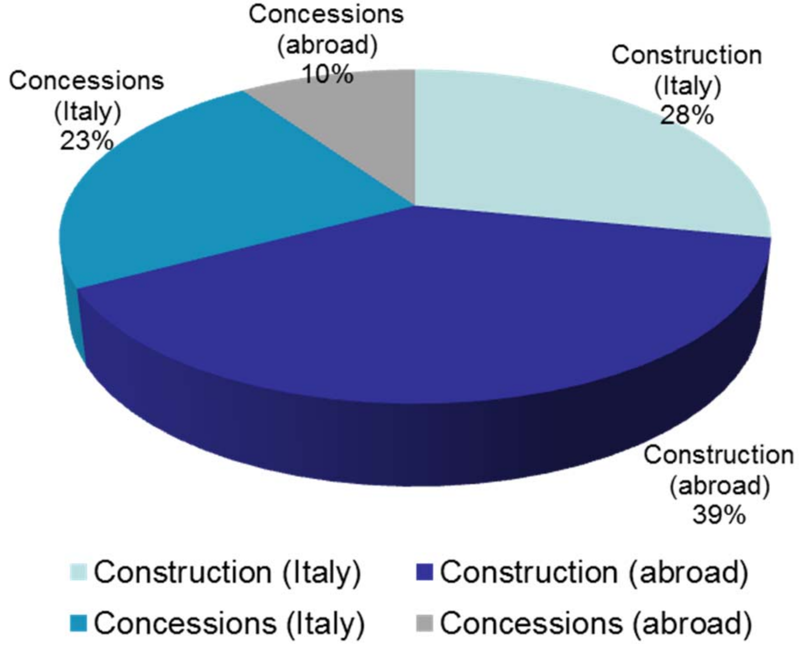
Potential Order Backlog at ≈ € 19B



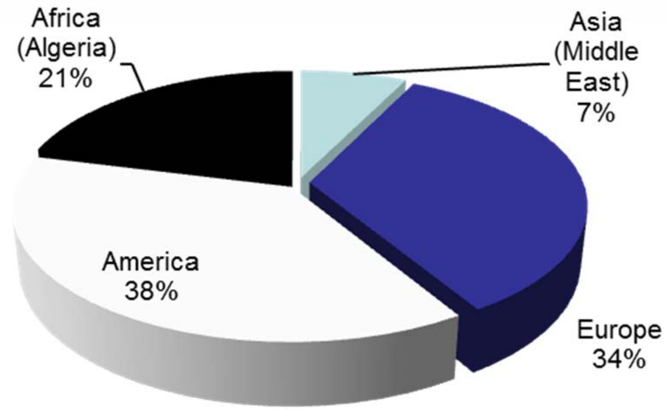
APPENDIX

1Q 2011 Order backlog at over € 9B

ORDER BACKLOG

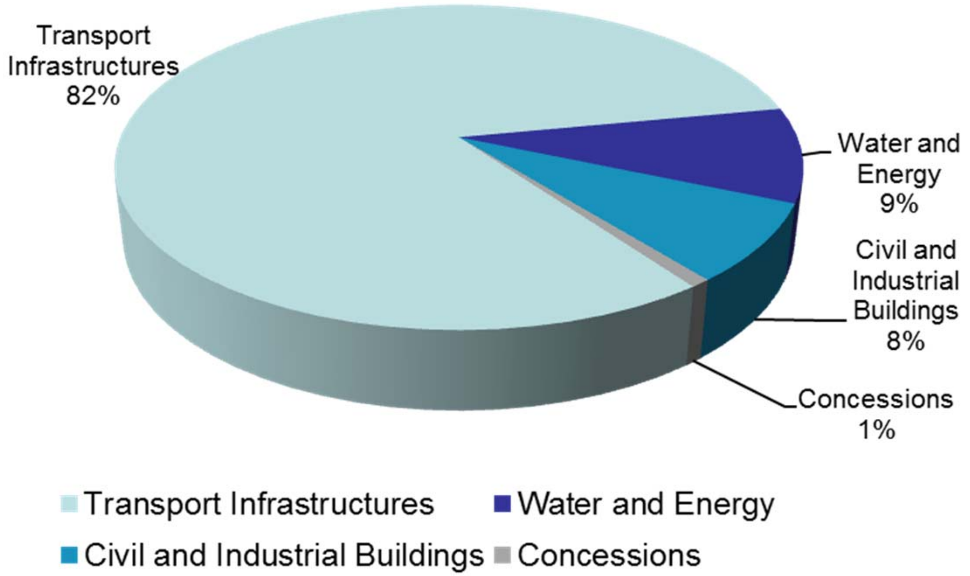


CONSTRUCTION BACKLOG (ABROAD)

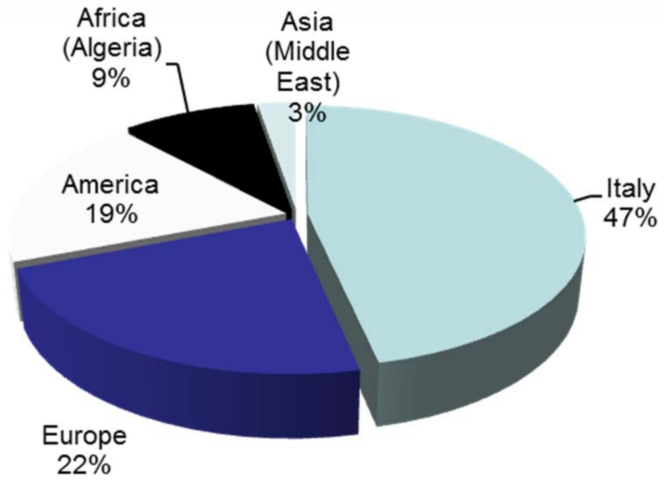


Q1 2011 Total revenues at € 511M

REVENUES BY BUSINESS LINE



REVENUES BY GEOGRAPHICAL AREA



Consolidated Reclassified Income Statement

€/000	31/03/11	%	31/03/10	%
Revenues	489,385	95.8%	444,693	95.8%
Other revenues	21,574	4.2%	19,269	4.2%
Total revenues	**510,959**	**100.0%**	**463,962**	**100.0%**
Costs of production	(383,200)	-75.0%	(343,059)	-73.9%
Added value	**127,760**	**25.0%**	**12,903**	**26.1%**
Labour costs	(65,912)	-12.9%	(62,214)	-13.4%
Other operating costs	(5,493)	-1.1%	(6,042)	-1.3%
EBITDA	**56,354**	**11.0%**	**52,646**	**11.3%**
Amortisations	(12,265)	-2.4%	(12,798)	-2.8%
Depreciations	(9)	0.0%	(21)	0.0%
Write-downs	-	0.0%	-	0.0%
(Capitalization of internal construction costs)	239	0.0%	213	0.0%
EBIT	**44,319**	**8.7%**	**40,041**	**8.6%**
Net financial charges	(16,517)	-3.2%	(15,526)	-3.3%
Effects of the evaluation of shareholdings at equity method	(40)	0.0%	(161)	0.0%
EBT	**27,761**	**5.4%**	**24,354**	**5.2%**
Taxes	(10,549)	-2.1%	(9,423)	-2.0%
Profit (loss) for the period	**17,212**	**3.4%**	**14,931**	**3.2%**
Minorities	102	0.0%	(229)	0.0%
Net profit of the Group	**17,314**	**3.4%**	**14,702**	**3.2%**

Consolidated Reclassified Balance Sheet

€/000	March 31, 2011	December 31, 2010	March 31, 2010
Intangible fixed assets	3,513	3,739	3,884
Tangible fixed assets	298,830	302,607	320,818
Shareholdings	97,862	84,830	86,178
Other net fixed assets	38,919	35,520	41,746
TOTAL Fixed assets (A)	439,125	426,696	452,625
Inventories	93,710	93,624	91,111
Contracts in progress	968,124	845,877	762,893
Trade receivables	30,496	30,463	27,360
Receivables from Clients	653,050	593,899	656,568
Other assets	218,773	213,666	161,590
Tax receivables	77,560	101,523	92,383
Advances from Clients	(346,164)	(338,489)	(363,334)
Subtotal	1,695,549	1,540,563	1,428,571
Trade payables	(116,672)	(130,951)	(93,654)
Payables to Suppliers	(696,896)	(695,674)	(546,654)
Other liabilities	(295,029)	(300,612)	(258,451)
Subtotal	(1,108,598)	(1,127,237)	(898,758)
Working capital (B)	586,951	413,326	529,813
Employee benefit	(8,729)	(8,460)	(9,616)
Provisions for non-current risks and charges	(21,810)	(21,777)	(23,940)
Total funds (C)	(30,539)	(30,237)	(33,556)
Net invested capital (D) = (A) + (B) + (C)	995,537	809,786	948,882
Cash and cash equivalents	348,015	415,259	310,739
Current financial receivables	20,371	20,371	16,475
Non-current financial receivables	14,586	16,100	9,224
Securities	4,957	5,003	3,532
Current financial liabilities	(448,408)	(330,920)	(344,851)
Non-current financial liabilities	(571,691)	(592,242)	(613,585)
Net financial payables / receivables (E)	(632,169)	(466,428)	(618,466)
Receivables arising from concessions	100,537	99,872	87,840
Total net financial payables / receivables (F)	(531,632)	(366,557)	(530,626)
Equity of the Group	(447,170)	(424,988)	(399,761)
Minority Equity	(16,734)	(18,241)	(18,495)
Net equity (G) = (D) - (F)	463,905	443,229	418,256

1Q 2010 Restated items (Income Statement)

Restated items

€/000	**OLD Q1 2010**	***Effect***	**NEW Q1 2010**
Total revenues	460.726	*3,236*	463,962
EBITDA	51,819	*827*	52,646
EBIT	39,385	*657*	40,041
Net income	**14,702**	**--**	**14,702**

1Q 2010/FY 2010 Restated financial items

Restated items

€/000	OLD FY 2010	*Effect*	NEW FY 2010
Net financial (payables)/receivables	(448,824)	*(17,605)*	(466,428)
Receivables arising from concessions	60,363	*39,509*	99,872
TOTAL NET DEBT	**(388,461)**	***21,905***	**(366,557)**
NET EQUITY	**443,229**	**--**	**443.229**

€/000	OLD Q1 2010	*Effect*	NEW Q1 2010
Net financial (payables)/receivables	(597,435)	*(21,031)*	(618,466)
Receivables arising from concessions	49,703	*38,137*	87,840
TOTAL NET DEBT	**(547,732)**	***17,106***	**(530,626)**
NET EQUITY	**418,256**	**--**	**418,256**

Summary of IFRIC-12

Definition

IFRIC-12 (*Service Concession Agreements*) interpretation set the measurement and recognition criteria to be adopted for construction services and operating services in agreements whereby a Government or other Public Sector Body contracts with a private operator to develop (or upgrade), operate and maintain the Grantor's infrastructure assets

Scope

IFRIC-12 is designed to apply to a service concession agreement whereby the Grantor controls or regulates what services the operator must provide using the Grantor's infrastructure asset, to whom, and also at what price, and also controls any significant residual interest in the asset

Accounting Model

The Operator recognises an intangible asset or a financial asset depending on the characteristics of the agreements entered into

IAS 11/18/38

The Operator recognises an intangible asset to the extent that it receives a right (a lincence) to charge users of the public service. The Operator measures the intangible asset at fair value (Intangible Asset Model)

IAS 11/18/39

The Operator recognises a financial asset to the extent that it has an unconditional contractual right to receive a specified or determinable amount of cash («guaranteed minimum revenues»). The Operator measures the financial asset at fair value (Financial Asset Model).

IAS 11/18/38/39

IFRIC-12 allows for the possibility that both types of arrangement may exist within a single contract. In this case, the Operator measures both an intangible and a financial asset; both components are recognised at their respective fair value (Bifurcated Model).

ASTALDI

ASTALDI

INTEGRATED MANAGEMENT SYSTEM
UNI EN ISO 9001:2008
UNI EN ISO 14001:2004
BS OHSAS 18001:2007
SINCERT DNV