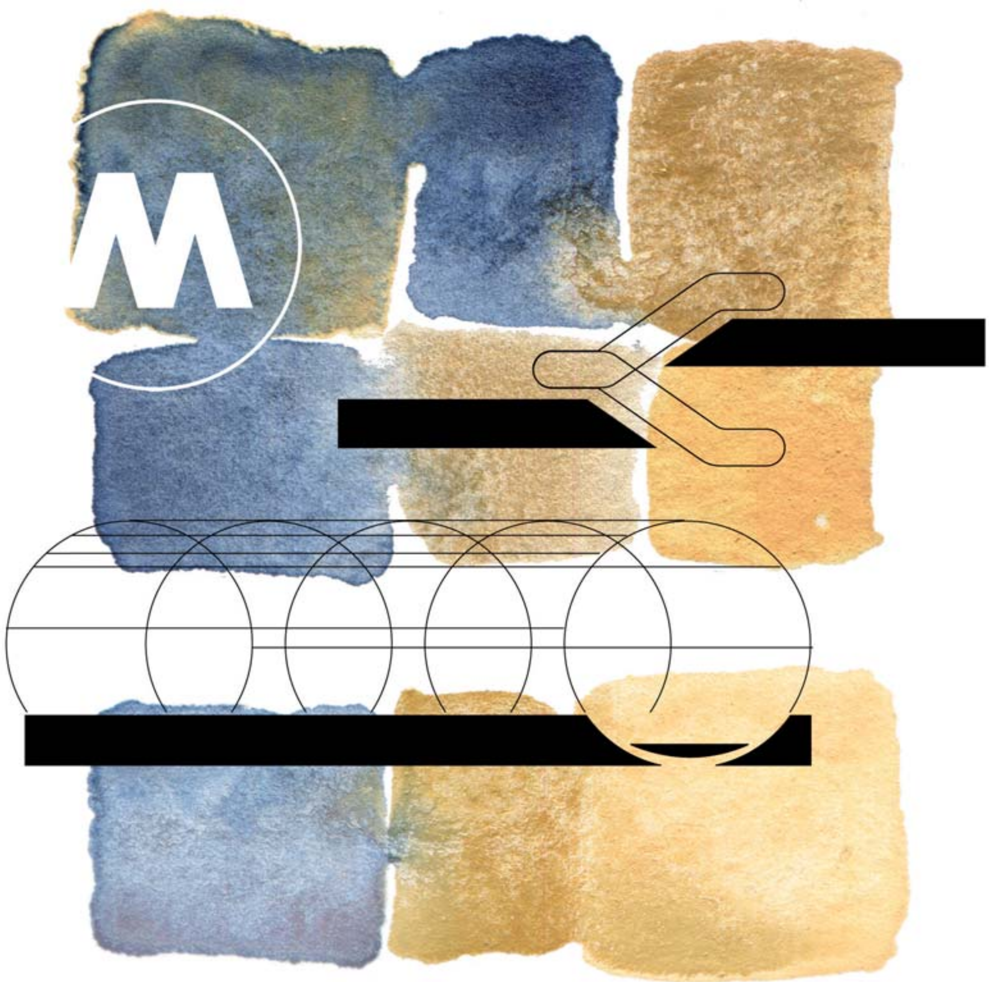
2012 Annual report



ASTALDI

Main income statement

(millions of euros)	2012	2011
Total revenue	2,457	2,360
EBIT	212	201
EBIT / Total revenue (%)	8.6%	8.5%
Profit	74	71
Profit / Total revenue (%)	3.0%	3.0%

Main statement of financial position

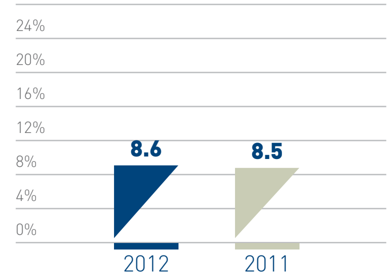
(millions of euros)	2012	2011
Non-current assets	643	472
Net invested capital	1,181	953
Net financial debt	(626)	(483)
Equity	555	470

Human resources

	2012	2011
Managers	207	173
Executives	163	150
White collars	3,114	2,640
Workers	6,479	6,229
Total	9,963	9,192

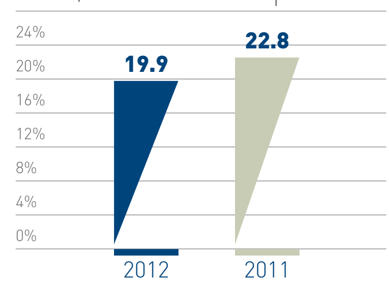
R.O.S.

EBIT / Total revenues



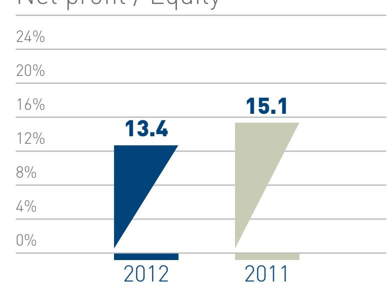
R.O.I.

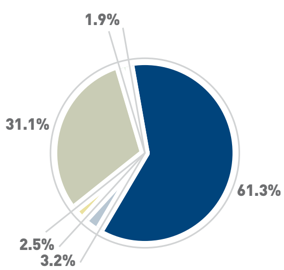
EBIT / Net invested capital



R.O.E.

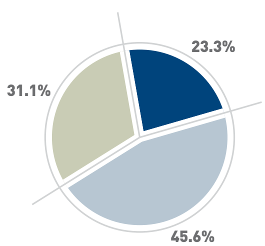
Net profit / Equity





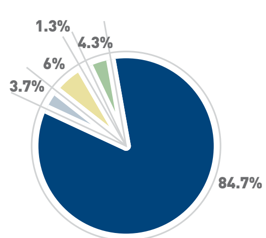
Order backlog by sector

(millions of euros)	2012	2011
Transport infrastructures	6,252	6,272
Energy production plants	328	423
Civil and industrial construction	255	375
Concessions	3,171	2,721
Plant engineering and maintenance	196	221
Total order backlog	10,202	10,012



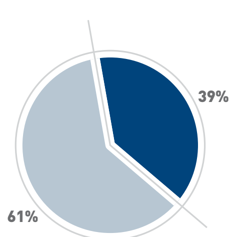
Order backlog by geographical area

(millions of euros)	2012	2011
Construction - Italy	2,382	2,625
Construction - International	4,649	4,666
Concessions	3,171	2,721
Total order backlog	10,202	10,012



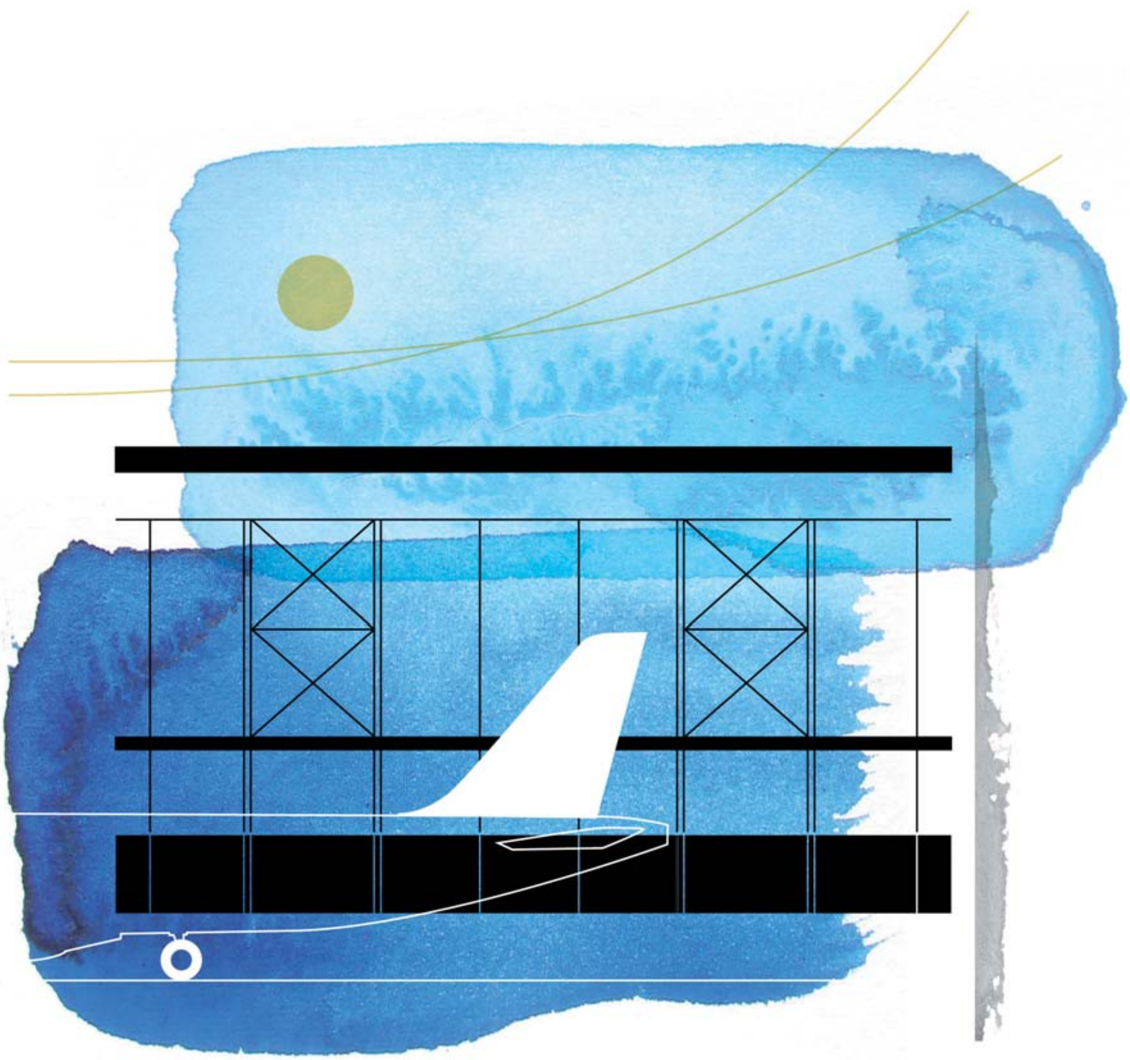
Revenue by sector

(millions of euros)	2012	2011
Transport infrastructures	1,970	1,907
Energy production plants	85	137
Civil and industrial construction	140	180
Concessions	30	23
Plant engineering and maintenance	100	18
Total revenue	2,325	2,265



Revenue by geographical area

(millions of euros)	2012	2011
Italy	913	1,050
International	1,412	1,215
Total revenue	2,325	2,265

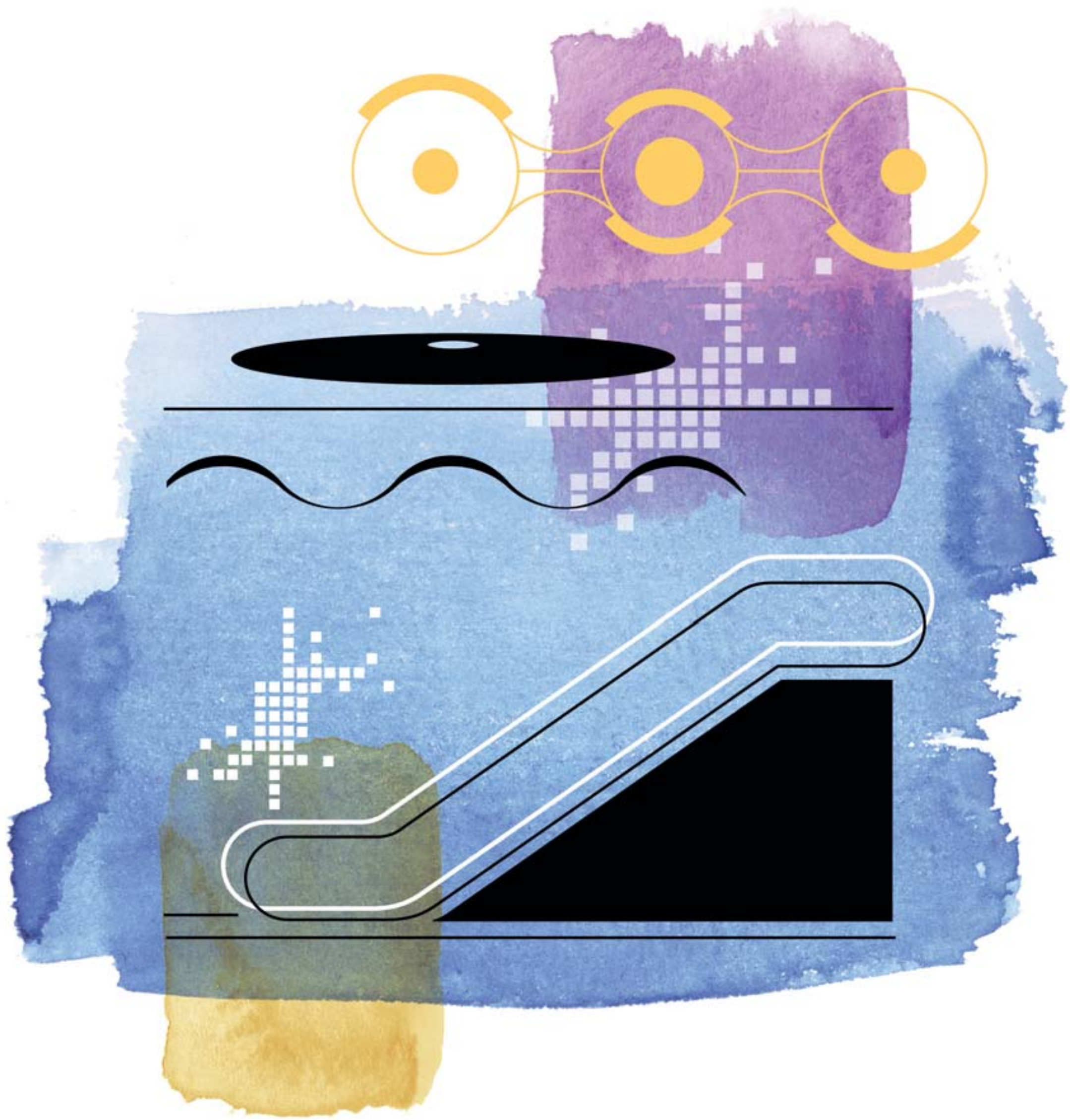


A dream, a mission: building for progress.

Satisfying customers' needs in the best way possible, achieving growth targets to increase corporate value and offering the market the most fitting solution at all times: Astaldi has been committed to building ongoing progress since the 1920s.
"Building" means moving into the future: no country or nation can do without creating new infrastructures if it wishes to pursue real, concrete progress.

ASTALDI

Turkey,
Milas-Bodrum
International Airport.



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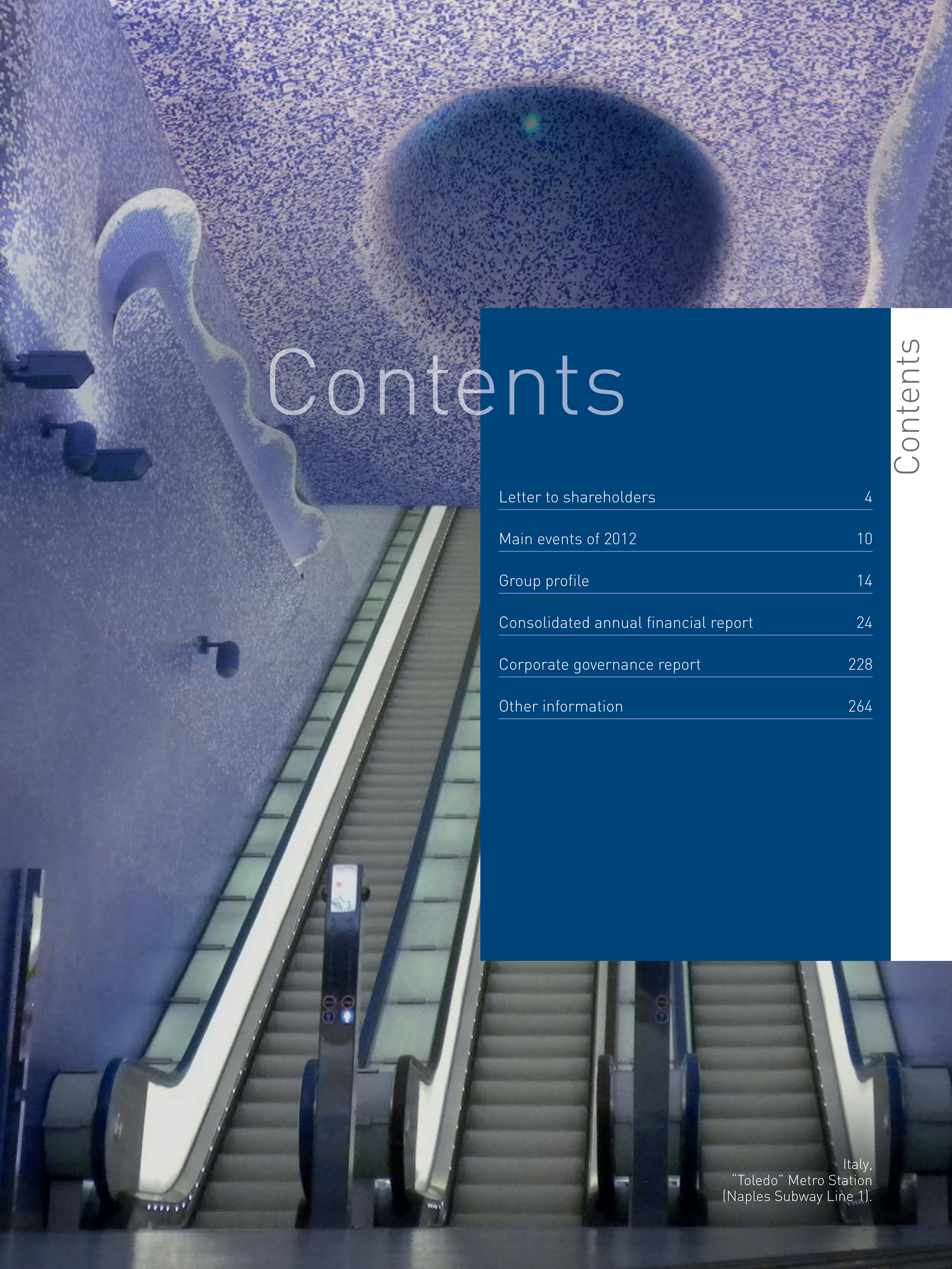
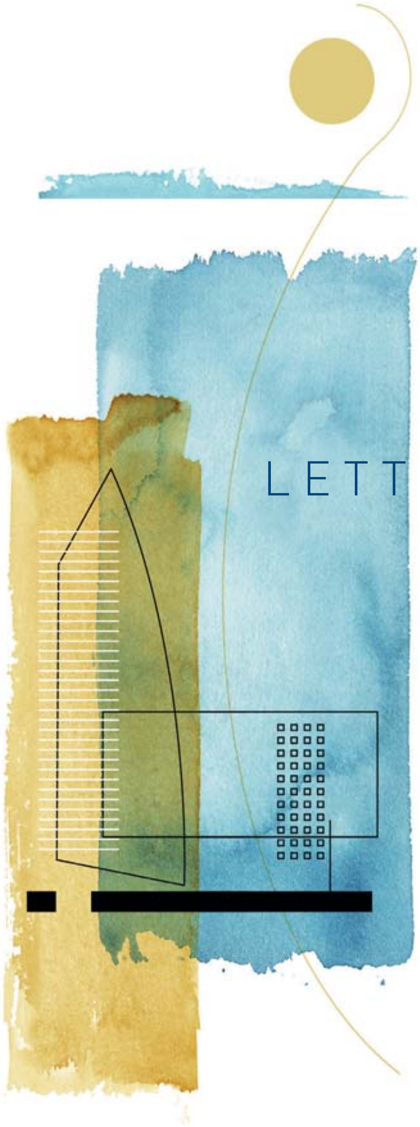


Italy,
"Toledo" Metro Station
(Naples Subway Line 1).



Paolo Astaldi
Chairman of Astaldi S.p.A.

LETTER TO SHAREHOLDERS

Dear Shareholders,

Despite the numerous problems, 2012 proved to be a positive year, characterised by new goals for your company. Astaldi was able to deal with the crisis that affected Italy, not only by continuing to look on it as an all-important strategic market, but by maintaining its leadership position in Italy thanks to its experience and ability to manage resources in the best way possible.
Said resources have allowed our Group to continue to face the international markets in a confident and competitive manner, boasting a flexible and winning

business model, as well as expertise and a reputation established throughout 90 years of success stories, and acknowledged worldwide.

And it is thanks to these specific qualities and characteristics that Astaldi has managed to offset the slowdown in the national economy with consolidation of foreign markets, both in areas where already present and in new ones offering development opportunities such as Canada.

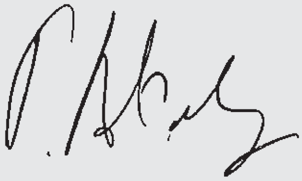
These scenarios generated significant figures that were perfectly in line with the business plan: a 4.1% increase in total revenues to EUR 2,456.9 million – showing an increase compared to EUR 2,360.3 million at 31 December 2011 – and an improvement in margins, with a 2% increase in EBITDA that amounted to EUR 264.5 million and a 5.5% increase in EBIT that totalled EUR 211.8 million.

A number of factors undoubtedly contributed to this trend, including consolidation of the Group's presence in countries such as Poland, Russia and Turkey, as well as the finalisation of key projects such as the Istanbul underground or the opening of two stations of Line 1 of the Naples underground – Università and Toledo – with the latter being voted the most beautiful in Europe.

We still have numerous challenges waiting to be turned into business opportunities: in Italy the completion of some new sections of the Jonica National Road, at an international level the start-up of works to construct Etlik Hospital in Ankara and the Third Bosphorus Bridge. The latter projects will see us involved in Turkey to promote the country's growth and make the Group's name even more famous. As always, we will call upon our experience and resources in order to suitably tackle the vast opportunities the market has to offer. Obviously by concentrating on controlling invested capital through careful risk assessment and management, and focusing on targets that will allow us to continue to be a real point of reference in the construction and concessions sector, so much so that we are able to boast an order backlog in excess of 20 billion.

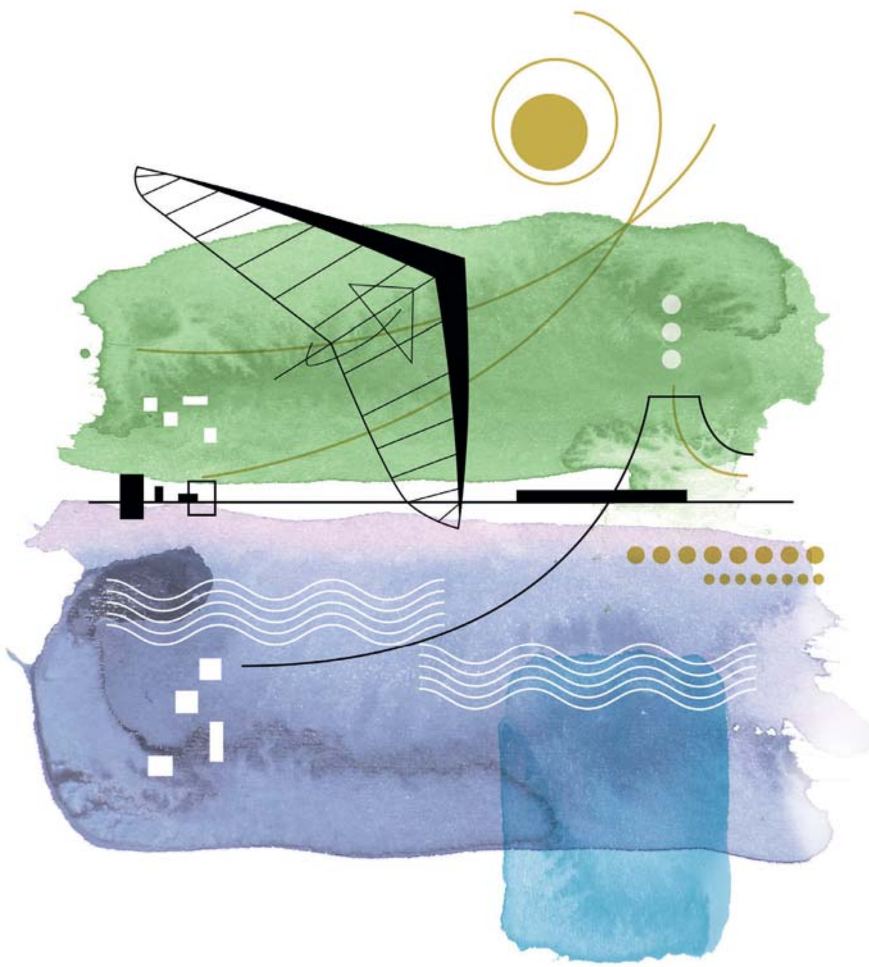
If, given the current economic scenario, we have been able to grasp opportunities, transforming every challenge into a victory, it is also down to your support and we would like to say thank you for this.

The Chairman



“Puntiamo in alto!” to achievethe future of young people

Astaldi Study Grants, dedicated to the children of employees.



Second Edition of "Puntiamo in Alto!":
30 special study grants were also created for 2012, for young people attending lower and upper secondary school.
The aim remains unchanged:
to offer the most deserving young people a real help and support, offering them the chance to develop their skills and build themselves a fitting future.

2012 Participants:

Lower secondary school diploma

Bartolini Marco
Bragoni Gabriele
Capalbo Rocco
Fontanella Francesca
Gennaro Ludovica
Gentili Ilaria
Montesi Matteo
Ricioppo Petre
Sabbatini Marco
Succurro Sara
Zazza Carlotta

Upper secondary school

Accardi Vittorio
Citterio Niccolò
Caucci Molara Giulia
D'angelo Arianna
Di Brizio Jacopo
Di Giacomo Noemi
Di Rocco Francesca
Esposito Gaia
Foti Gaia
Gangemi Eva Maria
Genovese Martina
Giustiniani Ginevra
Murzi Valentina
Panella Matteo
Passeri Christian
Ribecco Luca
Rossetti Ginevra
Santarelli Erica
Stinellis Federico
Zucco Alessio

Upper secondary school diploma

Biancacci Chiara
Cascio Rosanna
Dello Strologo Giulia
Lugo Lorenzo
Manca Francesca
Marzioni Jacopo
Merlo Ornella
Piacentini Valeria
Rossetti Riccardo
Zorzetto Soraya

Astaldi's 100 years

90 years of business.
10 years on the Stock Exchange.

EVERYONE HAS A SAY IN ASTALDI'S HISTORY

The goal achieved by Astaldi in 2012 is an important one that deserved to be celebrated with an original, memorable theme: "100 years" that bring together 90 years of business and 10 years of listing on the stock exchange.
A way to come together and celebrate Astaldi's great adventure: a story that started back in the 1920s and filled with success stories.
Indeed, the innovations, state-of-the-art technologies used, major contracts, impressive works and prestigious national and international awards are numerous: to the extent that in 2002 the Group was listed in the STAR segment of the Milan stock exchange.
In this way, Astaldi once again positions itself on the market as one of the world leaders in the infrastructure and civil engineering sectors, a General Contractor able to manage any type of working situation and tackle all construction difficulties, always providing ideal solutions.
These "100 years" have been marked by courageous intuition, advanced technology, a variety of challenges, valuable staff members and the opportunity to achieve the future through progress: infrastructures, works, new markets, means of transport and everything that, day by day, helps the world become a better, simpler place to live.
Once again, the work of Astaldi.

Main events of 2012

A major year. A year of major works

ITALY

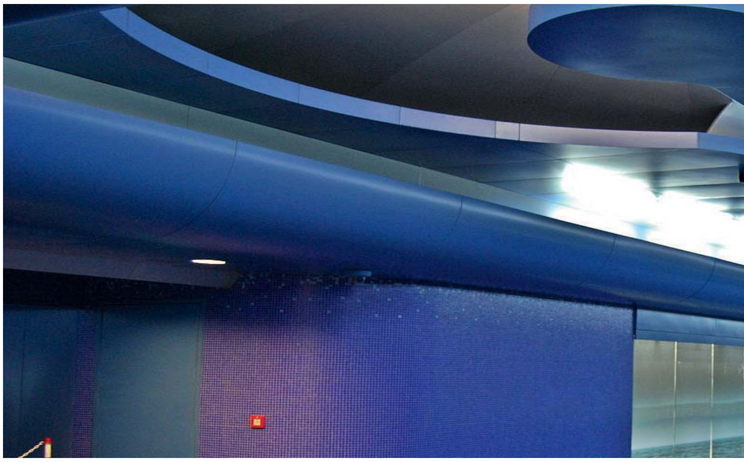
january - march

The company was awarded the general contracting initiative to construct **Mega-Lot 3 of the Jonica National Road** (38 kilometres of motorway links), a key project in the plan to improve infrastructures on Italy's Ionian side.

The Group ended 2011 with an **increase in revenue to Euro 2.4 billion and an order backlog of over Euro 10 billion**. The Board of Directors proposed **a dividend of Euro 0.17 per share (+13% YOY)**, which will be resolved upon at Astaldi's forthcoming Shareholders' Meeting.

The Group's increased its investment in **Veneta Sanitaria Finanza di Progetto**, the concessionaire company responsible for managing Ospedale dell'Angelo in Mestre-Venice (680 beds, 1,240 parking spaces). Its investment held in the company increased to 34.5%.

The photovoltaic plant (90 kW) used to supply energy to the Group's head offices in Rome was put into operation. 92,624 kWh of renewable energy were



Turkey,
Milas-Bodrum
International Airport.

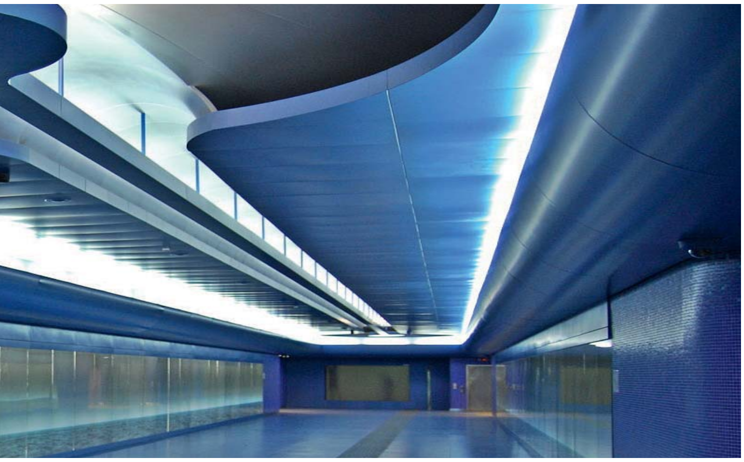
produced in one year, with an estimated saving of 16% for the Group.
The TBM to be used to excavate the tunnel section of the e**xtension of Line 5 of the Milan Underground** (7 kilometres of line, 10 stations) was presented in San Siro (Milan).

april - june

At their meeting, Astaldi's Shareholders appointed the new **Board of Directors** that will remain in office until approval of the 2014 Financial Statements.
Astaldi agreed a **Euro 60 million loan** with Credit Agricole and BBVA, guaranteed by SACE, aimed at supporting investment, especially abroad and in concessions.
Operational testing commenced on the Brescia Underground route (13.7 kilometres of line, 17 stations), prior to the line becoming fully operational, scheduled for 2 March 2013.
Milan Polytechnic hosted **wind testing of the Suspension Bridge over Izmit Bay**, the most technically complex section of the Gebze-Izmir motorway in Turkey (434 kilometres of motorway links) that Astaldi will build as part of a joint venture. The Turkish Minister of Transport also attended official testing.
The company celebrated **90 years of business and 10 years of Stock Exchange Listing** in Rome.
Bologna Centrale HS station and the Parma-La Spezia railway obtained ***"Cantieri Virtuosi 2011"*** (2011 Virtuous Worksites) acknowledgement from the customer, Italferr, as part of the campaign entitled "L'Unione fa la Sicurezza" (Unity makes safety) for good practices adopted in terms of safety at sites and in the workplace in general.
Transit of the first train inaugurated the railway underpass at **Bologna Centrale HS Station**.
Kick-off for the second edition of "Puntiamo in alto!", the study grant programme for the children of company employees, sponsored by the company.

july - september

ENR listings (*Engineering News Record* – comparison of 400 global contractors) confirmed **Astaldi Group's position among the 20 Top International Contractors** for the turnover produced in its reference sectors – 19th in the transport sector, 8th in the airport sector, 9th in the mass transit and rail sector, 13th in the motorways sector, 8th in the hydroelectric plants sector and 13th in the sports facilities sector.
Opening of **Toledo Station** (Line 1 of Naples Underground). Over 34,000 m^3 of concrete and more than 7,000 tons of steel were used to build it.
C.I.P.E. (Interdepartmental Committee for Economic Planning) released new funding for public works: Euro 178 million allocated to complete **Ospedale del Mare in Naples**, taken from the Development and Cohesion Fund for the region of Campania.



Italy,
Line 1 of Naples Underground
(Toledo Station).

october - december

Astaldi's Board of Directors approved the Group's **2012-2017 Business Plan**: definition of growth targets needed to confirm its leadership in the construction sector along with the strategic value of concessions.
Astaldi Group, in the capacity of Sponsor, was awarded the project financing initiative to construct and subsequently manage the **new offices of Rome's municipal authority** ("Campidoglio 2"), to be used to house offices for 4,350 employees.
Toledo Station (Line 1 of Naples Underground) was the star of the *"Architettura nel mondo"* exhibition held at the Triennale di Milano: built by Astaldi as part of a joint venture and designed by Oscar Tusquets Blanca, with installations by William Kentridge, Bob Wilson and Achille Cevoli, the work was praised for its perfect mix of technology, archaeology and art.
The first two stations of the new **Brescia Underground** were opened: cutting of the ribbon preceded the official opening of the line, scheduled for 2 March 2013.
Financial closing of the project financing initiative regarding the construction and management of **hospitals in Tuscany** (over 2,000 beds, 4,500 parking spaces) was completed: the definition of financing will allow for completion of the works that are already at an advanced stage of construction.
As regards **Line 5 of Milan Underground** (Zara-Bignami section), the pre-operational phase was started up prior to the official opening scheduled for 10 February 2013.

EUROPE AND TURKEY

january - march

In Turkey, the Ministry of Health (MOH) signed the concession agreement for the **Etlik Health Campus** (over 3,500 beds) in Ankara, the largest hospital facility in Europe that will be built and managed by Astaldi, as part of a joint venture.
Astaldi Concessioni opened its branch in Turkey: the operating branch will ensure careful monitoring of important projects in progress in Turkey and of the opportunities that may arise as a result of sharing of the Group's strategic and industrial goals.

april - june

In Turkey, the **Milas-Bodrum International Airport** (5,000,000 passengers/year) was opened and became operational: built in just 14 months, it will be managed by Astaldi Group. The Turkish Ministry of Transport attended the opening ceremony.
In Romania, the Group was awarded the contract to construct **Line 4 of Bucharest Underground** (2 kilometres, 2 stations, 1 freight village).

july - september

The Group was awarded the contract to design and construct the **Bydgoszcz-Torun Plant in Poland**, a Waste-to-Energy Plant to produce energy through the transformation of urban waste, able to meet the energy requirements of approximately 50,000 families.
In Turkey, **Line 4 of Istanbul Underground** (Kadıköy-Kartal section, 20 kilometres and 16 underground stations) was opened. The Prime Minister Recep Tayyip ErdoĐan attended the opening ceremony.

Italy,
Rome Subway Line C.

october - december

Closing of the terminal's roof, an important milestone in the project to complete the works, was celebrated with an official ceremony at the worksite at **Pulkovo International Airport in St. Petersburg** (14,000,000 passengers/year) in Russia.

Construction activities on the **Henri Coanda International Airport in Bucharest** (9,500,000 passengers/year) in Romania were completed and it was subsequently opened to the public.
In Russia, the company signed the EPC Contract for the **Western High-Speed Diameter** (W.H.S.D., 12 kilometres of motorway), the project to complete St. Petersburg's ring road for which the design phase was already started in June on the basis of a preliminary contract.

LATIN AMERICA AND NORTH AMERICA

january - march

The Group was awarded the **Relaves and Chuquicamata Projects** in Chile, two major contracts for the construction of infrastructures in the mining sector entered into with CODELCO, a long-standing Chilean state-owned company and leading producer of copper worldwide.
Astaldi Canada, an Astaldi S.p.A. 100%-owned company was set up with the aim of developing the opportunities the Canadian market has to offer that are of great interest in the Group's new commercial policies.
The **Chuquicamata Project** in Chile got underway that consists in transforming the largest open-air mine in the world into an underground mine.

april - june

IIn El Salvador, the Group was awarded the **project to upgrade the Comasagua-Chiltiupian road** (9.6 kilometres of road) and the **bridge over Rio Lempa in Nombre de Jesus** was opened: the President of the Republic of El Salvador attended the official ceremony.

july - september

A symbolic ceremony was held at the site for the **Chuquicamata Mining Project** in Chile to celebrate boring of the first access tunnel to the mine.
In the USA, the Group obtained two important awards: the **Florida Best in Construction Urban 2012**, for the construction quality of the SR-823 road project in Miami Dade and the **FTBA Safety Record Award** for the results achieved by Astaldi Construction Corporation, a company owned entirely by Astaldi S.p.A.

october - december

The Group finalised its acquisition of **T.E.Q.**, a Canadian company operating in the construction and project management sector thus consolidating the Group's commercial entry in Canada.
The Group successfully concluded refinancing of the **Chacayes Hydroelectric Project** in Chile, already in the management phase. The transaction ensures refinancing of the concession project at more profitable conditions for the project and disbursement of an extra-dividend to the shareholders of the concessionaire company Astaldi holds an investment in.
The **Chacayes Hydroelectric Project** obtained its first carbon credits, real commercial credits that certify the ability to reduce CO2 emissions. As established in the Kyoto Protocol, said credits can be negotiated after about a year, with consequent benefits for the plant's overall earnings.
The Chacayes Hydroelectric Plant obtained the international award for **Best Hydro Project of the Year** during the Power-Gen International Projects of the Year Awards event held in Orlando, Florida.

Group profile

Italy,
"Jonica" National Road
(NR-106).

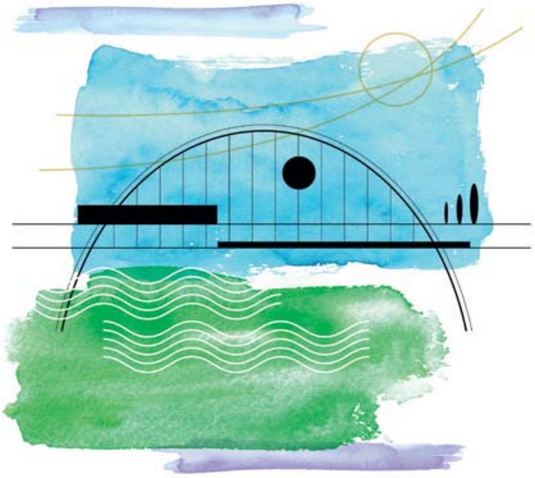
Astaldi Group

Our history is one of innovation.

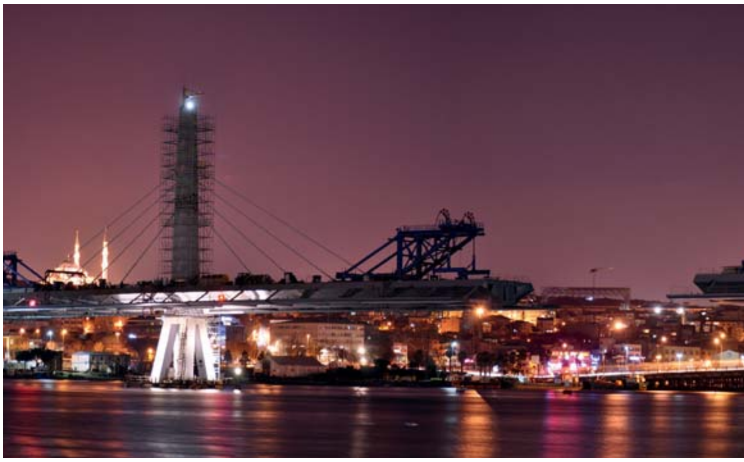
Boasting a firm reputation, established throughout 90 years of business, Astaldi Group is a General Contractor and sponsor of project finance initiatives, but it is also looked on as one of the most important companies in the construction sector at a global level.
Its history starts back in the 1920s and has always been characterised by its considerable ability to build real masterpieces of civil engineering and infrastructures thanks to its know-how that has achieved success and received awards in Italy and in the rest of the world. A starring role on the international scene which Astaldi has interpreted with works that have made a decisive contribution to the development of the countries in question. In addition to Italy, said numerous countries include Europe, Turkey, Venezuela and Algeria that represent real strategic areas for the Group, as well as new markets in Poland, Chile and Peru thanks to transport infrastructures and hydroelectric plants, but also in Canada, the USA and the Middle East.

Chile,
Chacayes Hydroelectric Power Plant.

The performance of major public works has made Astaldi Group one of the most famous and well-known Italian operators abroad. A large number of projects are also in progress in Italy: the most representative of these are the new underground lines in Rome, Naples, Genoa, Brescia and Milan, construction and management of four hospitals in Tuscany, Bologna Centrale High Speed station, the Turin rail link and new sections of the Jonica National Road.
Thanks to these results and its total turnover, Astaldi holds the 89th position in the global listings of ENR-Engineering News Record: this also serves to acknowledge its management policies, even in such difficult and complex situations such as the current economic and financial ones. But the Group's history does not feature construction alone; it also features innovation, intuition and winning choices. Such as the setting up of Astaldi Concessioni, the driving force behind the growth of the concessions, project financing and PPP markets. With more than 100 sites operating in 25 countries and over 9,900 employees. Astaldi does not limit itself to the excellent results achieved to date, but looks at its future commitments with optimism and enthusiasm: with the aim of winning market challenges and climbing further up the global listings.



Italy,
Buddusò wind plant.



Group activities

Transport

Growth lined with success.

Just as every year, in 2012 transport infrastructures were once again the main sector of reference and one of the most important resources for Astaldi. The Group contributed to the construction of kilometres of motorways, railways and undergrounds. As regards Italy, it is suffice to consider Line 5 of the Milan underground, the Brescia, Genoa and Naples undergrounds and works to complete Line C of the Rome underground. As regards foreign projects, the Group is responsible for the Istanbul underground and is currently building Line 2 of the Warsaw underground and Lines 5 and 4 of the Bucharest underground. Moreover, works are also going ahead on the Pedemontana Lombarda motorway and its involvement in the Jonica National Road has increased since Astaldi was also awarded construction of a third Maxi-Lot. And, in addition to signing of the contract to construct the Saida-Tiaret railway in Algeria, we must also recall the project to complete the Western High Speed Diameter in St. Petersburg in Russia and the Gebze-Orhangazi-Izmir motorway in Turkey where the Milas-Bodrum International Airport was also built and opened in record time. In Russia, works continue on Pulkovo International Airport in St. Petersburg and in Romania, the departures terminal of Henri Coanda Airport in Bucharest was opened to the public.

Water and energy

More energy in the future.

Hydraulic works and energy production plants are an area where, at a global level, Astaldi is unquestionably acknowledged as having developed first-rate expertise. Proof of this can be seen in the Chacayes hydroelectric plant in Chile, built together with the Australian company, Pacific Hydro, for the design and management of a totally eco-compatible 111 MW plant. The sector, of strategic interest for the Group, recorded progress as regards construction of the Huanza, Cerro del Águila and Santa Teresa plants in Peru. Other important results are to be added to this such as having been awarded the contract for the design and construction of the Bydgoszcz-Torun waste-to-energy plant in Poland which will produce energy by converting urban solid waste. And still with regard to alternative energy sources, in order to provide a good example, the Group has equipped its

Turkey,
Haliç Bridge in Istanbul.

head office in Rome with a photovoltaic plant. This too means using your own energy for progress, in an area with numerous opportunities for growth and consolidation.

Construction

Works that represent progress

There is one sector where the Group has always obtained important and leading recognition, at a national and international level and that is civil and industrial construction. This has been possible thanks to the design and construction of key infrastructures such as the four hospitals in Tuscany: a project finance initiative for the construction and finalisation of 4 key hospital complexes in Lucca, Massa, Prato and Pistoia, and already at an advanced stage. While as regards future projects, the Group will be responsible for construction of the largest healthcare facility in Europe, the Etlik healthcare campus in Ankara, Turkey: the umpteenth prestigious construction by Astaldi. Because it has designed and constructed some of the most important works at a national and international level. As regards the past, mention must also be made of Ospedale dell'Angelo in Mestre-Venice, built and operational as a concession since 2008, and the new Rho Pero Trade Fair Centre in Milan, Italy, one of the largest in Europe.

Concessions

Growth in opportunities with Astaldi Concessioni.

Innovation is an all-important aspect for anyone wanting to consolidate the present and build a solid future. This is why the Group set up Astaldi Concessioni in 2010, bringing together all the new and numerous growth opportunities offered by the concessions, project financing and PPP markets. This choice was the logical consequence of all the know-how developed in recent years in the capacity of General Contractor and steered the Group's entry into a sector experiencing major, ongoing expansion. The recent financial crisis of international markets, with all its related problems, is prompting more and more contracting authorities to make use of private funding. This is because public works such as motorways, railways, undergrounds, hospitals, and social and school construction need instruments such as project financing and PPPs (Public-Private Partnership) in order to be built. Astaldi Concessioni is able to offer all these services, as well as all those values that helped create the Group it is part of.

Romania,
"Lia Manoliu" National Stadium
in Bucharest.

Strategies, resources and responsibilities

A wealth of know-how and skills to be maintained, qualified professional profiles taken from the market to be improved on and young resources to be discovered.

Romania,
Basarab Overpass
in Bucharest.

Diversification and expansion, strategically.
A record as the Italian leader in its reference sector and a truly solid reputation on the international market mean that Astaldi can look towards the future as an opportunity for growth and consolidation. The 2012 Financial Statements confirmed its ability to meet targets. Moreover, the setting up of Astaldi Concessioni has meant further widening of the expansion scenario. Therefore, a greater commitment in the concession and general contracting infrastructures sector is expected a well as marked consolidation of market positions in the water, energy and civil construction sectors. The ability to diversify investments from a geographical viewpoint will play a key role. In this way market risks will be balanced and it will be easier to grasp all the new opportunities the various countries worldwide have to offer.

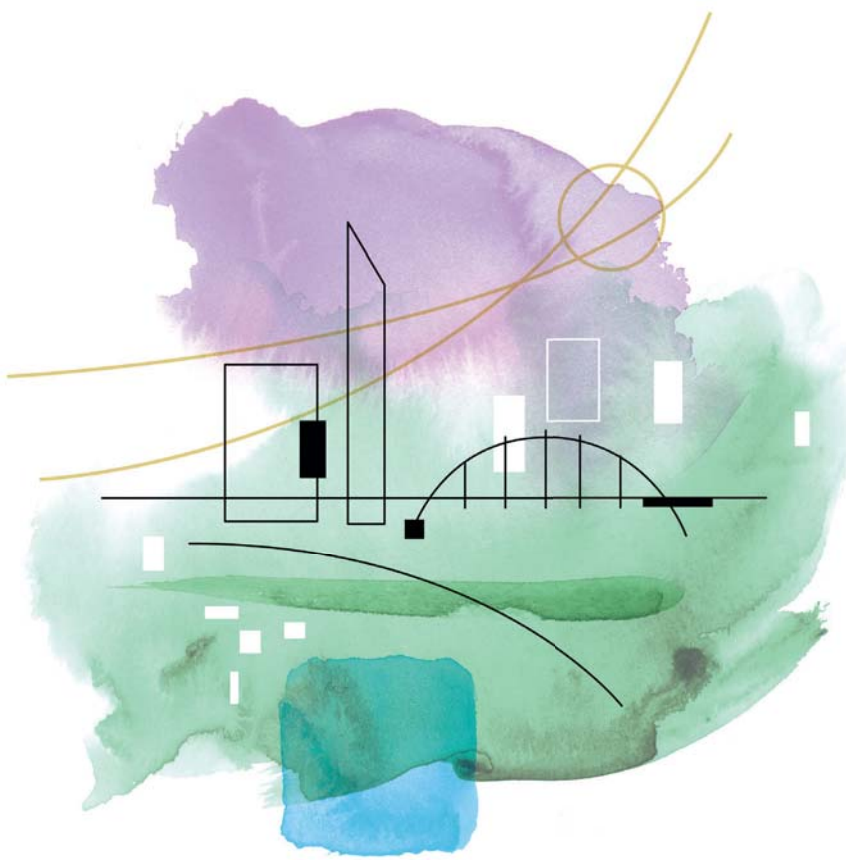
Consolidation and increase of resources.
Astaldi operates in 25 countries, with more than 9,900 employees worldwide. Therefore, it is obvious that optimising organisation is a decidedly important aspect for this type of company. Indeed the Group has an integrated organisational model, with central instruments made available for each individual contract. This type of management makes it easier to share know-how in a transversal and efficient manner, complying with all operating standards. In short, a policy based on all-important values such as cooperation, integration, inclusion and training of resources, and optimisation of processes. And the results were also seen in 2012.

Safety and attention, responsibly.
Improving the quality, safety and environmental impact of its corporate management systems is an excellent way to increase and improve the Group's services and individual processes. All of this means social responsibility, and in addition to this great attention on the health and safety not only of its workers, but also on the environments where projects are being performed. This is why Astaldi has fully implemented a process of HSE (Health, Safety, Environment) performance planning and has committed itself to achieving the important "zero accidents" goal at the start of each project. A choice which has been rewarded for the sixth year running with the prestigious Silver Level Step Award by Associated Builders & Contractors Inc. for occupational health and safety management by Astaldi Construction Corporation. In addition to this, it received the "Cantieri Virtuosi 2011" award from Italferr as part of the "L'Unione fa la Sicurezza" campaign for good safety practices adopted on site and in general in the workplace, for Bologna Centrale High Speed station and the Parma - La Spezia railway line.

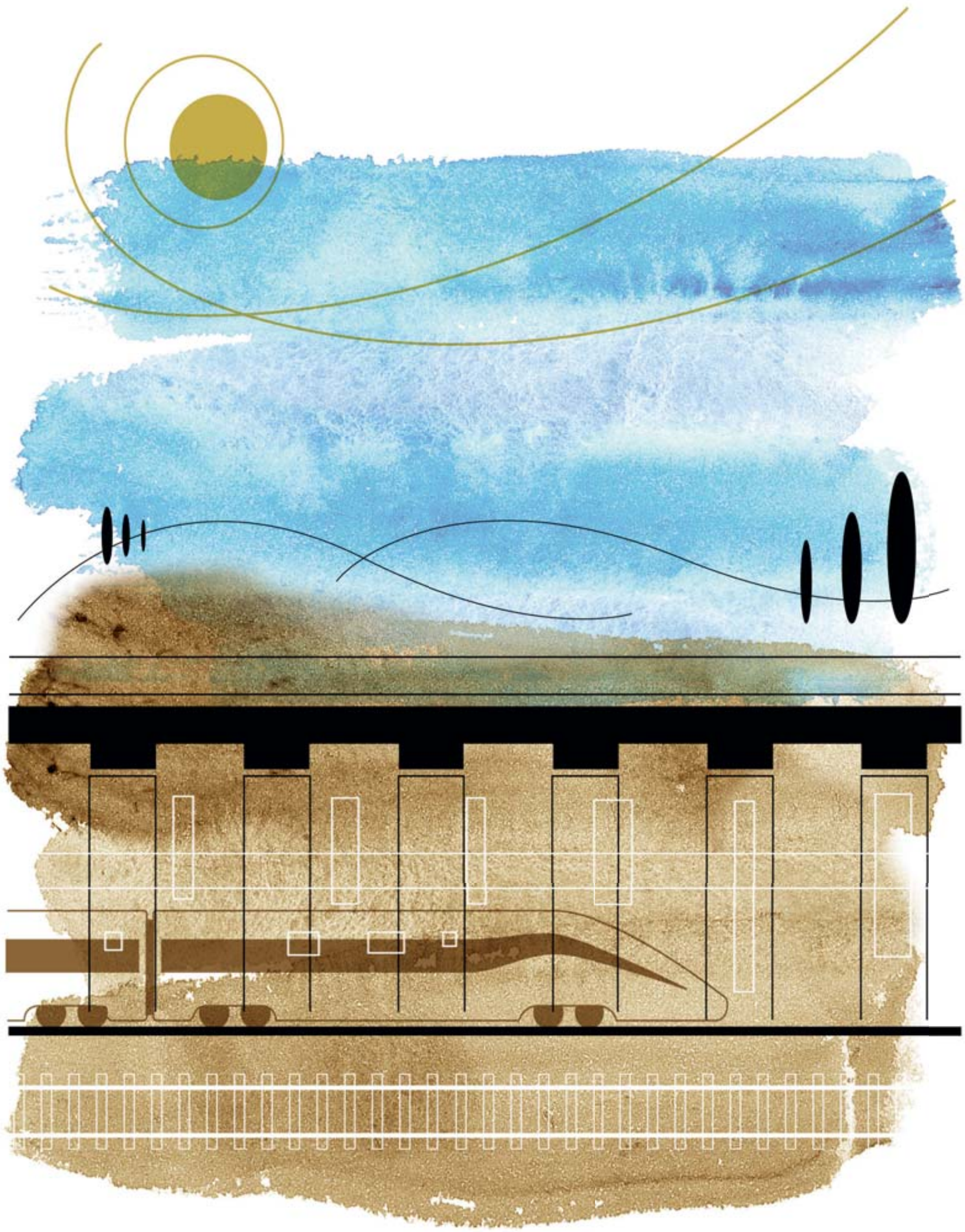
Italy,
new Hospital in Lucca
(Tuscany).

Corporate Responsibility

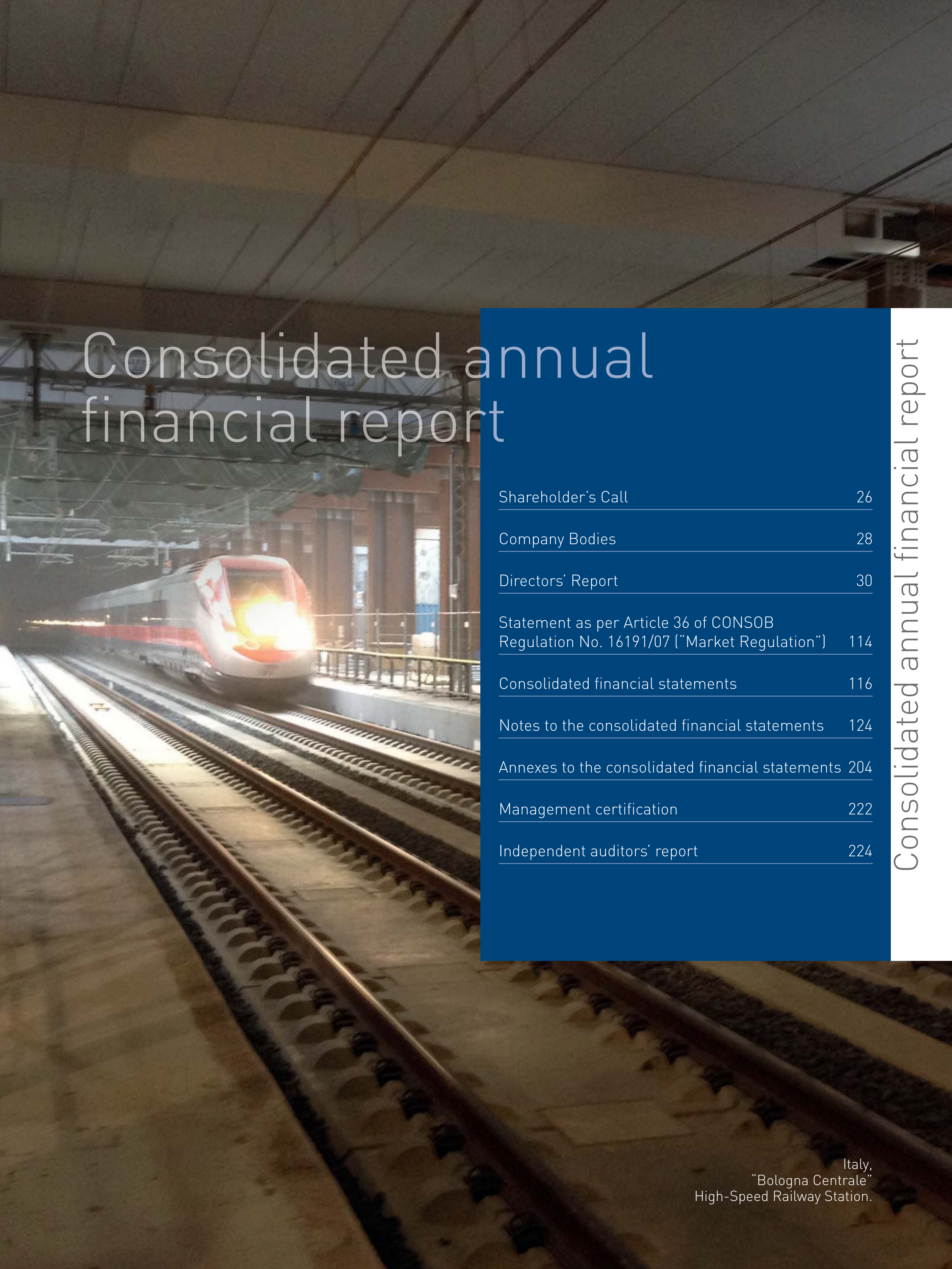
Feeling responsible. And acting responsibly.



Just as every year, in 2012 the Group also committed itself to adopting a socially responsible behaviour, fully aware of the expectations of Astaldi's stakeholders as regards the economic, environmental and, last but not least, social areas. And this is why the Group considers the major attention on the environment it operates in and its social development together with initiatives aimed at improving its employees' standards to be a real feather in its cap, as well as a competitive hallmark. Proof of said efforts can be seen in the fact that Astaldi received the Safety Award from FTBA for occupational safety in the USA: a prestigious award and an incentive to do even more to achieve the "zero accidents" target.
But helping to create the future also means promoting culture and the Group has always shown itself to be highly active in this regard. It has been the official sponsor of Società del Quartetto di Milano since 2003, which together with La Scala di Milano aims to spread and make known good music.
Moreover, the Group has also enjoyed a partnership for more than 10 years with the leading Accademia Nazionale di Santa Cecilia of which it is a founding member: this important and historical institution has had the privilege and responsibility of representing Italian culture abroad for over a century.
The latter is most definitely a point it shares with Astaldi given that the aim of them both is the quest for and achievement of excellence in their own area, so as to make the name of Italy a great one worldwide. As regards the issue of public health, the Group has always been actively involved to ensure that the environmental impact major works have on the surrounding area is reduced to a minimum.
And the Group also supports MUS-E Italia Onlus, the important goal of which is to beat marginalisation and social hardship in schools through art, and it is a partner of Fondazione Umberto Veronesi. This leading institution was set up in 2003 to promote and encourage scientific progress and the work of doctors and researches through research grants, support high-level projects and promote scientific knowledge.
All of these are areas in which Astaldi feels "responsible" and is delighted to offer its support.



Consolidated annual financial report



Italy,
"Bologna Centrale"
High-Speed Railway Station.

Shareholder's call

An Ordinary and Extraordinary Meeting of the Shareholders is called to be held at the Company's registered office in Rome, Via Giulio Vincenzo Bona 65, on the 23rd of April 2013, at 9,00 a.m. at first calling and, if necessary, at second calling on the 26th of April 2013, same place and time, to discuss and resolve upon the following

agenda:

Ordinary session:

1. Approval of the Company's Financial Statements as of December 31, 2012. Resolutions relating thereto and deriving therefrom.
2. Appointment of the Board of Directors holding office for financial years 2013-2015.
3. Resolutions on the remuneration due to Directors.
4. Stock Grant Plan. Resolutions connected therewith and deriving therefrom.
5. Resolutions on the purchase and sale of company's own shares.
6. Resolutions on the remuneration policy.

Extraordinary session:

1. Company's share capital increase with exclusion of the right of option pursuant to art. 2441, paragraph 5, of the Italian civil code supporting equity-linked bonds; resolutions relating thereto and deriving therefrom.
2. Amendments to the Company's By-Laws (Art. 27).

Share capital and Voting Rights.

The subscribed and paid-up share capital of Astaldi S.p.A. amounts to € 196,849,800.00 and is divided into 98,424,900 common shares of a nominal value of Euro 2.00 each, of which 594.865 treasury shares presently held. Each share entitles its registered holder to one vote, exclusive of treasury shares held by the company at the date of the meeting, the voting rights of which, in accordance with the law, are suspended, and the amount of which will be made known upon opening meeting. The information set forth in this paragraph are available at www.astaldi.com

Entitlement to Attend the Meeting.

Pursuant to art. 11 of the Company's By-laws, Shareholders' meetings may be attended by those who are entitled to vote in accordance with the appropriate attestations issued and forwarded by the brokers pursuant to the law. To this respect, pursuant to art. 83-sexies of the T.U.F. (the Italian Financial Services Act), the entitlement to attend Shareholders' meeting and to vote thereat is attested by a notice to be given to the Company by the broker according to the latter's accounting records, setting forth the name of the entity entitled to vote, on the basis of the records of the accounts as per art. 83-quater, paragraph 3, of the Italian Financial Services Act, as at the end of the accounting day of the seventh stock market working day prior to the date fixed for the shareholders' meeting (i.e. April 12, 2013)*. Those who appear to have become shareholders after such date will not be entitled to attend the Shareholders' meeting and vote thereat. The brokers' attestations as per this paragraph, will have to be sent to the Company to the e-mail address segreteria.societaria@astaldi.com, or certified e-mail address astaldi@pec.actalis.it, as well as to INFOMATH S.r.l. Via Lombardia, 5, 24124 Bergamo (Italy), by post office mail or by fax (fax No. 035-3840396) or by certified e-mail infomath@pec.infomath.it, within the end of the third stock market working day prior to the date fixed for the first-call meeting (i.e. April 18, 2013). It is understood that the entitlement to attend the Shareholders' meeting and to vote thereat is granted also in the event the Company receives any such notice beyond said deadline provided that it is received before the start of the meeting of each respective call.

Vote by Proxy and Vote by Mail or by Electronic Means.

The holder of the voting right may have himself represented by written proxy, subject to any incompatibility and within the limits provided for by the laws and regulations in force and the provisions of the Company's By-laws. To such purpose may be used the form of proxy attached at foot of the authorized broker's certification, to be issued to the entity who is entitled to vote, or the form of proxy available at the Company's website www.astaldi.com ("*Governance/Shareholders Meeting*" section). In accordance with art. 12 of the Company's By-laws, every shareholder may issue the proxy through the website section "*Governance/Shareholders Meeting*" of the Company's Internet website.

As provided for by the Company's By-laws, the Company waives the right to appoint a "common representative", as provided for by art. 135-undecies, § 1, of the Italian Financial Services Act.

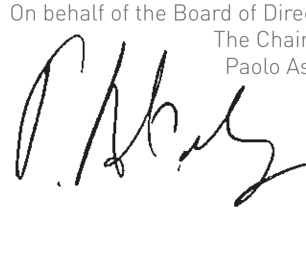
The Company's By-laws do not provide for any procedure for casting votes by mail or by electronic means.

* The notice of calling of the Shareholders' Meeting published on the Italian daily newspaper "Il Sole 24 Ore" mistakenly states the date of April 14, 2013 (Sunday), rather than the correct date of April 12, 2013 (Friday), as the "accounting day of the seventh stock market working day prior to the date fixed for the meeting".

Questions on the Topics of the Agenda.
Pursuant to art. 127-ter of the Italian Financial Services Act, the Shareholders may make questions on the topics of the agenda also prior to the meeting. Any such question will have to be made to the Chairman of the Board of Directors in writing, by means of registered letter with acknowledgement of receipt, to be sent to the Company's registered office, attn.: Servizio Legale Affari Societari e Corporate Governance, or by means e-mail to segreteria.societaria@astaldi.com or to the certified e-mail address astaldi@pec.actalis.it. Any such question has to be received within 3 working days prior to the first-call meeting (i.e. April 18, 2013) and they will be answered, also by one sole answer in the event of questions on the same subject, at the latest during the Meeting.
Supplements to the Agenda.
Pursuant to art. 126-bis of the T.U.F. (the Italian Financial Services Act), the shareholders who represent, also jointly, one fortieth of the share capital may request, within ten days after public of this notice of calling, to supplement the list of the topics to be discussed, setting forth the additional topics proposed by the same in their request. The request to supplement the agenda has to be made to the Chairman of the Board of Directors in writing, by means of registered letter with acknowledgement of receipt, to be sent to the Company's registered office, attn.: Servizio Legale Affari Societari e Corporate Governance, or by means e-mail to segreteria.societaria@astaldi.com or to the certified e-mail address astaldi@pec.actalis.it. A report on the topics proposed by such shareholders for discussion has also to be filed, according to the same procedure and within the same deadline, to the managing body. It is further reminded that the agenda can not be supplemented with topics upon which the Shareholders' Assembly resolves, pursuant to the law, on the directors' proposal or on the basis of a project or plan drawn up by the same, other than those provided for by art. 125-ter, paragraph 1, of the Italian Financial Services Act.
Appointment of the Board of Directors and Filing of Lists
As far as concerns the appointment of the Board of Directors, it is reminded that, pursuant to article 16 of the Company's By-laws, and to art. 147-ter of the Italian Financial Services Act (T.U.F.), such appointment is made on the basis of lists filed at the Company's registered office at least 25 days prior to the date fixed for the Meeting (i.e. March 29, 2013) by the Shareholders globally holding, individually or jointly with other shareholders, a number of shares representing at least 2.5% of the Company's share capital with voting right at Shareholders' ordinary meetings. For the lists and the relevant documents to be considered as validly filed, the Shareholders will have to comply with the provisions of art. 147-ter of the Italian Financial Services Act (T.U.F.) and art. 16 of the Company' By-laws available at www.astaldi.com ("*Governance/Documents*" section).
Lists and individual candidacies filed not fully complying with the provisions of the laws and the Company's By-laws will be considered as not filed.
Documents.
The documents relating to the topics of the agenda shall be filed with the Company's registered office (in Rome – Via Giulio Vincenzo Bona, 65) and Borsa Italiana S.p.A. as provided for by the laws and regulations in force, the shareholders being entitled to examine the same and to obtain copy thereof. More precisely, the following documents will be made available: (i) the Directors' Reports on topics 1, 2 and 3 of the agenda of the ordinary session, at least 40 days prior to be Meeting, under art. 125-ter of the Italian Financial Services Act; (ii) the Directors' Reports on topic 4 of the agenda of the ordinary session, at least 30 days prior to be Meeting, jointly with the information document drawn up pursuant to the provisions of art. 114-bis of the Italian Financial Services Act and art. 84-bis of Consob Regulation 11971/99; (iii) the Directors' Reports on topics 5 and 6 of the agenda of the ordinary session and on topics 1 and 2 of the agenda of the extraordinary session, as well as the Remuneration Report at least 21 days prior to be Meeting, under arts. 123-ter and 125-ter of the Italian Financial Services Act, and arts. 72, 73 and 84-quater of Consob Regulation 11971/99; (iv) the lists of candidates as members of the Company's Board of Directors for the three-year period 2013/2015, at least 21 days prior to the Shareholders' Meeting under art. 144-octies of Consob Regulation 11971/99 and (v) the annual financial report and the other documents as per art. 154-ter, paragraph 1, of the Italian Financial Services Act, within 90 days after closing the 2012 financial year pursuant to art. 2.2.3, paragraph 3, lett. a) of Regulation issued by Borsa Italiana S.p.A. Those same documents will be made available at the Company's Internet website ***www.astaldi.com*** ("*Governance/Shareholders' Meeting*" section). A report summarizing the vote results, setting forth the number of shares attending the Shareholders' meeting, personally and by proxy, the number of shares voted, the percentage of capital represented by such shares, as well as the number of shares voted for and against the resolution, and the number of abstentions, will be published within five days after the Shareholders' Meeting in the same section of the Company's Internet website. The minutes of the Shareholders' Meeting as per section 2375 of the Italian Civil Code will be anyway made available at www.astaldi.com ("Governance/Shareholders Meeting" tab) within thirty days after the date on which Shareholders' meeting was held.
Experts, Financial Analysts and Journalists.
Accredited experts, financial analysts and journalists desiring to attend the Shareholders' Meeting will have to file a proper application with Astaldi S.p.A. – Attn. Corporate Communications & Investor Relations Dept. – by e-mail to the address investor.relations@astaldi.com or by fax to No. +39-06-41.76.67.33 – not later than two working days before the date fixed for the first call Meeting.

Rome, March 14, 2013

On behalf of the Board of Directors
The Chairman
Paolo Astaldi



Company bodies

Corporate bodies

Board of Directors

Chairman	Paolo Astaldi
Deputy Chairmen	Ernesto Monti
	Giuseppe Cafiero
Chief Executive Officer	Stefano Cerri
Company Directors	Caterina Astaldi
	Pietro Astaldi
	Luigi Guidobono Cavalchini
	Giorgio Cirla
	Paolo Cuccia
	Piero Gnudi
	Mario Lupo
	Eugenio Pinto
	Maurizio Poloni

General Management

Administration and Finance	Paolo Citterio
Domestic	Luciano De Crecchio
International and Railway Works	Cesare Bernardini
International	Rocco Nenna

Honorary Chairman

Vittorio Di Paola

Board of Statutory Auditors

Chairwoman	Daria Beatrice Langosco di Langosco[1]
Standing Auditors	Ermanno La Marca
	Lelio Fornabaio
Alternate Auditors	Andrea Lorenzatti[2]
	Giulia De Martino
	Francesco Follina

Control and Risks Committee[3]

Chairman	Mario Lupo
Committee Members	Luigi Guidobono Cavalchini
	Eugenio Pinto

Remuneration Committee

Chairman	Ernesto Monti
Committee Members	Eugenio Pinto
	Maurizio Poloni

Related Parties Committee

Chairman	Eugenio Pinto
Committee Members	Giorgio Cirla
	Maurizio Poloni

Independent Auditors

KPMG S.p.A.

[1] Auditor appointed through slates submitted by minority.
[2] Auditor appointed through slates submitted by minority
[3] Following recently approved amendments to the Code of Conduct, the Internal Control Committee has changed its name to Control and Risks Committee.

Directors' Report

Introduction

Legislative Decree No. 32 of 2 February 2007 ("Implementation of Directive 2003/51/EC, which amends EEC Directive Nos. 78/660, 83/349, 86/635 and 91/674, regarding the annual accounts and consolidated accounts of some types of companies, banks and other financial institutes and insurance companies") amended, inter alia, Articles 40 (Directors' Report) and 41 (Auditing of consolidated financial statements) of Legislative Decree No. 127/1991. Specifically, with regard to Article 40 of Legislative Decree No. 127/1991, it was envisaged that, as far as companies drafting consolidated financial statements are concerned, the directors' report on the consolidated financial statements and the parent's separate financial statements "may be presented in a single document, emphasising, where appropriate, the issues which are significant for all the companies included in the consolidation scope". Taking into account the Group's structure, the company opted to avail itself of said possibility and hence this annual report (referring to the 2012 annual financial statements) includes information previously provided in the directors' report for the consolidated financial statements and in the directors' report for the separate financial statements of the parent, ASTALDI S.p.A.[4]

Separate and Consolidated financial statements

CD

For the Separate Financial Statements and the Consolidated Financial Statements at December 31st 2012, please refer to the CD attached to this volume.

Lastly, it must be noted that Astaldi's Board of Directors resolved to avail itself of the faculty to eschew obligations regarding the publication of required disclosures on the occasion of significant mergers, demergers, share capital increases involving considerations other than cash, acquisitions and transfers, pursuant to Article 70, subsection 8 and Article 71, subsection 1-bis of the Issuers' Regulations issued by CONSOB.

Background scenario

Construction - Italy

During 2012, the European economy experienced a further slowdown in the GDP (-0.4% after +1.4% in 2011), even if the standstill in Central-Northern Europe went hand-in-hand with a genuine recession in Mediterranean countries. In this situation, the construction market experienced a drop of 2% in terms of investment after having recorded -3.8% in 2010 e -0.2% in 2011. In real terms, during the 2008-2012 period, investments in the construction sector dropped by 18.1%. The differences between the various Eurozones are mainly to be linked to the adoption of different policies by member state governments. For example, France and Germany have planned medium-term investments in social housing, green building and the upgrading of towns. In Italy, in 2012 investment in construction, in real terms, experienced a drop of 7.6%, down on the -5.3% recorded in 2011. During the 2008-2012 period, the construction sector lost 27.1% of investments in real terms. The sector is clearly affected

by a negative economic cycle. If during the 2008-2009 period, the national GDP experienced a reduction of 6.1% in real terms, partially offset by a 1.5% growth in 2010 and a 0.5% growth in 2011, 2012 is expected to record a 2.1% reduction (the GDP quarterly trend was -0.8% in Q1, -0.7% in Q2 and -0.2% in Q3). The re-launch of the construction sector was the target of some legislative measures approved by the two governments during 2012, not lastly by the so-called "Development Decree" (Law Decree No. 83/2012) that, however, needs a long period of time for the implementation of a definite framework of resources. As regards infrastructures, the start-up of works financed by C.I.P.E. (Interdepartmental Committee for Economic Planning) using national funds experienced a delay, largely due to reinforcement of the internal stability pact (2013 Stability Bill). Said reinforcement has penalised Public Administrations, especially municipal authorities that have been forced to review their own infrastructure investment programmes, making drastic cuts in capital expenditure.
The sector's negative trend is confirmed by the trend regarding bank loans and specifically the disbursement of medium and long-term loans. Loans for construction went from 12% to 7% of the total disbursed and mortgages for the purchase of real estate dropped from 18% to 11%. Said trend is the result, on the one hand, of the increasing difficulty in taking out bank loans, especially in relation to advances against discounted invoices, and on the other of the major economic and financial tension, intensified by the urgent requests for repayment by the banks themselves. Said figures highlight the long-standing problems of a sector already penalised by an inefficient bureaucracy, as can be seen from the unjustified extension of payment deadlines by the public administration in 2012 with an average repayment period of 8 months.
Therefore, the result is a complex and difficult domestic situation in whose regard Astaldi Group adopts a rational policy that, with a strategy of balancing development between Italy and abroad, generates: (i) a well-balanced revenue structure, (ii) an average project duration for the construction order backlog in Italy of 3/5 years, (iii) considerable partnership potential with the concessions sector, and (iv) exclusive involvement on priority projects in the government's development policies.
Considering that the 2013 Stability Bill provides for an increase in state resources allocated for new infrastructures of Euro 2.4 billion (+19.6%), the risk is that said injection of resources is completely absorbed by the major reinforcement of the internal stability pact. Therefore, it is felt that inversion of the recession trend is only possible through a re-launch of investments in infrastructures involving, it is hoped, national investors such as Cassa Depositi e Prestiti, the adoption of infrastructure tax exemption policies, the regulation and implementation of alternative instruments to fund works (such as project bonds, finance leases, PPPs), reduction of the tax burden on production and streamlining of bureaucracy.

Construction – International

Please find below a brief analysis of the macroeconomic situation and/or of planned infrastructure investments in the countries of greatest interest for the GROUP's activities, at the date of this report.

Europe

Romania. Despite the country's structural problems, the most recent macroeconomic estimates speak of a forecast 1.7% growth in Romania's economy. The increase should be fuelled in part by the construction sector for which a 4.7% annual growth in real terms is forecast (compared to +5.7% in 2012). Therefore, Romania keeps offering opportunities for the Group's core sector, for the numerous medium-size public works tenders that continues to guarantee and support, especially in the transport infrastructure sector, but also for the commitments undertaken with re-

[4] This Annual Financial Report has been drafted, applying the same accounting standards as adopted to draft the Annual Financial Report at 31 December 2011, with the exception of those that had effect as from 1 January 2012 which are presented in the Consolidated Annual Financial Statements under the heading "Standards and Interpretations with effect as from 1 January 2012".

Poland,
Łódź Fabryczna Railway Station.

gard to cohesion infrastructure funding allocated by the European Union (mainly related to construction of the Trans-European Corridor IV). In the medium-/long-term, new investment opportunities may arise from the PPP law approved at the end of 2010. Considering the above and in light of the specific experience acquired over the years, including in the use of structural funding, Astaldi Group feels that interesting opportunities may be on offer in the medium-term in Romania, also in relation to partnerships with leading European companies operating in the sector.

Poland. The infrastructure sector in Poland is standing up to the global financial crisis and continues to offer excellent opportunities for business, especially in the transport sector. Thanks to its EU membership, the Polish construction industry has gained access to structural and cohesion funding, thus succeeding in making the improvement of its infrastructure system the focus of its development strategies. Investments of Euro 7.3 billion are expected for the 2014-2020 period in order to upgrade the railway network. The most important contracts concern the Lublin-Otwock line and links around Poznan and Warsaw, the country's main industrial areas. The projects will be supported by European funding that will be able to support activities not covered by the state's spending capacity. Indeed, in the EU's financial budget for 2007-2013, Poland was allocated EU financial resources totalling over Euro 80 billion, Euro 67.3 billion of which from structural and cohesion funds allocated for infrastructures. Further resources may come from the optimisation of use of funds already allocated to upgrade the railway network as part of EU planning for 2007-2013, as well as from the development of PPPs which the state is trying to promote. Therefore, thanks to its technical and financial skills, in addition to specific experience in the use of EU structural funds, ASTALDI Group feels it is able to grasp interesting development opportunities, for both the construction and concession sectors, especially as regards transport infrastructures and energy and environment.

Russia. It is important to note that Astaldi Group operates solely with carefully-chosen private counterparties of high international standing and in relation to projects that have already been funded and/or can boast guaranteed funding. Therefore, it represents an opportunity for geographical diversification resulting from the consolidation of industrial partnerships related to projects that ensure a suitable risk-return profile, also thanks to careful selection of customers. At the present time, the Group is concentrated on performing secured works worth approximately Euro 2.9 billion and is open to additional commercial opportunities.

Turkey. From a macroeconomic viewpoint, Turkey recorded positive indicators even if the need for some structural reforms can be confirmed. During the last two years, the Turkish economy has maintained the positive trend seen for over a decade. In 2011, it recorded an 8.5% YOY increase in GDP despite the continuation of the international and European crisis that was felt during 2012 for which a smaller increase of 2.8% is forecast pending final figures for the year. Generally speaking, the construction sector offers an excellent real growth potential for the 2013-2017 period, forecast at 6%, even if a considerable deficit in current items, high cost of credit, albeit decreasing, and structural weaknesses in the domestic banking and pension sector must be noted. Turkey has also planned significant investments, estimated at USD 30 billion, to upgrade its existing transport infrastructures. Additional opportunities for the construction sector may arise from the new laws on PPPs approved in April 2012. Taking into account Astaldi Group's well-established role in this area and consolidated partnerships with local companies, it is felt that the implementation of said infrastructure plan can offer interesting growth opportunities for the company. Without prejudice to the fact that the Group will focus over the coming years on the finalisation and performance of major works (transport infrastructures, healthcare construction) recently acquired in Turkey.

Chile,
Chuquicamata Mining Project.

The Maghreb **(Algeria)**

Algeria. The forecasts for the construction sector in Algeria speak of a major upturn in the country in 2013 thanks especially to the ambitious investment plan for the infrastructure network which the government will focus on over the coming months. Reasonable growth rates, the increase in oil prices and a period of political stability as regards its neighbouring countries have helped maintain constant and sizeable foreign investments in Algeria. Following an estimated drop of 0.3% in 2012, the construction sector achieved a value of USD 18 billion. Estimates envisage an average YOY increase of 6.3% for the 2013-2022 period with the sector achieving a value of approximately USD 48.2 billion. In this regard it must be recalled that Algeria is one of the leading gas producers in the world and hence has sufficient financial resources to cover its planned infrastructure investments and plans to bring the share of the national transport system covered by rail transport from 5% to 20% by 2015. Hence, the area is of definite interest in the development policies of Astaldi Group which operates exclusively in the construction sector - water and transport infrastructures – in Algeria. The company continues to focus its attention on the country's socio-economic situation that, for the moment, has not been particularly affected by the socio-political crisis that has involved other countries in the Maghreb area.

Latin America

Venezuela. From the Group's viewpoint, the activities in progress in Venezuela are performed under the aegis of Italo-Venezuelan intergovernmental agreements. In May 2010, a new "Economic Cooperation Agreement" was signed by the Italian and Venezuelan governments, which ratifies the local government's major commitment to infrastructure investments in progress in Venezuela, and aims to ensure the relaunch of said investments by studying and devising a new mechanism for funding works. This guarantees a major commitment on the part of local administrations with regard to projects Astaldi Group is performing in the country. Despite this, considering the particular socio-political situation the country is experiencing, also as a result of the President Hugo Chavez' illness (the latter died in March 2013), it has been considered a good idea for some years now to regulate the Group's role in this country with the result being much more limited production levels than in the past despite the considerable potential (including in terms of margins) of the projects in progress. As regards the future, it is considered appropriate to wait and see how the socio-economic situation develops in the country before recommencing a standard level of activities.

Chile. As regards 2012, the construction sector recorded a 7% increase, supported by the development programme duly financed by the central government. However, a slowdown is envisaged in the long-term with an average YOY growth of 3.6% from 2013 to 2021. In absolute terms, the construction sector envisages an increase from USD 20 billion in 2012 to USD 36.8 billion in 2021. Therefore, the country represents an interesting opportunity for geographical and sector diversification thanks to its socio-political and economic stability, the validity of its reference legislative framework and the significant opportunities in the concessions sector, especially in the renewable energy sector. It should be recalled that Astaldi Group mainly operates in Chile with private counterparties (Pacific Hydro for the hydroelectric sector, CODELCO for mining works) and holds an investment (27.3%) in the concession project for the management of a plant boasting 111 MW of installed power (built by Astaldi). As far as the future is concerned, interesting opportunities may arise from the mining infrastructure sector for which investments totalling approximately USD 70 billion are planned over the coming ten years. CODELCO alone – with whom Astaldi Group is already working on the Relaves and Chuquicamata projects – has announced investments in Chile totalling USD 15 billion over the next five years.

Peru,
Huanza Hydroelectric Project.

Peru. Peru plans to release USD 20.5 billion in infrastructure investments from 2011 to 2016, including in the light of the central government's firm commitment to approve a considerable concession projects programme. As regards Astaldi Group, we must remember that its role in this country corresponds to the strategic need and desire to diversify activities in Latin America. Commercial interest is mainly focused on the transport infrastructures and energy sectors and, as it is for Chile, the Group is working with private customers in relation to projects to construct hydroelectric plants.

North America

USA. The American economy is experiencing a slowdown in growth and a drop in industrial activities that, as from 2011, has had a negative effect on the construction market and consequently on the profits of companies working in this sector. Indeed, there has been an increase in competitiveness on markets that, nevertheless, is not preventing Astaldi Group from continuing to work in the area looked on as a "reservoir" of future opportunities. More specifically, the forecasts for the infrastructure sector are not impressive but (i) in the short-term, opportunities for state investment may arise from approval in July 2012 of the law bill for surface transport worth USD 105 billion; (ii) in the long-term, the greatest advantage for the sector will be provided by expansion of involvement in the private sector. This forecast is backed up by the fact that 2012 saw an increase in the number of PPPs for the construction of new roads and bridges. For more information, please refer to the section herein dedicated to Group companies and specifically to Astaldi Construction Corporation – the subsidiary owned entirely by Astaldi S.p.A. that handles the activities and development of new projects in the US market.

Canada. The country is looked on as a low-risk market due to its stable political and economic system and advanced legislative and financial framework. It also boasts clear strong points that are of interest for the GROUP insofar as (i) it has significant natural resources (metals and oil) and is the leading global producer of electricity, (ii) it has an infrastructures market that is currently worth 93 billion dollars and is forecast to total 110 billion dollars in 2015, (iii) it has implemented major development programmes in the hydroelectric and transport sectors where Astaldi is able to boast considerable expertise, (iv) it has instruments (Building Canada Plan, PPP Canada, 2009 Infrastructure Stimulus Fund) able to promote the start-up of medium and large-size projects and, not least (v) it has a current sovereign rating of AAA+ (Standard&Poor's). It is also envisaged that Canada will become the 5th country in the world for infrastructure investments by 2020, behind India and Japan – it currently holds 7th position. The Plan Nord launched in Québec envisages investments of Euro 34 billion in renewable energy (more than half in the hydroelectric sector) and Euro 27 billion in mines and transport infrastructures (ports, airports, roads, railways). The Green Energy Act approved in Ontario provides for the replacement of coal plants by 2014, with forecast private investment of approximately Euro 6.6 billion in the sustainable energy sector. Additional investments are also possible in light of the announcement made by the national association of crude oil producers that envisages a 68% increase in the country's oil production by 2025. Therefore, it is felt that the area may offer interesting opportunities for the Group and, with a view to having better control of this market, ASTALDI CANADA Inc., a company owned entirely by ASTALDI S.p.A., was set up during the year, followed by the acquisition of TEQ, a Canadian company operating since the 1970s offering interesting skills and know- how with regard to con-

Oman,
BidBid-Sur Road.

struction (civil construction) and project management. From a macroeconomic viewpoint, after a slowdown in the sector in 2012, a 3.8% increase is expected during 2013 in real terms, led by a large number of railway and energy projects.

Middle East

Astaldi Group is present in this area in Saudi Arabia, the United Arab Emirates and Oman where it operates mainly through its subsidiary Astaldi Arabia Ltd. Its presence is limited to the traditional transport infrastructure sector (roads, high-speed railways) and, for some projects nearing completion, to industrial plant design applied to the oil & gas sector. It is worth pointing out that the Group's upcoming commercial policies do not envisage additional development in the oil & gas sector in the Middle East insofar as it is felt that the opportunities singled out to date are not able to offer margins able to satisfy the commercial assessment parameters for projects adopted by the Group. The presence of a number of operators and the consequent drop in average project earnings compared to the past will make it necessary to assess the possibility of divestment in this area over the coming months. However, the Group continues to be interested in projects involving the transport sector where Astaldi feels it can offer a top level of technological and operating skills and know-how.

Concessions

The construction sector has been experiencing difficulties for about a decade that are not so much due to the lack of demand for infrastructures as to the lack of sources of financing for the performance of new works. State capital is and will probably continue to be less and less available and, in this context, PF (Project financing) and more generally, PPPs (Public-Private Partnerships) are the main source of funding for chargeable infrastructures both in Italy and the main European countries.
The concessions sector currently represents the second most profitable market for operators that, over the years, have developed a medium-high level of technical and economic skills and know-how for working in this sector. This trend is confirmed by European and global general contractors that, backed up by the increase in the PPP/PF market, have succeeded in maximizing synergies between the core business of construction and concessions, achieving sound, significant growth targets.
Governments and the banking market have believed in the opportunities generated by this sector, promoting, including considerably, PPP and PF transactions to fund the construction of new infrastructures. Limited financial costs, medium-long investment maturity and suitable levels of attention to the riskiness of the transactions are the characteristics of financing (generally project financing) that have attracted great interest both from public and private (general contractors, banks, other funding bodies) operators.
However, the concessions sector has not managed to remain unaffected by the consequences that the complex economic and financial situation of the last five years has had (and is having) on the real economy and finance. The credit crunch seen at an international level, the collapse of the interbank loan system, the consequent reduction of available funds and the recent amendments to asset allocation regulations for banks are some of the main problems that make concession investment more difficult at the present time. In addition to this, there is the high level of ambiguity – implicit in the financial models used to assess long-term investments typical of the concessions sector – resulting from the uncertainty of the global economy. And we can see a drop in the number of financial op-

Italy,
"Bologna Centrale"
High-Speed Railway Station.

erators on the market compared to the past which has generated a significant increase in the cost of credit for specific risk levels.
However, all the above has not affected the interest in the PPP/PF market which is still the main instrument for building major infrastructures, especially in Europe and in all countries where the legislative framework for concessions has been liberalised. A wide selection of transactions continue to achieve the so-called financial closing – in other words, the definition with lending institutes of the loan agreement for the project – albeit more slowly and with greater restrictions compared to the past enforced by increasingly selective banks (e.g. high levels of collateral security and commitments by sponsors, lower levels of debt for the PA, greater financial costs, etc.).
In this context, Astaldi Group has allocated in its development plans, sources related to concession activities, in terms of human capital and risk, with the aim of maximising the value of synergies with the traditional construction sector, creating a backlog boasting geographical and sector diversification.
Therefore, please find below the scenario for this sector in the countries of greatest interest in the Group's development policies.

Italy. The worsening of the international crisis and cuts to the spending budgets of typical contracting bodies in Italy has led to a real reorganisation of the Italian public works market, to the benefit of PPP in all its forms – even if this sector has not been unaffected by the consequences of the economic situation. Indeed, the 2012 figures for the Italian concessions sector show a YOY drop of 34.7% in the economic value of works tendered – that went from Euro 13.3 billion in 2011 to Euro 8.7 billion at the end of 2012. The figure, a negative one, was basically recorded as a result of the drop in projects of an "exceptional" value. After the boom of the last two years, encouraged by legislation and the novelty aspect of the instruments introduced, the number of works worth more than Euro 50 million dropped from 22 tenders per year during the 2010-2011 period to 14 tenders per year for the subsequent 2012-2013 period. Despite this, the drop in values is not matched by a drop in the demand for infrastructures to be built using the PPP formula. There is a drop in the value of individual projects because the general crisis in Italy is making access to the credit market by private companies increasingly difficult. Nevertheless, on the basis of the trend seen in previous years, there is an increase in the demand for PPPs by typical contracting bodies – generally public administrations – as a result of the ever increasing need to reconcile the country's infrastructure requirements with the spending restrictions set by the central government. It is suffice to consider that 3,204 invitations to tender were recorded in 2012 which means a 13.5% YOY increase. Therefore, even if much will depend on the policies the central government is able to implement for Italy, the most recent CRESME forecasts – disclosed in January 2013 – envisage a slow and controlled upturn in investments in public works in Italy from 2012 to 2015, especially for the transport infrastructure sector (motorways, undergrounds) and for the PPP market. The latter will experience a slightly more positive scenario than the traditional contracts market: the forecast YOY growth for 2013 is 5.5% for investments by private motorway network operators and 1.6% for investments related to private contributions in all forms for the performance of other public works or works of public interest (PPP).

Turkey. A law was approved in April which makes local regulations more suitable to promote the development of concession projects. Therefore, it is felt that said legislation will encourage the use of structured finance instruments resulting in the speeding up of

Turkey,
Haliç Bridge in Istanbul.

key initiatives planned for the country being put out to tender, especially in relation to motorway transport infrastructures and healthcare construction. The coming years will see approximately USD 30 billion being channelled into improving transport infrastructures. A programme of projects in the healthcare construction sector has also been approved which already saw 4 B.O.T.s (Build-Operate-Transfer) being put out to tender in 2010, one of which – the Etlik Hospital Campus in Ankara, the largest to date in Europe under construction – was awarded to Astaldi Group in 2011. Therefore, Turkey is a country able to offer a wide range of opportunities in the PPP/PF market, especially for companies such as Astaldi that benefit from a high reputation built up over more than twenty years of operating in Turkey. Indeed, we must recall that Astaldi Group is responsible for works of great prestige in Turkey such as the Istanbul-Ankara motorway – a solid and impressive structure built on a secondary branch of the Anatolian fault – and Line 4 of Istanbul Underground opened in August 2012. Lastly, it must be noted that the country has introduced recent procedural changes aimed at facilitating project bankability and hence at encouraging the entry of private capital into the funding, construction and management of works. Last but not least and in light of expected investments, in February 2013 the Turkish government introduced new regulations for concession projects in the healthcare construction sector with a view to speeding up authorisation for contract management (hence encouraging optimisation of construction timeframes with benefits for loans taken out and receipts generated during the project management phase). From a macroeconomic viewpoint, as already mentioned for the construction sector, Turkey recorded positive indicators even if the need for some structural reforms can be confirmed. It is considered appropriate only to highlight herein that great attention was placed during the year on controlling the inflation experienced in Turkey. However, in this regard, it must be noted that during 2012, also thanks to strengthening of indirect taxation and administered price policies adopted by the local government, consumer price inflation stood at a lower level than expected (6.2% in December 2012, with forecast stabilisation at 6.5% for 2013 and 2014 according to leading international observers – forecasts issued by Turkey's Central Bank are even more optimistic with inflation at 5% for the next two years). In any case, it must be noted that the relative concession agreements for all the projects Astaldi Group is working on in the area are covered against the inflation risk by clauses that mitigate or totally absorb the inflationary effect.

Chile. The country has a modern reference legislative framework for the concession sector. Back in 1996 it already introduced suitable laws to support the sector's development (Public Works Concession Law) and it approved a public concessions programme for 2010-2014 that involves the awarding of projects totalling USD 11.8 billion in the transport infrastructure sector (roads, ports, airports, etc.). It also approved a programme to upgrade hospital infrastructures which involves the start-up of six projects during the 2011-2013 period with a total investment of over USD 1.3 billion. Therefore, Chile represents an interesting opportunity for geographical and sector diversification for the company, also thanks to the socio-political and economic stability it can offer. From a macroeconomic viewpoint in 2011 Chile saw a 6% increase in its GDP, confirming its position as the sixth economy in Latin America. Chile also has the most competitive economy in Latin America, it was the first country in this area to become a member of OECD (May 2010) and it is among the countries with the lowest country risk in the world on the basis of figures provided by the main credit rating agencies.

Plant Design and Maintenance

ASTALDI GROUP aims at generating interesting synergies through process integration started up with its entry into the plant design and maintenance sector. Therefore, recent years have seen the consolidation of industrial agreements aimed at acquiring businesses (NBI, SARTORI TECNOLOGIE INDUSTRIALI), able to guarantee – through integrated and shared processes – know-how and human resources with high-level specialist professional skills in complementary sectors to the Group's traditional activities (construction and concessions). The result is a marked improvement in the GROUP's integrated offer capacity, able to immediately guarantee additional growth opportunities for the same construction and concessions sectors.

Comments on the year's operating performance

The Group ended 2012 **with an increase of approximately 4.1% in revenue**, largely in line with targets set down in the Business Plan presented in November 2012. Specifically, **total revenue amounted to Euro 2,456.9 million** compared to Euro 2,360.2 million at the end of 2011. Said results were achieved despite a difficult and complicated international situation and the continuing credit restrictions and structural economic problems in Italy.
2012 once again recorded interesting levels of earnings for the Group's activities: **EBITDA totalled Euro 264.5 million** with an **EBITDA margin of 10.8%** (in 2011: Euro 259.4 million and 11%); **EBIT totalled Euro 211.8 million** with an **EBIT margin of 8.6%** (in 2011: Euro 200.7 million and 8.5%); **EBT increased to Euro 129.8 million** compared to Euro 125.4 million in 2011. The result was a **consolidated profit of Euro 74.1 million**, up by 4.1% compared to 2011 (in 2011: Euro 71.2 million), with the net margin holding steady at 3%.

Despite the cuts in infrastructure investments seen in Italy, the levels of new orders acquired are able to counterbalance the year's business. In 2012, the Group achieved **a considerable order backlog amounting to Euro 10 billion**. If we are to include projects secured but still being finalised from a financial and/or contractual viewpoint, said value amounts to Euro 22 billion which accounts for approximately 70% of planned revenue for the next five years. Concessions continue to play an important role in the Group's development policies insofar as they mainly represent an alternative way to develop the traditional construction sector. Indeed, for 2012, concessions account for approximately 30% of the total backlog which is equal to Euro 3 billion resulting from discounting the forecast revenue for individual projects in progress.
The financial position continued to be well-balanced and able to deal with the contrasting trends of the financial markets in Italy and abroad, even given the constant growth recorded in the Group's activities. **Consolidated net financial debt** at 31 December 2012 totalled **Euro 622.9 million** (at 31 December 2011: Euro 479.7 million at 31 December) against **Euro 224 million of investments** (of which Euro 157 million for concession investments) and **self-financing generated by the construction sector of Euro 123 million**. It is also considered appropriate to note that during the year the Group worked to ensure significant extension of deadlines and an optimal sources/investments structure to satisfy the company's business development and financing requirements. In January 2013 these activities, considered key and strategic including for the purpose of implementing the 2012-2017 Business Plan approved in November 2012, led to completion of a financing operation involving the issue of an equity-linked bond ("Euro 130,000,000 4.50% Equity-Linked Bonds due 2019") which achieved considerable success on the market. For all relevant information, please refer to the section herein entitled "Events after the reporting period".

For a better understanding of the year's trends that will be looked at below, it must be noted that Astaldi's management assesses the financial performance of the Group and its business segments on the basis of some indicators not provided for in IFRSs, the specific components of which are listed below.

EBITDA. This is obtained by excluding the following items from EBIT, as defined below: (i) amortisation and depreciation of intangible assets and property, plant and equipment; (ii) impairment losses and provisions; (iii) capitalisation of internal construction costs.

EBIT. This is equal to the profit or loss prior to taxation and financial income and charges, without any adjustments. The following are excluded from EBIT: income and charges resulting from the management of non-consolidated investments and securities as well as the results of any transfers of consolidated investments, included in financial statements under the heading of "financial income and charges", or under the heading of "effects of equity accounting" for the share or profit or loss of equity-accounted investees.

EBT. This is calculated as the net operating profit or loss, excluding financial income and charges, as well as the effects of equity accounting.

Debt/Equity Ratio. This is calculated as the ratio between the net financial position – drafted in accordance with the CESR model (Committee European Securities Regulators) – as the numerator and equity as the denominator, excluding treasury shares on hand.

Net financial position. This is obtained by subtracting the total of non-current financial receivables and receivables rights arising from concessions, as well as other specific items such as treasury shares, from net financial debt, calculated as required under the CESR (Committee European Securities Regulator) recommendation dated 10/02/2005 and provisions contained in the CONSOB Statement dated 28/07/2006.

Total financial debt. This is obtained by subtracting the total of non-current financial receivables and receivables rights arising from concessions from net financial debt, calculated as required under the CESR (Committee European Securities Regulator) recommendation dated 10/02/2005 and provisions contained in the CONSOB Statement dated 28/07/2006.

Net non-current assets. These are to be taken as the total of non-current asset items; specifically, this refers to intangible assets, the Group's technical resources, the amount of investments as well as other non-current residual items compared to those listed above.

Working capital. This is the result of the total of receivables and payables linked to the core business (trade receivables and payables, inventories, work in progress, tax assets, payments on account from customers, residual current asset items).

Net invested capital. This is the total of net non-current assets, working capital, provisions for risks and provisions for employee benefits.

Consolidated income statement figures for 2012

(thousands of euros)	2012	%	2011	%	YOY diff. (%)
Total revenue	2,456,897	100.0%	2,360,259	100.0%	4.1%
EBITDA	264,460	10.8%	259,372	11.0%	2.0%
EBIT	211,813	8.6%	200,691	8.5%	5.5%
EBT	129,829	5.3%	125,420	5.3%	3.5%
Group profit	74,126	3.0%	71,195	3.0%	4.1%

Production

Total revenue increased to Euro 2,456.9 million (+4.1%, compared to Euro 2,360.3 million in 2011). The figure listed is the result of careful geographical selection of the Group's activities that makes it possible to rely on projects in progress that generate a considerable reduction of said activities' risk profile. Indeed, the year's results spring from a well-balanced and diversified order backlog, a well-weighted risk profile of counterparties and established risk management policies that allow the Group to currently be involved mainly in priority works related to consolidated infrastructure development plans, with sufficient dedicated resources to guarantee planned production.
Operating revenue increased to Euro 2,325.3 million, equal to 94.6% of total revenue (+2.6%, compared to Euro 2,265.3 million in 2011). The good progress achieved for foreign activities contributed to the year's figures, especially for (i) airport works in Russia (Pulkovo International Airport in St. Petersburg) and Romania (Henri Coanda International Airport in Bucharest), (ii) railway works in Algeria, Poland and Venezuela, (iii) road works in Poland, Romania and the United States and (iii) hydraulic works in Peru (Huanza hydroelectric project). As regards Italy, positive progress was made on railway works (Parma-La Spezia railway, Bologna Centrale HS station) and on Line 5 of Milan Underground and Line C of Rome Underground, as well as the contracts for performance of Maxi-Lots DG-21 and DG-22 of the Jonica National Road, the Pedelombarda motorway and the four hospitals in Tuscany.
Other operating revenue increased by 38.6%, to Euro 131.6 million (in 2011: Euro 94.9 million) and included amounts related to all activities performed during the year that, albeit secondary, are related to the core business of the Group's main contracts and are of a lasting nature.

Breakdown of revenue by geographical area and sector

Transport infrastructures (84.7% of revenue, Euro 2 billion) continued to represent the core business for the Group's activities. The annual trend showed: a) a major increase in the contribution from ports and airports that totalled Euro 246 million (in 2011: Euro 190 million) thanks to activities in Russia (Pulkovo), Turkey (Milas-Bodrum, opened in May), Romania (Henri Coanda, opened to the public in November); b) a stable yet significant contribution equal to Euro 1 billion from railways and undergrounds (in 2011: Euro 1,090 million) thanks to works in Algeria, Venezuela, Poland and contracts in progress in Italy for the construction of undergrounds in Milan (Line 5) and Rome (Line C) and Bologna Centrale HS Station; c) an increasing contribution from roads and motorways equal to Euro 685 million (in 2011: Euro 627 million) thanks to works in Poland, Romania and the United States and to amounts related to domestic contracts such as Maxi Lots DG-21 and DG-22 of the Jonica National Road and the Pedelombarda motorway. **Civil and industrial construction (6% of revenue, Euro 140 million)** included the gradual progress made on the Tuscan Hospitals project and the Police Officers' Academy in Florence, as well as the partial recommencement of works on Ospedale del Mare in Naples. The **energy production plant sector (3.7% of revenue, Euro 85 million)** saw the contribution from activities in Latin America, especially in Peru (Huanza, Cerro del Àguila). The **plant and maintenance sector (4.3% of revenue, Euro 100 million)** mainly increased as a result of the activities of the new subsidiary NBI (100% Astaldi S.p.A.).
The breakdown of turnover according to geographical area shows **an increase in the contribution from foreign activities** – foreign contracts generated 60.7% of revenue and generated Euro 1.4 billion (+16.2%, compared to Euro 1.2 billion in 2011) – but also a **largely stable yet significant contribution from Italy** (39.3% of

revenue, approximately Euro 913 million). As regards foreign activities, all the areas generally showed an improvement in keeping with forecasts: there was an increase in Europe (+13.2% YOY) as a result of the already mentioned progress of railway, road and airport projects, as well as in America (+11.6%) and Algeria (+16%, mainly for railway projects in progress). The Middle East, while being subject to refocusing of activities towards transport infrastructures, generated Euro 79 million (in 2011: Euro 37 million) thanks to contracts in progress in Oman (roads) and Saudi Arabia (railways). The concessions sector generated Euro 30 million of operating revenue (+30.4% YOY, Euro 23 million at the end of 2011), to be attributed to Astaldi's investments in management of Ospedale dell'Angelo in Mestre in Italy, revenue arising from management of Milas-Bodrum Airport in Turkey and direct management of 5 car parks in Italy. It should be noted that the figures do not include the effects of positive management of the Chacayes plant in Chile insofar as the investment held is consolidated in the form of net results for the year and entered among "Effects of equity accounting". As regards 2012, the financial effects (Astaldi's investment) of its interests in this project amounted to approximately Euro 10 million, inclusive of released resources – in the form of dividends and repayment of capital (equity) – following refinancing of the project during the year.

Breakdown of operating revenue by geographical area

(millions of euros)	2012	%	2011	%	YOY diff. (%)
Italy	913	39.3%	1,050	46.4%	(13.0%)
International	1,412	60.7%	1,215	53.6%	16.2%
Europe	789	33.9%	697	30.8%	13.2%
America	355	15.3%	318	14.0%	11.6%
Asia (Middle East)	79	3.4%	37	1.6%	113.5%
Africa (Algeria)	189	8.1%	163	7.2%	16.0%
TOTAL OPERATING REVENUE	2,325	100.0%	2,265	100.0%	2,6%

Breakdown of operating revenue by sector

(millions of euros)	2012	%	2011	%	YOY diff. (%)
Transport infrastructures	1,970	84.7%	1,907	84.2%	3.3%
Railways and undergrounds	1,039	44.7%	1,090	48.1%	(4.7%)
Roads and motorways	685	29.5%	627	27.7%	9.3%
Ports and airports	246	10.6%	190	8.4%	29.5%
Energy production plants	85	3.7%	137	6.0%	(38.0%)
Civil and industrial construction	140	6.0%	180	7.9%	(22.2%)
Plants and maintenance	100	4.3%	18	0.8%	455.6%
Concessions	30	1.3%	23	1.0%	30.4%
TOTAL OPERATING REVENUE	2,325	100.0%	2,265	100.0%	2.6%

Costs

The cost structure reflected the predominance of foreign turnover, especially of revenue generated in countries where it is more difficult to find highly specialised labour and, hence, subcontractors are less widely used, as well as the prevalence of general contracting and concession projects of a significant size and nature.
The cost of production amounted to Euro 1,828.1 million (in 2011: Euro 1,807.9 million), with a drop in the incidence on total revenue to 74.4%.
Personnel expenses totalled Euro 305.4 million (in 2011: Euro 262.5 million) with an increase in the incidence on total revenue (to 12.4%) as a result of increased use of direct personnel in countries not able to guarantee working performance in line with the Group's quality standards. At the same time note should be taken of the significant economies of scale resulting from the matrix structure adopted at branch and country level.
Other operating costs amounted to Euro 58.8 million (in 2011: Euro 30.4 million) with an increase in the incidence to 2.4% that basically reflected the closure of commercial items with regard to companies subject to insolvency proceedings – with a largely neutral impact as regards the operating profit.

Profit margins

The Group continued to achieve significant and high levels of earnings, confirming a consolidated track record that is the result of the lower risk profile of works in progress and the Group's increasing ability to offer integrated solutions during the awarding of contracts.
EBITDA amounted to Euro 264.5 million (in 2011: Euro 259.4 million) with an EBITDA margin of 10.8%.
EBIT totalled Euro 211.8 million (in 2011: Euro 200.7 million) with an increase in the EBIT margin to 8.6%.
Note should be taken of the Group's ability to absorb non-repeatable events (such as the already mentioned insolvency proceedings of partner companies) that while affecting cost items do not generate any effects on profit margins. The latter results are in line with business plan forecasts.
The profit margin was generated as a natural consequence of the composition of revenue. There was a positive contribution from contracts related to the Group's core business (transport infrastructures) in Italy and abroad, just as for the plant and maintenance business line. While, as already mentioned in the Half-Yearly Report, the contractual and operating problems seen in the Middle East and the closure of accounts related to the contract to build the El Chaparral hydroelectric plant in El Salvador had a negative effect on the year's profit margins.

Financing activities

Financing activities were affected by the increase in production volumes for the year and, following the major investments made, showed financial charges totalling Euro 85.1 million (in 2011: Euro 75.6 million), with a largely unvaried incidence on total revenue (3.5%, compared to 3.2% in 2011). For more information regarding annual trends, please refer to the Notes to the Consolidated Financial Statements.

Profit for the year

The annual trends were largely in line with the growth targets outlined during approval of the Business Plan. EBT increased by 3.5% totalling Euro 129.8 million (in 2011: Euro 125.4 million) with an unvaried incidence on total revenue of 5.3%. Therefore, against an estimated annual tax rate of 43%, **the profit amounted to Euro 74.1 million** (in 2011: Euro 71.2 million) with a net margin of 3%.

Consolidated statement of financial position figures at 31 December 2012

The Group's financial position reflected the increase in turnover and the investment policy implemented during the year.
Net non-current assets increased to Euro 642.7 million (31 December 2011: Euro 471.8 million) as the result of various components. Specifically (i) intangible assets increased in compliance with the methodology set forth in IFRIC-12 that affected, above all, the contract for the construction and subsequent management of Milas-Bodrum International Airport in Turkey; b) there was an increase in investments due to the investments made in the concessions sector; c) there was a slight increase in property, plant and equipment, above all as the result of investments made in relation to the standard machinery replacement cycle.

Working capital increased to Euro 575.2 million (31 December 2011: Euro 518.2 million) and reflected the presence of an equity structure that, in light of the increase in production, was able to react in a flexible manner to the exogenous shocks to the Group resulting from the critical financial market situation.
As a result of said trends, **net invested capital amounted to Euro 1,180.6 million** (31 December 2011: Euro 952.9 million).
Equity totalled Euro 554.6 million (31 December 2011: Euro 470.3 million).
Total financial debt, inclusive of treasury shares, amounted to Euro 626 million, with total dividends of Euro 16.6 million (Euro 0.17 per share) disbursed in May.

Consolidated net financial debt

The net financial debt at 31 December 2012, excluding treasury shares and receivables rights arising from concessions, amounted to Euro 622.9 million, thanks especially to trends recorded during the last quarter of the year. Therefore, the result was a better than expected final figure thus confirming the great attention paid by the company to financial aspects.
The debt/equity ratio stood at 1.12x. The corporate debt/equity ratio, which excludes the share of debt related to concessions insofar as with no recourse or self-liquidating, was considerably lower than 1x.

Breakdown of net financial debt

(thousands of euros)		*Notes regarding reconciliation with consolidated financial statements*	31/12/2012	30/09/2012	30/06/2012	31/03/2012	31/12/2011
A	Cash and cash equivalents	*24*	400,215	372,232	395,808	451,803	456,210
B	Securities held for trading	*18*	1,347	1,350	4,872	5,645	1,889
C	Available funds (A+B)		401,562	373,582	400,680	457,448	458,099
-	Short-term financial receivables	*19*	3,393	2,474			879
-	Current share of receivables rights arising from concessions	*18*	16,306	15,053	16,992	16,492	2,867
D	Current financial receivables		19,700	17,527	16,992	16,492	3,746
E	Current bank loans and borrowings	*26*	(460,526)	(408,552)	(470,328)	(392,258)	(315,148)
F	Current share of non-current debt	*26*	(51,030)	(83,339)	(105,461)	(118,329)	(114,659)
G	Other current financial payables	*26*	(16,059)	(8,186)	(5,981)	(9,512)	(13,654)
H	Current financial debt (E+F+G)		(527,614)	(500,077)	(581,770)	(520,099)	(443,460)
I	Net current financial debt (H+D+C)		(106,353)	(108,968)	(164,099)	(46,160)	18,385
J	Non-current bank loans and borrowings	*26*	(696,432)	(755,849)	(700,424)	(687,134)	(649,471)
K	Other non-current payables	*26*	(9,575)	(9,972)	(9,470)	(3,022)	(4,728)
L	Non-current financial debt (K+J)		(706,007)	(765,821)	(709,894)	(690,156)	(654,199)
M	Net financial debt (L+I)		(812,359)	(874,789)	(873,993)	(736,316)	(635,814)
-	Non-current financial receivables	*18 - 19*	50,935	52,124	52,645	49,827	15,030
-	Non-current share of receivables rights arising from concessions	*18*	135,419	151,486	157,649	147,067	138,084
N	Non-current financial receivables		186,354	203,610	210,294	196,894	153,114
O	Total financial debt (M+N)		(626,005)	(671,179)	(663,699)	(539,422)	(482,701)
	Treasury shares on hand		3,019	3,032	3,107	2,975	3,005
	Total net financial debt		(622,986)	(668,147)	(660,592)	(536,447)	(479,695)

Investments

As regards 2012, ***technical investments amounted to approximately Euro 67 million*** (approximately 2.5% of revenue). The figure, which had seen intensification during the first part of the year, reflected the trend related above all to projects in progress in Algeria, Chile, Oman, Poland and Russia and was largely in line with the business plan.

The trend related to investments in the concessions sector continued in accordance with forecasts. Nevertheless, also as a result of the launch of the management phase for the Milas-Bodrum International Airport in Turkey in May, a mostly neutral cash flow generation for the concessions sector was seen during the second half of the year. The major refinancing transaction for the Chacayes hydroelectric plant project also contributed to this result. Said refinancing, as mentioned previously, allowed for repayment to shareholders of part of the equity and subordinate loan, as well as the distribution of dividends – with the release of overall relative resources amounting to approximately Euro 20 million. At 31 December 2012, concession investments – in other words Astaldi's shares of equity and semi-equity paid into the management companies linked to the individual projects in progress as well as the relative working capital – totalled Euro 496 million, Euro 152 million of which referred to receivables rights arising from concessions (the latter to be taken as the shares of investment covered by guaranteed cash flow as provided for in IFRIC-12).

Restated consolidated income statement

(thousands of euros)	*Notes regarding reconciliation with consolidated financial statements*	2012	%	2011	%
Revenue	1	2,325,299	94.6%	2,265,284	96.0%
Other operating revenue	2	131,598	5.4%	94,975	4.0%
Total revenue		2,456,897	100.0%	2,360,259	100.0%
Cost of production	3 - 4	(1,828,136)	(74.4%)	(1,807,948)	(76.6%)
Added value		628,761	25.6%	552,311	23.4%
Personnel expenses	5	(305,439)	(12.4%)	(262,492)	(11.1%)
Other operating costs	7	(58,862)	(2.4%)	(30,447)	(1.3%)
EBITDA		264,460	10.8%	259,372	11.0%
Amortisation and depreciation	6	(52,018)	(2.1%)	(51,568)	(2.2%)
Provisions	7	(1,595)	(0.1%)	(7,963)	(0.3%)
Impairment losses	6	(598)	0.0%		0.0%
(Capitalisation of internal costs)	8	1,565	0.1%	850	0.0%
EBIT		211,813	8.6%	200,691	8.5%
Net financial income and charges	9 - 10	(85,131)	(3.5%)	(75,672)	(3.2%)
Effects of equity accounting	11	3,146	0.1%	401	0.0%
Pre-tax profit		129,829	5.3%	125,420	5.3%
Taxes	12	(55,879)	(2.3%)	(53,496)	(2.3%)
Profit for the year		73,949	3.0%	71,924	3.0%
Profit (loss) attributable to non-controlling interests		177	0.0%	(729)	0.0%
Profit attributable to owners of the parent		74,126	3.0%	71,195	3.0%

Restated consolidated statement of financial position

(thousands of euros)	*Notes regarding reconciliation with consolidated financial statements*	31/12/12	31/12/11
Intangible assets	16	107,523	44,132
Property, plant and equipment	14 - 15	222,199	193,419
Investments	17	257,441	195,964
Other net non-current assets	12 - 18 - 19	55,558	38,332
TOTAL non-current assets (A)		642,720	471,847
Inventories	20	84,343	93,369
Contract work in progress	21	1,058,039	1,010,416
Trade receivables	22	31,517	32,897
Receivables from customers	22	803,560	788,066
Other assets	19	209,821	205,528
Tax assets	23	143,067	116,981
Payments on account from customers	21	(479,397)	(472,120)
Subtotal		1,850,950	1,775,138
Trade payables	19 -29	(143,451)	(117,441)
Payables due to suppliers	19 -29	(817,538)	(897,823)
Other liabilities	12 - 26 - 27 - 30	(314,783)	(241,657)
Subtotal		(1,275,772)	(1,256,921)
Working capital (B)		575,178	518,216
Employee benefits	28	(8,760)	(7,926)
Provisions for non-current risks and charges	31	(28,578)	(29,159)
Total Provisions (C)		(37,338)	(37,085)
Net invested capital (D) = (A) + (B) + (C)		1,180,560	952,979
Cash and cash equivalents	24	400,215	456,210
Current financial receivables	19	3,393	879
Non-current financial receivables	18 - 19	50,935	15,030
Securities	18	1,347	1,889
Current financial liabilities	26	(527,614)	(443,460)
Non-current financial liabilities	26	(706,007)	(654,199)
Net financial liabilities (E)		(777,730)	(623,651)
Receivables rights arising from concessions	18	151,725	140,951
Total financial liabilities (F)		(626,005)	(482,701)
Equity attributable to owners of the parent	25	(507,625)	(465,222)
Equity attributable to non-controlling interests	25	(46,930)	(5,057)
Equity (G) = (D) - (F)		554,555	470,278

Reconciliation of equity and profit for the year between the parent's financial statements and consolidated financial statements

(thousands of euros)	Equity 31/12/2012	Income statement 2012	Equity 31/12/2011	Income statement 2011
Amounts as per Astaldi S.p.A.'s financial statements	468,379	45,414	445,564	62,654
- Elimination of carrying amount of ownership interests	(548,322)		(311,936)	
- Equity and profit for the year (calculated on basis of same standards) of companies consolidated net of non-controlling interests	492,098	(7,326)	216,445	(26,920)
- Effect of equity accounting	(24,397)	3,144	(21,697)	401
- Elimination of allowance for impairment on investments in subsidiaries and equity-accounted investees net of use	54,056	8,143	46,800	3,574
- Elimination of provisions for risks on investments in subsidiaries and equity-accounted investees	68,207	44,593	87,323	36,959
- Intragroup losses and dividends		(19,859)		(5,182)
- Elimination of unrealised intragroup profits and other minor adjustments	(2,396)	16	2,722	(291)
Amount as per consolidated financial statements (attributable to owners of the parent)	507,625	74,126	465,222	71,195
Amount as per consolidated financial statements (attributable to non-controlling interests)	46,930	(177)	5,057	729
Amount as per consolidated financial statements	554,555	73,949	470,278	71,924

Order backlog

The order backlog amounts to over Euro 10 billion, with the contribution of Euro 2.5 billion of new orders and contractual increases. The figure listed does not take into account new orders secured during early 2013 – for which the section herein entitled "Events after the reporting period" should be referred to.

Construction (69% of total backlog) continues to represent the GROUP's core business: construction activities amount to Euro 7 billion (Euro 2.4 billion in Italy and the remaining Euro 4.6 billion abroad) and refer to general contracting initiatives and, to a lesser extent, to traditional contracts with a high technological content that, on the whole, guarantee approximately 4 years of activity.

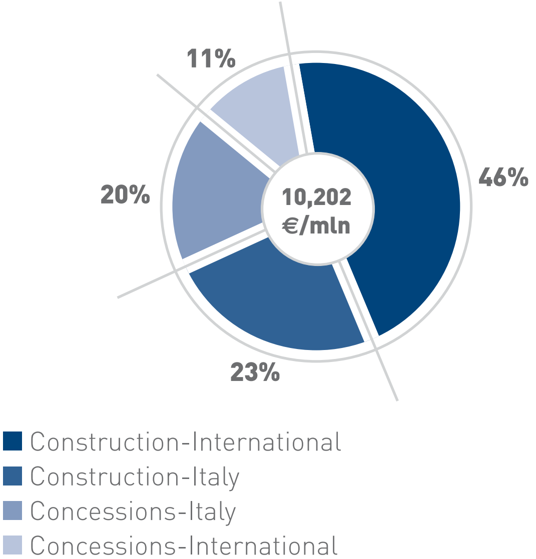
Concessions (31%) continue to play a significant role and have increased to Euro 3.2 billion (Euro 2 billion in Italy and the remaining Euro 1.2 billion abroad), to be attributed to transport infrastructures, energy, healthcare construction and car parks. It must be recalled that the concession share of the order backlog is to be taken as the discounted value of total forecast revenue from the individual projects in progress to date and that, as already noted, the effects of the Group's most recent investments in the healthcare construction and motorway sectors in Italy and abroad have still to be included among the backlog. It must also be noted that the model adopted to develop concession projects makes available for each of the agreements signed to date a guaranteed minimum fee (in the form of availability charges, guaranteed minimum traffic, occupation fees, water rights) which, on average, amounts to over 50% of the total revenue, guaranteeing the return on most of the investments made to date in the concessions sector.

The total backlog can boast a suitable risk-return profile thanks to balanced geographical and sector diversification of the orders in progress. A significant contribution to the backlog comes from Italy (43% of the total backlog), as well as from abroad (57%). Transport infrastructures account for 72% of the total backlog, but the water and energy (11%) and civil and industrial construction (13%) sectors continue to have a strategic value. Given the production levels, it is considered appropriate to highlight the contribution from the plant design and maintenance sector (4% of the backlog) too as from this year. Said figure mainly reflects the activities performed by NBI, the acquisition of which was finalised during HY1 2012.

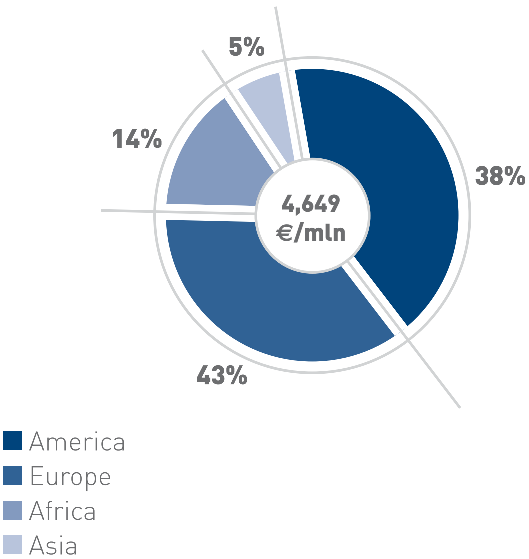
Lastly, it must be remembered that on the basis of conservative criteria adopted by the Group with regard to the inclusion of new orders in the backlog, Euro 4.4 billion for construction activities and Euro 7.4 billion for concession still have to be recognised. These refer to projects for which the signing of contracts and/or funding are still pending, or for which the occurrence of events that have temporarily "suspended" contract performance, for various reasons, is expected but for whom the relative investments have already been consistently made. Therefore, the result is **a potential order backlog worth Euro 22 billion.** For more information regarding the projects referable to the potential backlog, please refer to the section herein entitled "Outlook".

Italy,
Rome Subway
Line C.

Construction-Concessions backlog



Construction-International backlog



New orders - Construction

Italy - Line 4 of the Milan Underground (construction activities): Euro 450 million (ASTALDI's investment) referring to the share pertaining to the performance of civil works related to the concession project for construction and subsequent management of 15 kilometres of new underground line, 21 stations and a depot/workshop. The project was commissioned by the Municipality of Milan and at the draft date of this report, activities prior to the setting-up of sites (shifting of subservices) and installation of TBMs to be used for excavation have been started up.

Romania - Line 4 of Bucharest Underground: Euro 164 million (ASTALDI is leader of the JV with a 40% investment) for the Parc Bazilescu-Straulesti section of the new line. The contract involves the design and performance of structural works and plants regarding 2 kilometres of tunnels (to be built using a TBM), 2 stations and a depot with intermodal terminal. The planned duration of works is 30 months and, at the draft date of this report, preliminary activities prior to site start-up have commenced. The project was commissioned by METROREX S.A., the operator of the Municipality of Bucharest's underground network that is controlled by the local Ministry of Transport and Infrastructures.

Poland,
Waste to Energy Plant
in Bydgoszcz-Torun.

Poland - Bydgoszcz-Torun Plant: Euro 95 million (ASTALDI is leader of the JV with a 51% investment), for the construction of a plant to produce energy through the conversion of urban solid waste. The contract involves the design and performance of civil and electromechanical works for the complete plant that will comprise two incineration facilities with an overall nominal capacity of 180,000 tonnes/year of treated waste. The plant will allow for the salvage, conversion and conveyance of electricity and heat for district heating that will be included in the municipal network serving the cities of Bydgoszcz and Torun, with non-stop operation for 24 hours a day, 7 days a week, for a minimum of 7,800 hours/year. The project also involves the construction of a waste acceptance unit and a compost production unit. The project was commissioned by Międzygminny Kompleks Unieszkodliwiania Odpadów ProNatura Sp., the company set up by the Municipality of Bydgoszcz to manage urban waste and the project forms part of a wider programme funded by the European Union for the construction of plants producing energy through waste conversion. Works commenced at the beginning of 2013 with a planned duration of approximately 3 years.

Russia - Western High-Speed Diameter in St. Petersburg: Euro 2.2 billion (Astaldi has a 50% investment) for the EPC contract related to works to complete the St. Petersburg ring road, a work of strategic importance for the city's transport system. The project was commissioned by the NCH Consortium – comprising VTB Capital and Gazprombank, respectively Russia's second and third most important banks. The contract involves the design and performance of all works needed to construct 12 kilometres, corresponding to the most complex section of the road, that closes the ring road along the sea front. The planned duration of works is 36 months.

Additional projects: Euro 396 million (ASTALDI's investment), referring mainly to the transport infrastructure (railways and motorways) and plant design (healthcare construction, transport infrastructures) sectors in Italy and abroad.

New orders - Concessions

Italy - Line 4 of the Milan Underground (concession activities): Euro 200 million (Astaldi's investment) for the company's concession revenue related to the project for construction and subsequent management of the new underground line that, as mentioned previously, will be built by ASTALDI as part of a joint venture. This project has a planned duration of 30 years, 6.5 of which for design and construction and the remaining 23.5 for management activities, with the Customer ensuring total guaranteed minimum traffic of 86 million passengers/year.

Italy - Line 5 of the Milan Underground, Bignami-Garibaldi Station-San Siro section: Euro 128 million (Astaldi's investment) related to the increase during the first half of the year in the company's investment in the project financing initiative regarding

Italy,
Milan Subway
Line 5.

construction and subsequent management of the new underground section, further to acquisition of the shares held by minority shareholders. As a result of said increase Astaldi's investment in this project was 38.7% at the draft date of this report.

Italy – Ospedale dell'Angelo - Mestre: Euro 36 million (Astaldi's investment) related to the increase during the first half of the year in the investment held in Veneta Sanitaria Finanza di Progetto, the SPV (Special Purpose Vehicle) for the project financing initiative regarding construction and subsequent management of Ospedale dell'Angelo in Mestre, built by ASTALDI and in operation since 2008. Further to said increase, Astaldi's investment in the project was 34.5% at the draft date of this report.

Additional projects: Euro 116 million (Astaldi's investment), to be mainly attributed to the railway and motorway transport infrastructure sector in Italy and abroad (Central America, Europe).

Summary tables

Order backlog

(millions of euros)	01/01/2012	Increases/ Decreases (*)	Decreases for production	31/12/2012
Construction	7,291	2,035	(2,295)	7,031
Transport infrastructures	6,272	1,950	(1,970)	6,252
Water and energy	423	(10)	(85)	328
Civil and industrial construction	375	20	(140)	255
Plants	221	75	(100)	196
Concessions	2,721	480	(30)	3,171
Order backlog	10,012	2,515	(2,325)	10,202

(*) including changes in the consolidation scope.

Italy,
New Hospital in Mestre-Venice
("Ospedale dell'Angelo").

Order backlog

(millions of euros)	01/01/2012	Increases/ Decreases (*)	Decreases for production	31/12/2012
Italy	4,164	1,145	(913)	4,396
of which construction	*2,625*	*651*	*(894)*	*2,382*
of which concessions	*1,539*	*494*	*(19)*	*2,014*
International	5,848	1,370	(1,412)	5,806
of which construction	*4,666*	*1,384*	*(1,401)*	*4,649*
of which concessions	*1,182*	*(14)*	*(11)*	*1,157*
Europe	1,668	1,287	(789)	2,166
America	3,095	32	(355)	2,772
Africa (Algeria)	714	119	(189)	644
Asia (Middle East)	371	(68)	(79)	224
Order backlog	10,012	2,515	(2,325)	10,202

(*) including changes in the consolidation scope.

Breakdown of construction backlog

(millions of euros)	01/01/2012	Increases/ Decreases (*)	Decreases for production	31/12/2012
Italy	2,625	651	(894)	2,382
International	4,666	1,384	(1,401)	4,650
Europe	1,461	1,317	(778)	2,000
America	2,120	16	(355)	1,781
Africa (Algeria)	714	119	(189)	644
Asia (Middle East)	371	(68)	(79)	224
Construction backlog	7,291	2,035	(2,295)	7,031

(*) including changes in the consolidation scope

Italy,
"Jonica" National Road (NR-106).

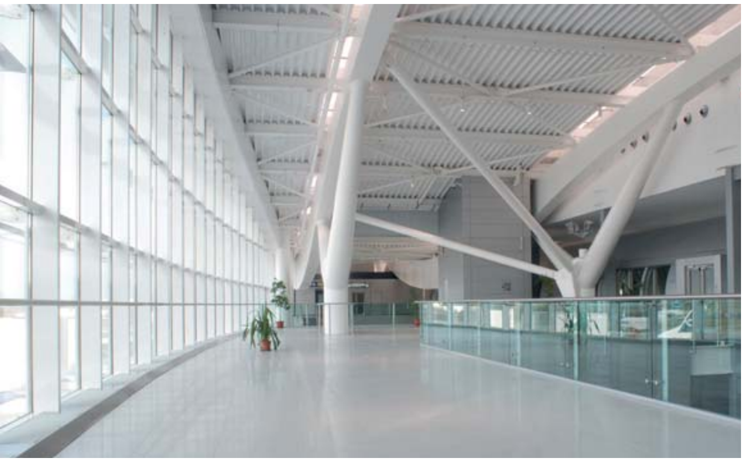
Breakdown of concessions backlog

(millions of euros)	31/12/2012
Italy	2,014
International	1,157
Europe	166
America	991
Total concessions backlog	3,171

Projects in progress by geographical area and sector

Please find below a brief description of the main projects in progress in Italy and abroad. In order to guarantee a uniform interpretation of the information provided so far, the works in progress in Italy will be presented according to reference sector, while the criterion for foreign projects will be the reference geographical area. Please refer to the sections herein entitled "Order backlog" and "Analysis of income statement and statement of financial position figures" for reconciliation of said information with the segment reporting contained in the Notes to the Financial Statements.

Turkey,
Istanbul Subway.



Romania,
"Henri Coanda" International Airport
of Bucharest Romania

Construction - Italy

Transport infrastructures: railways and undergrounds

Italy – Line C, Rome Underground

(CONSTRUCTION - ITALY, Transport infrastructures: undergrounds)

The project refers to the general contracting agreement awarded for the final and executive design, construction, works supervision, commissioning and supply of rolling stock for the new Line C of Rome's underground. The contract was signed by Metro C, the company operating in the capacity of General Contractor in which Astaldi holds a 34.5% investment. The works were commissioned by Roma Metropolitane, a company directly controlled by the Municipality of Rome, which is responsible for improving and upgrading the capital's underground network. The complete planned route comprises 25.4 kilometres and 30 stations that will be served by driverless trains, in other words driven and controlled by a remote integral automation system. At the draft date of this report, Strategic Phase No. 1 of the project (in turn split into sections) – measuring 21.5 kilometres in length with 24 stations along the Monte Compatri/Pantano-Fori Imperiali/Colosseo section – is currently under construction. During 2012, construction activities continued along the Monte Compatri/Pantano - San Giovanni section (18 kilometres of line with 22 stations), and the first construction phase – from Monte Compatri / Pantano to Parco di Centocelle – was largely completed, the delivery of which to the line's operators for pre-operation testing is scheduled for May 2013. Completion of the station's facilities and finishes and assembly of technological plants along the remaining section, from Mirti to San Giovanni stations, will continue during the whole of 2013. As regards the supply of rolling stock, the 13 trains envisaged in the supply were delivered to the Graniti Depot, for which operating tests are being completed. As regards the section under construction (Monte Compatri / Pantano – San Giovanni), 87% of overall works have been completed. The overall value of the works is Euro 2.9 billion, Euro 1,011 million of which refer to Astaldi's investment. The figures shown include the allocations for Section T3 of the Basic Route in addition to the sums related to the section under construction. Said figures also include the amount allocated for Section T2 for which only the activities prior to drafting of the final project (archaeological investigations, surveys and geognostic studies) have been performed, as well as a part of the final design, officially suspended by the customer in August 2010 and for which instructions regarding the recommencement of activities are pending. It must be remembered that Section T3 refers to the section that runs from San Giovanni to Fori Imperiali / Colosseo, with the construction of 2 stations: Amba Aradam and Fori Imperiali / Colosseo. Design activities have been completed for Section T3. Commencement of construction activities is planned for the first months of 2013. For Section T2, it must be noted that in 2011, the

Italy,
"Bologna Centrale"
High-Speed Railway Station.

Italy,
"Università" Metro Station
(Naples Subway Line 1).

joint venture responsible for building Line C presented, as agreed with the customer, a project financing proposal for construction of Section T2 as well as extension of the line to Farnesina; at the present time, no statement in this regard has been issued by Rome's municipal authority.

Line 5, Milan Underground (construction contract)
(ITALY - CONSTRUCTION, Transport infrastructures: undergrounds)
The contract forms part of the project financing initiative related to Line 5 of the Milan Underground and involves the design (final and executive) and performance of civil works for a new underground section which will run under ground level along the Garibaldi Station - Bignami and Garibaldi Station - San Siro route (as an extension of the first section). The initiative is managed by the SPV, METRO 5, in which Astaldi holds a 38.7% investment and operates in the capacity of leader of the JV[5] awarded the concession. The investment listed includes the increase recorded during 2012.

Bignami – Garibaldi Station section. Activities to construct the Bignami - Garibaldi Station section (6 kilometres of line, with 9 stations) went ahead as planned during 2012. Specifically, all activities related to construction and the pre-operational phase of the Bignami – Zara operational section – opened to the public on 10 February 2013 – were completed. 90% of works on the remaining Zara – Garibaldi Station section had been completed as at the draft date of this report. It is planned that this section and the relative Isola and Garibaldi stations will be operational by the end of 2013. Therefore, commercial operation of the complete line will be started-up as from said date.

Garibaldi Station - San Siro section. The Garibaldi Station - San Siro extension provides for an additional 7 kilometres and 10 new stations. The sites for preliminary activities and the shifting of subservices were set up in August 2010, and in February 2011 the special purpose vehicle Metro 5 Lilla signed the concession agreement related to this extension which had already been regulated by the award decree dated 29 July 2010. At the present time, activities to construct this section are in progress for all the ten stations included in the project (also in light of the forthcoming deadlines related to EXPO 2015). As regards construction of the line's tunnels, excavation using the planned 4 TBMs has got underway. At the draft date of this report, 2 TBMs had performed 80% of the total planned excavation – equal to 3,000 metres of tunnel per section – along the route as from San Siro: the extraction of both TBMs from the Parco shaft is scheduled for April 2013, slightly ahead of the original timeframe. The other 2 TBMs started excavation from Monumentale station in July and September respectively and, at the present time, have reached Cenisio station, completing 30% of total relative excavation activities: the completion of excavation works as regards these 2 TBMs is scheduled for June 2013 with consequent extraction from the Orafi shaft,

Italy,
Line 1 of Naples Underground
(Toledo Station).

slightly ahead of the planned date. Approximately 60% of works on this section, assigned to Astaldi, had been completed at the draft date of this report. The planned duration of works is approximately 57 months.
It must be recalled that as regards this project, the total investment – including design, civil and technological works and the alternative solution for Garibaldi Station approved during works in progress – amounts to Euro 550 million for the Garibaldi Station – Bignami section and to Euro 694 million for the extension to San Siro stadium. Given that it is a project financing initiative, said investment will be partly covered by public funding and partly by funding put up by private parties (SPV), with a return on investment guaranteed by the estimated concession revenue provided for in the project agreement. For more information on the financial structure and the economic-financial equilibrium provided for in the agreement, please refer to the section herein dealing with concessions.

Naples Underground
(ITALY - CONSTRUCTION, Transport infrastructures: undergrounds)

The initiative forms part of the project to improve the underground transport system in the Municipality of Naples, with activities being performed directly along Line 1 and 6, as described in more detail below.

Naples Underground - Line 1. The concession holder, M. N. Metropolitana di Napoli (in which Astaldi is the majority shareholder with a 22.62% investment) acquired from the granting authority, the Municipality of Naples, the concession agreement for the design, works supervision and construction of Line 1 of the Naples underground. As regards this line, construction of the section between Dante station and Centro Direzionale station is currently underway. The works are being performed by Toledo S.c.r.l., whose corporate purpose is performance of the works awarded by M. N. Metropolitana di Napoli S.p.A. to Consorzio TRA. DE.CI.V. and by the latter to the JV[6] in which Astaldi holds a 90.391% investment. The awarded works involve construction of Università and Toledo stations as well as the railway superstructure for the whole section. Works went ahead during 2012 in compliance with the timeframes approved by the granting authority. Specifically, following the consignment of Università station in 2011, Toledo station was also completed and consigned. At the draft date of this report, installation of civil plants and finishes along the corridor connecting to Toledo station's second exit onto Largo Montecalvario is underway. The total value of works for this project amounts to Euro 252 million, including changes made during works in progress. As at the end of 2012, 97% of works had been completed.

Naples Underground, Line 6. The concession holder, Ansaldo STS, acquired from the granting authority, the Municipality of Naples, the concession agreement

[5] Please refer to Note 24 herein for a definition of JV (Joint Venture).
[6] Please refer to Note 24 herein for a definition of JV (Joint Venture).

Italy,
Brescia Subway.

for the design, works supervision and construction of Line 6 of the Naples Underground, for which works related to the section between Mergellina station and Municipio station are currently in progress. As regards said section, Astaldi operates through AS.M. S.c.r.l. – in which Astaldi holds a 75.91% investment – which was awarded performance of the civil works related to San Pasquale station. Construction activities went ahead as planned during 2012 and in compliance with the timeframes approved by the customer. Specifically, excavation of the station shaft was completed along with casting of the bottom base. The overall value for this project amounts to Euro 66 million. As at the end of 2012, approximately 78% of activities had been completed.

Brescia Underground

(ITALY - CONSTRUCTION, Transport infrastructures: undergrounds)

The contract refers to the design and construction of the first operational section - the Prealpino – Sant'Eufemia section - of a light underground in the municipality of Brescia. The project was commissioned by Brescia Mobilità, a company owned by the Municipality of Brescia which is responsible for managing the city's transport system. The contract was acquired by ASTALDI as part of a JV, in which ASTALDI holds a 50% investment, together with Ansaldo STS (principal) and Ansaldo Breda: Ansaldo STS designs and constructs the system plants, ASTALDI designs and performs the civil works and non-system plants and Ansaldo Breda designs and constructs the rolling stock. The route involves the construction of a double-track line measuring 13.7 kilometres, 9.6 km of which runs underground (5.9 kilometres dug using a TBM[7]), 4.05 kilometres above ground, and 1.77 km of viaduct. It will also feature 17 stations and an outdoor depot for vehicle storage and maintenance. All the works related to this project were completed during 2012 with the exception of completion of the exit staircases at Vittoria and San Faustino stations that were subject to changes following new provisions issued by the government department. As from October 2012, all activities prior to the line being put into operation – in March 2013 – were also completed. During 2012, production for this project totalled Euro 32.7 million with 99.6% of works completed. Closure of the contract is scheduled for 2013 with complete demobilization of the site.

Bologna Centrale High-Speed Railway Station

(ITALY - CONSTRUCTION, Transport infrastructures: railways)

The project represents an all-important part of the urban penetration project for the Milan – Naples HS railway line with regard to the Bologna railway junction. The purpose of the contract is construction of the new Bologna Centrale High Speed station (Lot 11) and works needed to make it possible to put the station into operation (Lot 50). The relative agreement was signed by Astaldi with TAV S.p.A. which was taken over by RFI Rete Ferrovie Italiana S.p.A. in 2008. The latter is a holding company of Gruppo Ferrovie dello Stato

Italy,
"Bologna Centrale"
High-Speed Railway Station.

and is responsible for managing the national railway infrastructure. Italferr S.p.A., a Gruppo Ferrovie dello Stato company, is responsible for design and works supervision. The project involves the construction of a station of a large size and with structural complexities, to be built entirely under ground level below Platforms 12-17 of the "historic" Bologna Centrale station that are currently in disuse. The station is organised on several levels, the deepest of which - built at a depth of 25 metres – will be used for the transit of high speed trains, while the others will be used for railway transport-related services, commercial areas and car parks. Works commenced in 2004 and, once the problems which arose during the start-up phase of the contract were resolved and the 1st Additional Amendment signed in December 2007, activities went ahead as planned in the following years even if affected by some new activities introduced by the customer. The 2nd Additional Amendment was signed in July 2011 which extends the contractual deadline for works and services to July 2013, reformulating the interim milestones for partial completion of activities (implementation of the rail link by June 2012 and of the station (with a provisional organisation) by December 2012. 96% of structural civil works were completed during 2012 along with approximately 40% of the surface at road level where the existing tracks will be subsequently relaid. May 2012 saw the completion of the activities needed to start-up non-stop operation of trains (electric supply, fire extinguisher plants at a platform level, evacuation routes and escape routes in the event of emergencies), made effective as from June 2012. From June to December 2012 plant features and finishes were installed so as to allow the commissioning body, in the event of emergencies and subject to 90 minutes advance warning, to use the new infrastructure and evacuation routes created for train staff to alight from trains. Disposal of muck went ahead in compliance with the methods provided for in waste legislation with it being temporarily deposited at the Corticella site. 83% of the total planned production had been completed at 31 December 2012.

Turin Railway Junction

(ITALY - CONSTRUCTION, Transport infrastructures: railways)

The contract forms part of the project to expand the Turin Railway Junction and involves the quadrupling and laying under ground level of the existing Turin – Milan railway line. In relation to this project, ITALFERR – in the capacity of Customer, operating in the name and on behalf of RFI Rete Ferroviaria Italiana – awarded the JV involving Astaldi (it has a 70% investment and is both leader and principal) the executive design and performance of works to complete expansion of the underground railway line between Corso Vittorio Emanuele II and Corso Grosseto, including the crossing under the River Dora Riparia. The special purpose vehicle, S.P.T. - Società Passante di Torino S.c.r.l., in which Astaldi holds a 74% investment and is both lead-

[7] Please refer to Note 1 herein for a definition of TBM (Tunnel Boring Machine).

Italy,
Turin Railway Hub.

er and principal, was set up to perform and manage the works. The executive design is being performed by Astaldi and 3TI Progetti Italia S.p.A. in equal shares. In order to ensure that the existing railway line may continue to operate, the works are being performed in two separate, sequential macro phases called Macro Phase "West" (first) and Macro Phase "East" (second). Activities during 2012 mainly concerned the completion of works related to Macro Phase East and to the shifting/diversion of subservices and sewers interfering with the works to be performed. In November 2012, all the works related to the contract were completed ahead of the contractual completion date with the exception of works related to the East phase of Porta Susa underground station, affected by the obligation to maintain operation of the Historical Travellers' Building at Porta Susa station, regulated by another contract. A fast performance bonus was awarded as a result of advance completion of the works. In December 2012, railway operation inside the east tunnel was started up by RFI S.p.A. Contractual production carried out as at 31 December 2012 totalled Euro 606.39 million. As regards ASTALDI's investment, said figure means progressive production of Euro 415.59 million, Euro 45.29 million of which in 2012. Approximately 96.5% of works have been completed.

Parma - La Spezia Railway ("Pontremolese Railway")

(ITALY - CONSTRUCTION, Transport infrastructures: railways)

The project forms part of the programme to improve and modernise the Parma – La Spezia railway, also known as the "Pontremolese" railway. As regards this project, ITALFERR S.p.A. – in the capacity of Customer in the name and on behalf of R.F.I. Rete Ferroviaria Italiana S.p.A. – awarded ASTALDI the executive design and performance of works to widen the railway line for the section between Solignano and Osteriazza stations, along a section measuring a total of approximately 12.5 kilometres. The new railway line runs for the first 5 kilometres along an alternative route to the current one – indeed, said section will see performance of the most significant works included in the contract such as the bored tunnel called Marta Giulia Tunnel (4.1 kilometres under construction), a viaduct running over the River Taro (440 metres, completed) and a viaduct over the Galgana torrent (275 metres, completed). The remaining 7.5 kilometres of overall route will run alongside the railway line currently in use. The deadline for completion of the works is set for April 2015. Activities to complete the works went ahead during 2012 with the railway line remaining in operation, making it possible to inaugurate a section of new line measuring a total of 2 kilometres. Traffic also started to circulate on the new road tunnel built to cross under the Cisa motorway. Works to build Marta Giulia Tunnel went ahead (3,530 linear metres had

Italy,
Infraflegrea Project.

Italy,
Parma-La Spezia Railway
("Pontremolese").

been dug at 31 December 2012 equal to 86% of the total works). Over 70% of the total planned production has been completed at 31 December 2012.

Transport infrastructures: roads and motorways

Jonica National Road (SS-106) Maxi-Lot DG-22

(ITALY - CONSTRUCTION, Transport infrastructures: motorways)

The project is also known as Mega Lot 1 and involves awarding, using the general contracting formula, of the executive design and performance of works to upgrade the section between Palizzi and Caulonia (lots 6-7-8, including Marina di Gioiosa Jonica junction) of the SS-106, also known as the Jonica National Road. The works were commissioned by ANAS, the organisation in charge of managing the Italian road and motorway network of national interest. The corporate body responsible for performing activities related to this contract is AR.GI S.p.A. which has the role of general contractor representing the JV awarded the contract in which Astaldi is the principal company with a 60.99% investment. The special purpose vehicle, AR.GI S.p.A., was transformed into a joint stock consortium as from 1 January 2010 under the resolution passed by the shareholders of AR.GI on 26 October 2009. From a technical viewpoint, the route of the new motorway measures approximately 17 km in length, 19% of which consists in viaducts and 37% in bored and cut-and-cover tunnels. The approval of a preliminary survey meant that the works were split into two sections known as the Functional Lot (works to be performed immediately) and the Marginal Lot (works not to be performed immediately). The overall value of the contract amounts to Euro 354 million, reformulated with approval of the aforementioned survey into Euro 282 million for the Functional Lot and Euro 72 million for the Marginal Lot. As regards the latter, the General Contractor has asked the customer for final payment due to the continuance of causes hindering works which have caused the delay. Construction activities related to the major features covered by the contract (tunnels and viaducts) were largely completed during 2012, with total economic progress amounting to 94% of the contract amount and related physical progress of over 95% with regard to the critical route (excavation and lining of tunnels). Production completed at 31 December 2012 totalled Euro 267.8 million, Euro 264.9 million of which certified. Lastly, it should be noted that, considering the specific operating difficulties encountered while carrying out works – geological and geotechnical problems, and the dragging out of archaeological investigations – the study of a second change survey proved necessary. It is envisaged that the works will be completed by 2013, hoping that the second change survey will be approved in the first part of the year and, in any case, prior to the contract amount being exceeded which would entail the rescheduling of works.

Italy,
"Jonica" National Road (NR-106):
Lot DG-22.

Italy,
"Jonica" National Road (NR-106):
Lot DG-21.

Jonica National Road (SS-106), Lot DG-21

(ITALY - CONSTRUCTION, Transport infrastructures: motorways)

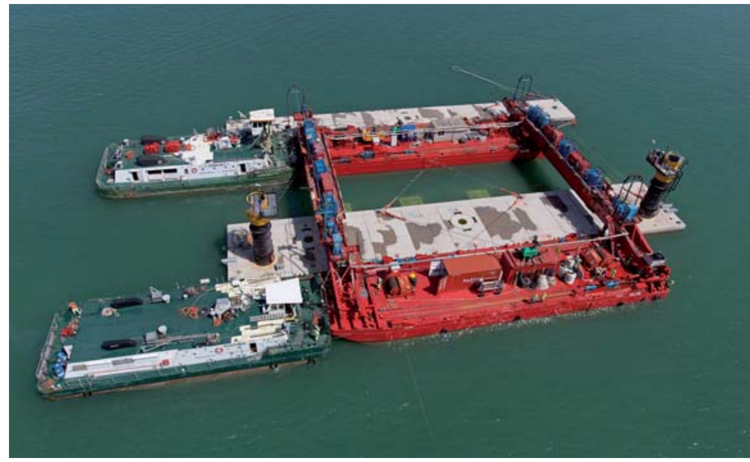
The project, also known as Mega Lot 2, refers to awarding, using the general contracting formula, of performance of works to construct the E-90 State Road - for the section of the SS-106 (Jonica National Road) running from Squillace junction (178+350 km) to Simeri Crichi junction (191+500 km). Extension of the SS-280 (Due Mari National Road) from S. Sinato junction to Germaneto junction is also planned. The works have been commissioned by ANAS S.p.A. The corporate body responsible for performing activities related to this contract is Co.Meri S.p.A. the general contractor set up by the JV awarded the contract in which Astaldi is the principal company with a 99.99% investment. As regards the project, Co.Meri S.p.A. assigned ASTALDI, under a specific Project Management Agreement, all the activities needed to fulfil contractual undertakings, with the exception of Works Supervision and Safety Coordination during the performance of works, area acquisition-related activities and anti-mafia checks pursuant to the MoU (signed by Catanzaro's Police Department, ANAS and Co.Meri). From a technical viewpoint, the section of the SS-106 included in the project runs along a route measuring 17.2 kilometres, with 11 twin-tube tunnels, 10 viaducts, 2 separate carriageway bridges and 8 flyover junctions. While the extension of the SS-280 (currently suspended pending relative funding) measures approximately 5.2 kilometres in length. In 2011, the 3rd change survey was also technically approved which referred to various actions needed to complete the works as well as new activities required for the early opening to traffic of a first operational section measuring 12 kilometres. Indeed, on 7 November 2011, the Borgia-Simeri Crichi section of the SS-106 was opened to the public. At 31 December 2012, production related to the whole year totalled Euro 42 million, with 98.3% of the overall works completed (7.5% in 2012 alone), referred to the amount currently financed in relation to the 3rd change survey. At the draft date of this report, the completion of works related to the SS-106 is scheduled for 31 August 2013. Completion of allocation of the amounts as per the 3rd change survey (equal to Euro 24 million), already funded by CIPE under the resolution passed on 26 October 2012, will allow for recommencement of currently suspended works related to the SS280, the planned duration of which is 16 months as from the consignment of works. Lastly, it should be noted that the 4th change survey is currently under preliminary examination by ANAS. As regards the invitation to draw inferences (hereinafter the Invitation) notified to Co.Meri S.p.A. on 10 May 2012 by the Regional Prosecutor's Office of the Audit Court's Jurisdictional Division for Lazio, it must be noted that the Invitation concerns the acknowledgement by ANAS S.p.A. to Co.Meri of the sum of Euro 47 million further to an out-of-court settlement procedure pursuant to Article 31-bis of Law No. 109 of 1994 as subsequently amended (applicable legislation *ratione temporis*). During the foreseeable continuation of proceedings in the form of an arraignment in front of the Court of Accounts of first instance, Co.Meri shall be able to represent its defence in an exhaustive manner, in greater detail than already inferred on other occasions. In any case, also in light of the further studies performed with the assistance of legal experts for the purpose of drawing up the defence filed by Co.Meri itself, a reasonably positive outcome to said proceedings can be confirmed, with any risk of losing the case and having to pay legal expenses being classed as remote.

Italy,
"Pedemontana Lombarda" Highway.

Jonica National Road (SS-106), Lot DG-41
(ITALY - CONSTRUCTION, Transport infrastructures: motorways)
Astaldi Group, in the capacity of leader and principal of a joint venture where it operates with a 60% investment, was recently awarded the general contracting project to perform construction activities for the 3rd Maxi Lot of the Jonica National Road (SS-106), worth a total of Euro 791 million. The project will involve the performance of works to upgrade the section of the Jonica National Road running from national road SS-534 to Roseto Capo Spulico. The planned duration of works is approximately 9 years and 8 months, 15 months of which for design activities (final and executive) and for preliminary activities prior to the commencement of works, and the remaining 6 years and 5 months for construction activities. The corporate body responsible for performing activities related to this contract is SIRJO S.C.p.A. the general contractor set up by the JV awarded the contract in which Astaldi is the principal company with a 60% investment. From a technical viewpoint, the section of the SS-106 the project relates to runs along a route measuring 38 kilometres with 7 twin-tube tunnels, 14 viaducts, 4 separated cut-and-cover tunnels and 6 junctions. The final design phase and relative preliminary activities (topography and geognostic investigations) commenced in April 2012 subsequent to the order to start up activities. Consignment of the final project is scheduled for March 2013. This will be followed by the project approval procedure which involves first approval by ANAS, forecast for August 2013, and second final approval by CIPE, forecast for the start of 2014.

Pedemontana Lombarda Motorway – Section A
(ITALY - CONSTRUCTION, Transport infrastructures: motorways)
The project refers to awarding, using the general contracting formula, of design (final and executive) and construction of Lot 1 of the Como bypass road, Lot 1 of the Varese bypass road and the A8-A9 section which, as a whole, is referred to as Section A. The project has been commissioned by APL Autostrada Pedemontana Lombarda S.p.A. The contract was acquired by a JV[8] in which ASTALDI holds an investment which, in turn, set up Pedelombarda S.c.p.A. which ASTALDI has a 24% investment in. Specifically, (i) the main part of the route (14.6 kilometres) runs from west to east, from the interchange with the A8 Milan-Varese motorway to the interchange with the A9 Milan-Como motorway; (ii) Lot 1 of the Como bypass road (2.9 kilometres) joins up with the A9 Milan-Como motorway in the vicinity of Grandate and runs eastwards to the Acquanegra junction, including the "Grandate" bored tunnel (400 metres); (iii) Lot 1 of the Varese bypass road (4.5 kilometres) joins up with the A8 motorway near Gazzada and runs in a north-east direction through the "Morazzone" tunnel (2.2 kilometres) to link up with the existing Vedano Viaduct and to Lot 2 that has already been built. As regards this project, works along the whole length of road have been started up. Additional Agreement No. 2 was signed with the customer on 31 October 2012 which redefined the contractual amount, calculated as Euro 879.6 million, redefined the works completion dates – 30 November 2013 for Section A of the main road, 31 March 2014 for Lot 1 of the Como and Varese bypass roads. Moreover in said Additional

[8] Please refer to Note 24 herein for a definition of JV (Joint Venture).



Italy,
MOSE Project.

Fonte: Ministero delle Infrastrutture e dei Trasporti - Magistrato alle Acque di Venezia – tramite il suo concessionario Consorzio Venezia Nuova

Agreement No. 2, the General Contractor's share of pre-financing was cut from Euro 450 million to Euro 200 million and a contractual provision was introduced regarding the issue of monthly progress reports compared to the previous provision of fixed-sum progress reports. During 2012, production for this project totalled Euro 294 million, with total productions standing at Euro 425 million, equal to 48.3% of total works completed.

Activities involving the urban network within the Municipality of Naples

(CONSTRUCTION - ITALY, Transport infrastructures: roads)

INFRAFLEGREA PROGETTO S.p.A., the special purpose vehicle in which Astaldi holds a 51% investment, is the general contractor performing various activities aimed at streamlining the internal transport system in the Phlegrean area of the Municipality of Naples. The project involves upgrading and improvement of the existing infrastructures (roads, railway, port, pedestrian zones) with the aim of achieving total intermodality within a network comprising various, already existing transport systems and communication systems. The funding administration is the Ministry of Transport and Infrastructures, while the granting authority is the President of the Region of Campania in the capacity of Special Commissioner pursuant to Article 11, subsection 18 of Law No. 887/1984. In brief, the works involve construction of the Montesantangelo rail link for the section from Soccavo to Mostra d'Oltremare, with relative interim stations and interchange junctions (Application Document No. 15), as well as works to extend and upgrade Pozzuoli port (Application Document No. 12), construction of a multi-storey car park with related access road and upgrading of Parco della Cava Regia and areas of the former Capuchin Convent (Application Document No. 13) and upgrading of Lungomare Sandro Pertini and the urban road network in Pozzuoli (Application Document No. 14). Performance of works in stages has been envisaged for some of the aforementioned Application Documents in order to satisfy the priority actions decided on by the Customer, as well as for reasons linked to the funding of works. Works were suspended during 2012, with the opening of negotiations with the granting authority due to the financial problems caused both through non-payment and the continuing uncertainty regarding the granting authority's actual available financial resources to go ahead with the works. The whole-life value of this project is Euro 237 million, including Euro 96 million of additional funding made available at the end of December 2011 for the Parco San Paolo – Terracina section (Stage 1 of Lot 3 of the Monte Sant'Angelo rail link for which, at the draft date of this report, activities prior to the start-up of works are in progress). 77% of works had been completed at 31 December 2012, not taking into account said funding.

Transport infrastructures: ports and airports

Mose Project

(ITALY - CONSTRUCTION, Transport infrastructures: ports)

ASTALDI is involved in the project to construct the MOSE system, designed to protect Venice's lagoon from tidal action. The project as the whole involves the construction of a system of mobile barriers installed on each of the port's three outlets (Lido, Malomocco and Chioggia), which represent the points linking the sea and the lagoon. The performance of works related to the MOSE system is regulated by a contract stipu-

Italy,
New Hospital in Prato
(Tuscany).

lated between the state represented by the Magistrate for the Waters of Venice and Consorzio Venezia Nuova, which was granted the concession to perform the works in question. Consorzio Venezia Nuova in turn awarded the works, split into operational phases, to the joint ventures set up by its members to perform the works in question. In this regard, Astaldi operates in the capacity of leader and principal of a JV which set up the consortium company, Mose-Treporti S.c.r.l., to perform works related to Bocca di Lido Treporti. The total value of the works for which the JV involving Astaldi is responsible amounts to Euro 419 million, Euro 386 million of which have already been awarded. Approximately Euro 372 million of works had been performed as at 31 December 2012, corresponding to almost 90% of the total works the consortium company Astaldi holds an investment in is responsible for, the completion of which is scheduled for 2014.
Specifically, it must be noted that during 2012, the consortium led by Astaldi completed all the reinforced concrete caissons that, placed on the lagoon bed, will house the metal barriers that can be raised in the event of tides. Installation of the caissons was also completed during the year as part of works awarded to another joint venture.

Civil and industrial construction

New Hospitals in Tuscany (construction contract)

(ITALY - CONSTRUCTION, Civil construction)

The contract forms part of the project financing initiative for the construction and subsequent management of four hospitals in Tuscany and involves the construction of four hospital complexes situated in Lucca, Massa (Apuane), Prato and Pistoia. The new facilities will occupy a total surface area of over 200,000 m^2 and make available over 1,700 hospital beds, 52 operating theatres, 134 dialysis units and 103 new cots. As regards this project, a total investment of Euro 365 million is envisaged for design and construction activities (with public funding of 55%) and Euro 1.2 billion in nominal terms for management activities (in which Astaldi has a 35% investment). Given that it is a project financing initiative, said investment will be partly covered by public funding and partly by funding put up by private parties, with a return on investment guaranteed by the estimated concession revenue provided for in the project agreement. For more information about the financial structure and the economic-financial equilibrium envisaged for the project, please refer to the section of this report dealing with concessions. The duration of the concession is 22 years and 9 months, of which 3 years and 9 months for design and construction activities and 19 years for management of plants and works as well as non-healthcare services. Said duration applies as from signing of the agreement which took place on 19 November 2007. On said date, the local health authorities (USL 1 - Massa and Carrara, USL 2 - Lucca, USL 3 - Pistoia and USL 4 – Prato) awarded as a concession to SAT S.p.A., which Astaldi holds a 35% investment in, the construction of four new hospitals using the project financing formula. The purpose of the relative agreement, which applies to all four hospitals, is the final and executive design, performance of works and management of the new hospitals, as well as of some hospital and commercial services. Design and construction activities were awarded by the concession holder to a joint venture set up by two of its partners. The consortium company CO. SAT S.c.r.l., in which Astaldi holds a 50% investment, was set up to perform works. All the hospitals feature a main 5-floor building with 1 basement level and an

Italy,
New Hospital in Pistoia
(Tuscany).

additional 4-floor building with 1 underground level. While there are differences between the hospitals as regards the surface area occupied and the number of hospital beds made available, as specified in greater detail below.

Massa Hospital. The hospital will occupy a surface area of 80,430 m^2, with a total volume of 175,000 m^3, 24,480 m^2 of cark parks and a similar number of square metres of green areas. Construction of the complex will make available 360 hospital beds, 30 dialysis units, 12 hospital beds for short-term observation and 24 cots.

Lucca Hospital. The works involve a total surface area of 72,250 m^2. The total volume is 184,300 m^3 with 25,700 m^2 of outdoor cark parks and 13,400 m^2 of green areas. 410 hospital beds will be made available along with 38 dialysis units, 20 hospital beds for short-term observation and 24 cots.

Pistoia Hospital. Once this complex is fully operational, 400 hospital beds will be made available together with 26 dialysis units, 20 hospital beds for short-term observation and 20 cots. The hospital will occupy a total surface area of 86,800 m^2, with 25,000 m^2 of outdoor car parks and 31,000 m^2 of green areas.

Prato Hospital. The hospital in Prato is the largest of the four planned complexes. The total surface area involved is 99,000 m^2, with a volume of 208,900 m^3, 33,750 m^2 of outdoor car parks and 31,800 m^2 of green areas. The project will make available 540 hospital beds, 40 beds for haemodialysis, 20 beds for short-term observation and 35 cots.
Works went ahead largely as planned during 2012 with 85% of works completed for Prato, 98% for Pistoia, 77% for Lucca and 44% for Massa. 76% of works had been completed at 31 December 2012.

Police Officers' Academy [Scuola Carabinieri] – Florence

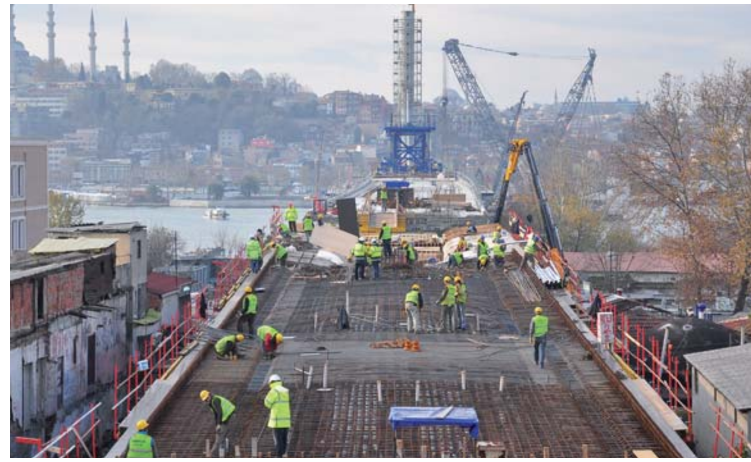
(ITALY - CONSTRUCTION, Civil construction)
The contract is being performed by the consortium company S.CAR. S.c.r.l, in which Astaldi holds a 61.4% investment, and involves construction of the new Police Officers' Academy in Florence. The works have been commissioned by the Ministry of Transport and Infrastructures. The project involves a large area comprising four functional centres: (i) a sports centre which entails construction of a football and athletics stadium, covered swimming pool, tennis courts and gym (Centre 1); (ii) a centre dedicated to student housing with 9 buildings to accommodate 1,500 students (Centre 2); (iii) a logistics centre with an auditorium, teaching rooms, canteen and kitchens, clubs, infirmary, command offices, cadre housing, shooting range and technological plates (Centre 3); (iv) a centre for cadre residences to be used to house academy workers and their families (Centre 4). The first change and operational stage survey was approved in July which resulted in a reduction of the contractual value of approximately Euro 46 million to make the works compatible with the Police Force's minimum requisites and with the need to optimise the complex's management systems, as well as with the actual available financial resources (equal to approximately 80% of the contract). Approximately 71% of works had been completed at 31 December 2012.

Ospedale del Mare – Naples (construction contract)

(ITALY - CONSTRUCTION, Civil construction)
The contract involves the final and executive design and construction of a new highly-specialised hospital

Romania,
Cernavoda-Medgida Highway.

complex in the eastern suburbs of Naples for a total of 450 beds (as well as 50 beds for low care patients). The administration granting the concession is Naples' local health authority (ASL Napoli 1 Centro). The company responsible for performing the contract is Partenopea Finanza di Progetto S.p.A. (PFP) in which Astaldi has a 99.99% investment.
It must be recalled that the contract was originally a project financing initiative. Following the protraction of a period of irregular performance of works (for which the concession holder was not responsible) and given that PFP's request for redressing of the concession's Business Plan in order to acknowledge the longer work schedules and higher costs incurred, fell on deaf ears, in March 2009 PFP submitted a request for arbitration, availing itself of the arbitration clause provided for in the Acknowledgement Clause. Subsequently, following failure to pay the price, in June 2009, the concession holder PFP availed itself of the cancellation clause set forth in the Acknowledgement Clause and declared the agreement to be terminated as a result of the granting authority's actions, including a request for ascertainment of said termination in the pending arbitration proceedings. As a result of this, in July 2009 and at the request of the acting Commissioner – appointed in 2009 by the President of the Region of Campania with the task of adopting, in place of the granting local health authority, all the measures needed to complete the project - a Negotiating Table was set up to identify suitable solutions to all the problems. The Negotiating Table carried out a lengthy and complex assessment, completed in July 2011 with the signing of a settlement which defines an obligation to complete design and works for a set fee, in compliance with respective waivers, and singles out, with the support of the State Legal Advisory Service, a possible solution to reconcile the respective positions. Without prejudice to the effects of the statement terminating the Agreement and the Acknowledgement Clause, said solution provides for PFP to complete the project and suspended works at a price proposed by the Commissioner and approved by PFP. As far as the overall settlement is concerned, the dispute was successfully settled and hence the pending arbitration proceedings were abandoned. The agreement reached and signed by the parties was subject to approval by the President of the Region of Campania, and subsequently signed by the acting Commissioner and by PFP – transformed into a S.c.p.a. in the meantime – on 29 November 2012. Therefore, as provided for in the settlement agreement, works are scheduled for completion in August 2015.
As regards the initiative undertaken by the Regional Prosecutor's Office of the Audit Court, further to formal notification by the Public Prosecutor's Office of Naples of commitment for trial for PFP and its pro-tempore legal representative, it should be noted that, to date, no further action has been taken by the Regional Prosecutor's Office.
Therefore, while referring to what has already been stated in the Annual Report at 31 December 2011, a reasonably positive outcome to said proceedings can be confirmed and, to date, the possibility of losing and having to pay legal expenses is considered remote.
As regards the criminal proceedings in progress with PFP accused of the administrative crime as per Articles 5.24 and 26 of Legislative Decree No. 231/2001, it must be noted that said proceedings are currently pending with regard to the relevant judicial authority. Lengthy and complex preliminary hearings are envisaged during which the numerous witnesses will be heard. In any case, at the present time, considering signing of the settlement reached between the local health authority and PFP, as mentioned above, a positive outcome to said proceedings for PFP can be envisaged.



Turkey,
Haliç Bridge in Istanbul.

Construction - International

Central-Eastern Europe

ASTALDI Group is present in this area in Turkey, Poland and Romania and is involved in projects with qualified counterparties in Russia.

Turkey is one of the main areas of activity for the Group. At the present time, its presence in Turkey is in relation to projects in the construction (transport infrastructures) and concessions (airports, hospitals, motorways) sectors.

Poland has featured for some years among the areas of guaranteed interest for the development policies of the Group which has already secured some significant contracts from both an engineering and economic viewpoint. At the moment, the Group is active in Poland solely in relation to priority projects (railway transport infrastructures, power plants) included in the country's development policies, financed through dedicated EU funds. As regards the future, given the country's political and economic stability as well as the legislative framework, further consolidation is not to be excluded with the opening up of the renewable energy and concessions sectors.

Romania continues to have an important strategic value for the Group insofar as it is still able to guarantee new commercial opportunities which ASTALDI will continue to examine with great interest. Indeed, the local offices continue to monitor the opportunities on offer in Romania, which the Group tries to take up, also with the aim of ensuring ever-increasing customer diversification.

Russia represents a recently acquired market where the Group operates with private customers only. ASTALDI's entry into Russia offers the opportunity to diversify activities as a result of consolidation of industrial partnerships with Turkish firms in relation to projects in progress in Turkey. As regards the future, commercial development as such is not being examined but additional opportunities arising from synergies with qualified partners boasting a high credit rating are not to be excluded.

Please find below a brief description of the main projects in progress in each of the countries listed above.

TURKEY – Line 4 of Istanbul Underground (Kadiköy - Kartal - Kaynarca Section)

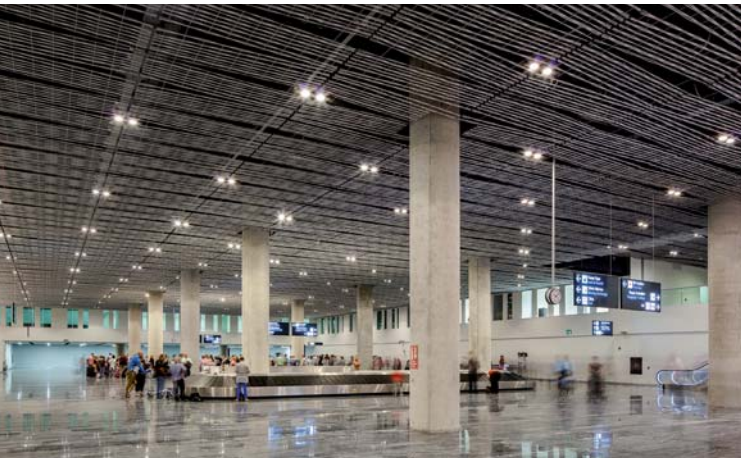
(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: undergrounds)

The project refers to construction of a new section of the Istanbul underground using the general contracting formula along the Kadiköy - Kartal – Kaynarca section. Astaldi (in its capacity as leader of a joint venture) holds 42% of the whole contract. The contract involves construction of a double-track line along the Kadiköy-Kartal section for approximately 21 kilometres with 16 stations, and includes the supply of electromechanical and signalling systems in addition to civil works. This contract was subject to a contract extension in 2009 related to extension of the new line in the direction of Pendik as far as Kaynarka station – for an additional 4.8 kilometres of tunnel to be dug along the Kartal-Kaynarka section. The new line runs across Istanbul's Anatolian shore and guarantees transportation of 70,000 passengers per hour in each direction, with an operating speed of 80 km/h. Works commenced in February 2008 and the Kadiköy – Kartal section was completed and opened to the public on 17 August 2012. Construction activities are going ahead on the remaining section.

TURKEY – Istanbul Golden Horn Bridge (Haliç Bridge)

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: undergrounds)

The project refers to the contract to construct the Golden Horn Bridge, also known as Haliç Bridge, worth a total Euro 147 million (Astaldi has a 51% investment). Taking into account the changes approved during works in progress, said contractual value now amounts to Euro 165 million, to be completed by Summer 2013. Haliç Bridge will run across the inlet on the European side of the Bosporus, known as the Golden Horn, linking Topкapi to Galata. The route will measure approximately one kilometre and will allow the new



Turkey,
Milas-Bodrum
International Airport.

Unkapanı-Yenikapı line of the Istanbul underground to run along it. The new structure will also involve construction of a steel cable-stayed bridge measuring 387 metres in length, as well as a 120-metre swing bridge which will open to allow boats to pass through. The works were commissioned by the Municipality of Istanbul. Astaldi's local partner in performing the works is GülermaĐ, one of the companies Astaldi is already working with to construct Line 4 of the Istanbul underground. Works commenced in 2009 and at the end of 2012, the following had been performed:

- North-east side: the Beyoglu concrete approach viaduct was completed;
- South-east side: the foundations and elevated works of the Unkapani viaduct were completed with the exception of the pier caps and elevated parts of the two piers near to the bank. The first of the three deck segments was completed. The joints and two deck segments still need to be completed;
- South-east side: the sheet-piling planned on the south-east Unkapanı side was completed and the concrete platform to house mechanical areas built;
- The piers of the steel cable-stayed bridge were completed and 3 parts of the bridge wing positioned.

72% of works had been performed at 31 December 2012 with completion planned by the end of 2013.

TURKEY – Milas-Bodrum Airport (Epc Contract)

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: airports)

The project consists in an EPC contract for construction of the international terminal of Milas-Bodrum airport in Turkey. The works were consigned in May 2012 and the airport became operational as from said date. The new terminal occupies a surface area measuring 100,000 m^2 and can cater for up to 5,000,000 passengers/year. The contract value at 31 December 2102 amounted to Euro 123.9 million inclusive of changes made during works in progress. It should be recalled that for this work, ASTALDI GROUP holds a 92.85% investment in MONDIAL SA, the concession holder for the design, construction and subsequent management of the works. For more information in this regard, please refer to the following sections dealing with concession projects.

Turkey – Gebze-Orangzi-Izmir Motorway (Bot Contract)

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: motorways)

Preliminarily, it must be recalled that said project is not included among the backlog at the present time since it will be performed using the concession formula and, while awarded to Astaldi as part of a joint venture, definition of the relative financial closing is pending. However, it is considered appropriate to detail activities carried out in relation to said project during 2012 given the start-up of preliminary activities and the investments made.

The project consists in a BOT contract for the construction, maintenance and management of a section of motorway measuring 434 kilometres running along the Gebze-Orhangazi-Izmir route. The project also included a suspension bridge over Izmit Bay and additional link roads to existing roads. As regards this project, the EPC contract has a value of USD 5.6 billion (Astaldi has a 18.6% investment) against investments totalling USD 6.4 billion. The SPV set up for this project is OTOYOL, while the SPE set up to perform works is called NOMAYG. The concession agreement between the customer, KGM and OTOYOL was signed in September 2010, but can only come into effect subsequent to the definition of financial closing scheduled for early 2013. The EPC contract between OTOYOL and NOMAYG, that will be responsible for actual construction of the motorway was signed in July 2011. The contractual duration of the concession is 22 years and 4 months, including a maximum of 7 years for construction activities. On the whole, the project involves the construction of approximately 384 kilometres of motorway, 48 kilometres of link roads, 140 kilometres of access roads and 29 kilometres of national roads to be upgraded, 3 tunnels, 29 viaducts, 84 bridges, 330 minor hydraulic works, 25 intersections, 20 motorway toll gates, 10 maintenance centres and 16 service areas. The suspension bridge, measuring

Russia,
Pulkovo International Airport
in St. Petersburg.

a total of approximately 2.6 kilometres in length and worth USD 1.1 billion, was subcontracted in July 2011 to IHI/ITOCHU and must be completed in the space of 3 years corresponding to the duration of Phase 1 of the project. This first phase, for which construction activities are currently in progress, involves the sections of motorway from Km 0 (Gebze) to Km 58 (9 kilometres after Orhangazi), the approach viaducts for the suspension bridge on the north side (0.25 km) and on the south side (1.4 km) and a tunnel of approximately 3.4 km. Construction of the tunnel - Samnalı Tunnel – was awarded to DaĐcan InĐaat ve Ticaret A.Đ. in April 2011 and the contract provides for a planned duration of works of 32 months, in other words by December 2014. The contractual value of works related to the tunnel amounts to USD 69.3 million and, at the draft date of this report, approximately 76% of works had been physically completed for the entrances and 24% for excavation and support works for the tunnel, final lining of the tunnel in concrete has still to be started up. As regards the other sections of the project related to Phase 1 they have been assigned to various partners in the joint venture or to specific subcontractors (as for the suspension bridge and tunnel) and Astaldi has been assigned performance of the works from Km 0 to Km 4, for a total of USD 47.6 million with works to be completed by May 2014. As regards Phase 2 of the project, it will be performed during the second half of the 7 years of construction activities and includes the section from Km 58 to Km 408 (Izmir).

TURKEY – The Northern Marmara Motorway Project – Including the third bridge over the Bosporus (Bot Contract)

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: motorways and bridges)

Preliminarily, it must be recalled that said project is not included among the backlog at the present time since it will be performed using the concession formula and, while awarded to Astaldi as part of a joint venture, definition of the relative financial closing is pending. However, it is considered appropriate to detail activities carried out in relation to said project during 2012 given the start-up of preliminary activities and the investments made.

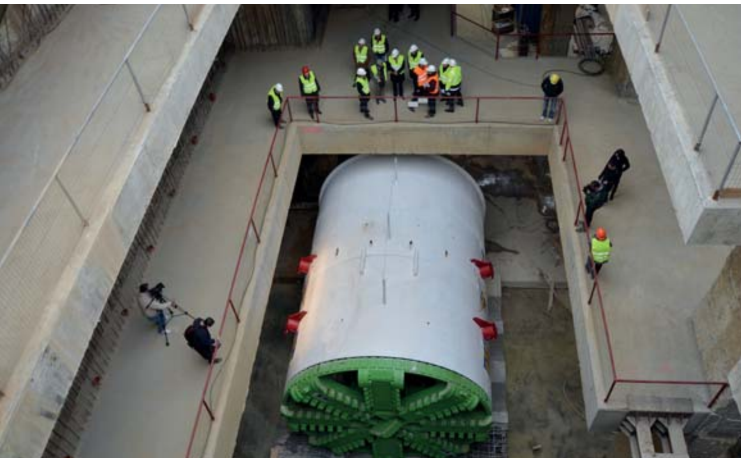
The project consists in a BOT contract for the construction and management of the Third Bridge over the Bosporus and of the Odayeri-Pasakoy section of the North Marmara Highway. The BOT contract between the Turkish Ministry of Transport and JV IctaĐ - Astaldi, responsible for the construction and management of the motorway was signed in December 2012. The total value of the investments is approximately USD 2.5 billion (in which Astaldi has a 33.33% investment). The project involves the construction of approximately 60 kilometres of motorway, 54 kilometres of link roads, 45 kilometres of access roads for a total of approximately 160 kilometres of motorway links between Odayeri and PaĐaköy, as well as a suspension bridge measuring 1.408 kilometres with pillarless spans between Poyrazköy and Garipçe. Construction activities are set to commence during the first half of 2013. The duration of the concession is 10 years and 2 months, 3 years of which for design and construction and the remaining 7 years and 2 months for management.

TURKEY – Etlik Hospital Campus -Ankara (Bot Contract)

(CONSTRUCTION - INTERNATIONAL, Construction: hospitals)

Preliminarily, it must be recalled that said project is not included among the backlog at the present time since it will be performed using the concession formula and, while awarded to Astaldi as part of a joint venture, definition of the relative financial closing is pending. However, it is considered appropriate to detail activities carried out in relation to said project during 2012 given the start-up of preliminary activities and the investments made.

Commissioned by the Turkish Ministry of Health, the project consists in the design, construction, supply of electromedical equipment and furnishings as well as the management of a hospital complex boasting 3,566 beds split among 8 healthcare facilities and a hotel for a total of 1,080,000 m^2. Studio Altieri that has already worked with Astaldi on the concession project to build



Romania,
Bucharest Subway
Line 5.

and manage Ospedale dell'Angelo in Mestre-Venice in Italy will be responsible for design activities. The project refers to the BOT contract for the construction and management of Etlik Hospital Campus in Ankara and the total value of the investment amounts to approximately Euro 800 million which will be used to build the largest hospital complex in Europe. The duration of the concession is 28.5 years, 3.5 of which for design and construction activities and the remaining 25 for management activities. Works are planned to commence during the second half of 2013.

RUSSIA – Pulkovo International Airport, St. Petersburg

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: airports)

The project refers to the contract to expand Pulkovo International Airport in St. Petersburg, the number four airport in Russia for the number of passengers. The project was awarded to ASTALDI as part of a joint venture with the Turkish construction firm, IC Ictas, during 2011. The total of works to be performed is Euro 700 million (Astaldi has a 50% investment). The project was commissioned by Northern Capital Gateway (NCG), an international consortium in which Fraport (Frankfurt Airport Group), an international leader in airport management and VTB Capital (VTB Group), the second-most important Russian bank, hold an investment. The senior lenders of the project promoted by NCG are the European Bank for Reconstruction and Development (EBRD), International Finance Corporation (IFC), Vnesheconombank - Bank for Development and Foreign Economic Affairs of USSR, Nordic Investment Bank (NIB), Black Sea Trade and Development Bank (BSTDB) and Eurasian Development Bank (EDB). The contract is an EPC contract and involves the construction of a new international terminal as well as renovation of the existing terminal (Pulkovo 1). Once the works have been completed, the airport will be able to guarantee a level of service equivalent to IATA C and can accommodate 14 million passengers per year, thus becoming the most important airport in the Baltic region. The works will involve the construction of a main building that will occupy a total surface area of 95,475 m^2, with 85 check-in desks, boarding gates and links with car parks and the existing Pulkovo 1 terminal and North Pier, as well as an office district (Class B, 11,660 m^2), a four-star hotel (200 rooms, 13,800 m^2) and all works connected to commissioning of the new facility (airside facility, snow storage area, fire station, de-icing facility, commercial areas, etc.), as well as renovation of the existing Pulkovo 1 terminal (34,314 m^2). The planned duration of the works is 39 months. Construction activities went ahead as planned during 2012 and an important milestone was reached at the end of November – completion of the terminal roof – celebrated during an official ceremony attended by local authorities. Approximately 50% of the contract (including the supply of electromechanical equipment) had been completed at the end of December 2012.

RUSSIA – Western High-Speed Diameter, St. Petersburg

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: motorways)

The contract was awarded to Astaldi during 2012 and refers to the EPC contract to perform the works to complete the St. Petersburg ring road, a work of strategic importance for the city's transport system. The project was commissioned by the NCH consortium – comprising VTB Capital and Gazprombank, respectively Russia's second and third most important bank – that holds the concession agreement for completion and subsequent management of the whole ring road. As regards this project, one of the most important in progress in Russia, Astaldi will be responsible for construction activities only. Indeed, the EPC contract awarded to Astaldi involves the design and performance of all the works needed to build 12 kilometres of motorway, corresponding to the most technically complex section, which closes the ring road along the seafront. The contract value amounts to Euro 2.2 billion and the works will be performed as part of a joint venture with the Turkish company IC Ictas (Astaldi has a 50% investment) that has already worked

Romania,
Medgida-Constant a Highway.

with Astaldi on other projects in Russia and Turkey. The planned duration of works is 36 months. Design and site preparation activities were started up during 2012 on the basis of a preliminary EPC contract worth Euro 20 million that, at the draft date of this report, had almost been completed.

ROMANIA – Line 5 of Bucharest Underground
(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: undergrounds)
The project refers to construction of the new Line 5 of the Bucharest underground for the Drumul Taberei – Pantelimon section (Raul Doamnei – Hasdeu section), using the Design and Build formula. The contract's overall value is RON 919 million, equivalent to Euro 215 million (ASTALDI is the project leader with a 47.495% investment). The project forms part of a broader programme to expand Bucharest's underground network and is funded by the EIB (European Investment Bank) as well as by the State (25%). The project was commissioned by METROREX S.A. (responsible for managing the Municipality of Bucharest's underground network which currently covers 69 kilometres) and which reports to the local Ministry of Transport and Infrastructures. The project involves the design and construction of approximately 4.5 kilometres of new underground line, limited to civil structures only, along the section between Raul Doamnei and the Bucharest Opera House (Hasdeu), with 9 stations and 7.7 kilometres in total of tunnels dug using TBMs[9]. Works on all the stations were started up during 2012 and the two TBMs were prepared for excavation at Academia Militara station. An additional agreement is currently being negotiated following the performance of various and new works. Consignment of the works is scheduled by the end of 2014.

ROMANIA – Bucharest-Constanta Railway (Section 2 - Lots 1 & 2, Section 3/4 - Lot 2)
(CONSTRUCTION – INTERNATIONAL, Transport infrastructures: railways)
The project involves the performance, using the general contracting formula, of works to upgrade the Bucharest – Constanta railway, with regard to the section identified as Section 2, Lots 2, 3 and 4. The works were commissioned by Romania's National Railways and consist, in brief, in upgrading of the railway platform and complete replacement of ballasts, sleepers and tracks. The total value of the contract is approximately Euro 178 million.

Section 2 (Lot 1)
All the works related to this section which, inter alia, entailed the upgrading of an existing railway viaduct measuring approximately 340 linear metres (Mostistea Bridge) and the construction of a new railway viaduct measuring 235 linear metres (Saluresti Bridge) along the Fundulea – Lehliu route, were consigned in June 2011.

Section 2 (Lot 2)
The works related to this section were completed and consigned in July 2011 and consisted in the upgrading of approximately 28 kilometres of double-track line of the Bucharest – Constanta railway line with regard to the section between Fundulea and Lehliu stations. The aim of the project is to increase the technical travelling speed of passenger trains from the current 120 km/h to 160 km/h, with a maximum speed of 200 km/h.

Section 3/4 (Lot 2)
The works related to this section were completed and consigned in July 2011 and consisted in the upgrading of approximately 78 kilometres of the Bucharest – Constanta railway line with regard to the section between Lehliu and Fetesti stations. The aim of the project is to increase the technical travelling speed of passenger trains to 160 km/h, with a maximum speed of 200 km/h. 5 of the 7 planned stations were also consigned during 2011. Works along the line were completed and the 2 stations were not completed due to delays in the performance of works covered by another contract, late delivery of materials by the administration and reallocation of funds to the following year. It is envisaged that works will be completed by the end of 2013.

Romania,
Basarab Overpass
in Bucharest.

ROMANIA – Border-Curtici-Simeria railway line
(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: railways)

The contract, awarded during Q4 2011, involves the upgrading of 41 kilometres of railway line and 4 stations, as well as laying of a second track along a 5-kilometre section and construction of the signalling, telecommunications and electric traction systems. Once completed, the works will guarantee a speed of 160 km/h for passenger trains and 120 km/h for freight trains. The value of the works amounts to Euro 254 million (Astaldi has an 18.75% investment). All the works were started up during 2012 and upgrading of the first railway line was virtually completed. The project was commissioned by Romania's National Railway Company (C.S.R. S.p.A.) and is financed using European funds and dedicated resources allocated in the state budget.

ROMANIA - Bucharest–Constanta Motorway (Medgida–Constanta Section)
(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: motorways)

The contract worth a total of Euro 168 million (Astaldi has a 60% investment) involves construction of the Bucharest – Constanta motorway with regard to the section between Medgida and Constanta. The route corresponds to a final section of the A-2 motorway and fits into a general plan to improve the country's motorway network. The contract involves, inter alia, the design and construction of approximately 32 kilometres of motorway with 4 overpasses, 2 viaducts, 2 bridges and 1 junction. The works were commissioned by Romania's National Roads and Motorways Company. Works commenced in April 2009. During 2012, following resolution by the customer of some problems linked to planned expropriation procedures and thanks to considerable production efforts, the whole motorway section measuring 32 kilometres was opened to the public, the construction of which made an easier link to tourist coastal area's motorway network possible. 25% of the works are financed by EU cohesion funds and the remaining 75% by an EIB (European Investment Bank) loan.

ROMANIA – Basarab Overpass
(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: bridges)

The Basarab Overpass project, performed by ASTALDI as part of a joint venture (Astaldi is the leader with a 50% investment), was completed and consigned to the customer, the Municipality of Bucharest, on 19 June 2011. The project involved the design and construction of a cable-stayed bridge measuring approximately 340 metres in length, with a maximum width of 44 metres and a maximum height of 84 metres, and an arched concrete and steel bridge measuring 120 metres in length, as well as approximately 2 kilometres of road and tram viaducts and an intermodal station (tram, underground, road network). Some additional works such as a viaduct traffic monitoring system and multi-storey car park were completed during 2012.

ROMANIA – Arad – Oradea National Road
(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: motorways)

The contract to be performed using the general contracting formula is worth approximately Euro 75 million and involves the upgrading of 99 kilometres of the road in Romania. The contract entails the design and upgrading of a section of the DN-79 National Road, between the cities of Arad and Oradea for a total of 103 kilometres. Performance of the project will entail, inter alia, the upgrading and construction of 13 bridges, 46 culverts and approximately 80 kilometres of drainage system. The works were commissioned by Romania's National Roads and Motorways Company. 30% of the works are financed by the Romanian government and the remaining 70% by the EIB (European Investment Bank). Works were started during the first half of 2009 and almost all the works were completed during 2012. Expansion of the road area was completed during 2012 together with the laying of structural layers of asphalt. Some works related to maintenance areas and car parks still have to be completed.

[9] Please refer to Note 1 herein for a definition of TBM (Tunnel Boring Machine).

Romania,
Bucharest Subway
Line 5.

ROMANIA – Arad - Timisoara Motorway
(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: motorways)

The contract, worth Euro 138 million (in which Astaldi has a 50% investment), involves the construction of 31.5 kilometres of motorway in the western part of Romania with 4 lanes in each direction, 2 hard shoulders, one junction and 16 bridges. The works are being performed by a joint venture involving ASTALDI and the Spanish firm FCC Construcción S.A. The project was commissioned by Romania's National Roads and Motorways Company. Works commenced during the first part of 2009 and, despite the difficulties encountered as a result of failed expropriation procedures and project shortcomings that cannot be attributed to ASTALDI, activities went ahead speedily during the whole of 2011. The complete motorway section was inaugurated on 16 December 2011, in a ceremony attended by the Prime Minister and Minister of Transport. All the works were completed in 2012, with subsequent complete opening to traffic. At the same time, an additional agreement was stipulated which recalculated the contractual amount as Euro 165 million, defining a new contractual deadline. Therefore, the completion of some secondary works (car parks and maintenance and coordination centre) is planned during 2013, with the works to be completed by the first half of the year.

ROMANIA – Constanta bypass road
(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: motorways)

The project involves the design and construction of the motorway link between the A-2 motorway from Bucharest and the maritime port of Constanta on the Black Sea, as well as with the DN-2 national road towards the Ukrainian border to the north and the Bulgarian border to the south. The contract, awarded to ASTALDI in 2008 as part of a joint venture with the Spanish company, FCC Construcción S.A., is worth Euro 120 million (Astaldi has a 50% investment). The project forms part of the European plan to develop a sea-road transport infrastructure network to link Europe with Asia and, as a whole, will entail the construction of 22 kilometres of motorway to link the A-2 to the city of Ovidiu and to Gate No. 9 of the maritime port of Constanta (Agigia), The motorway has 4 lanes for a total width of 26 metres, including 2 hard shoulders. The construction of 5 interchanges and 21 overpasses and bridges has also been completed. The project was commissioned by Romania's National Roads and Motorways Company. The works, started up during the first half of 2009, continued during 2011 and a first section of approximately 9 kilometres was consigned to the customer on 29 July 2012. A further section of motorway was consigned during 2012. All the works were not completed due to problems related to delays regarding expropriation and reallocation of funds to the following year. We are waiting to see how the customer intends to handle some contractual and design problems in order to schedule final completion of the works.

ROMANIA – Orastie - Sibiu Motorway, Lot 4
(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: motorways)

The contract for the design and construction of Section 4 of the Orastie – Sibiu motorway forming part of the Trans-European Corridor IV, was signed in June 2011. The project involves the construction, using the Design & Build formula, of approximately 16 kilometres of new motorway, including a cut-and-cover tunnel (200 metres) and two viaducts (900 metres). ASTALDI GROUP is the project leader and holds a 70% investment. The works were commissioned by Romania's National Roads and Motorways Company (CNADNR) which reports to the local Ministry of Transport and Infrastructures. 85% of the project is financed using European cohesion funds and 15% using state funding. Design activities were started up during 2011 and setting-up of sites was completed, with the commencement of construction of the motorway, underpasses and drainage systems as well as the viaduct foundations. Works went ahead during 2012 even with some delays due in part to the Customer's delay in finalising expropriation procedures, authorising the cutting down of existing trees and the need to define additional works for a short section of cutting follow-

Poland,
Warsaw Subway
Line 2.

ing unforeseen geological phenomena. Consignment of the works is scheduled for 2013.

ROMANIA – Bucharest - Constanta Motorway (Cernavoda - Medgida Section)

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: motorways)

The contract for the design and construction of the Cernavoda – Medgida section of the A-2 Bucharest – Constanta motorway was signed on 21 September 2011. The project involved the design and construction of approximately 20 kilometres of motorway with 2 viaducts (580 metres in total) and major earth movement works. ASTALDI GROUP is the project leader with a 50% investment. The works were commissioned by Romania's National Roads and Motorways Company (CNADNR) which reports to Romania's Ministry of Transport and Infrastructures. 25% of the works are financed by EU cohesion funds and the remaining 75% by an EIB (European Investment Bank) loan. The works were completed and the motorway opened to traffic in November 2012, more than 6 weeks ahead of the contract completion date. Some minor finishes and secondary works still have to be performed and will be completed by March 2013.

ROMANIA – Romana Square (Bucharest)

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: roads)

The contract for the design and performance of civil works for the restoration of Romana Square in Bucharest was signed in September 2011. The contractual value of the works is Euro 18 million and the project involves the construction, using the Design & Build formula, of a pedestrian area underneath Romana Square, in the centre of Bucharest. ASTALDI is the project leader with a 70% investment. The works were commissioned by the Municipality of Bucharest. As regards this project, survey activities were performed during 2011 along with the start-up of general design activities. As for 2012, following difficulties and the reallocation of financial resources to following years, only design and a part of the site preparation activities were carried out. Works are set to start during the second half of 2013 with consignment of the works scheduled by the end of 2015.

ROMANIA – "Henri Coanda" International Airport, - Bucharest (phase 3)

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: airports)

The contract refers to the performance, using the general contracting formula, of a third phase of the project to develop and modernise "Henri Coanda" International Airport (formerly Otopeni) in Bucharest. The works were commissioned by C.N.A.I.H.B. (*Compania Nationala Aeroportul Internationale Henri Coanda Bucuresti*), in the name and on behalf of Romania's Ministry of Transport. The Group, which has already successfully completed the first two phases of this project, will perform the civil works and plants aimed, inter alia, at extending the passenger arrivals and departures terminals, reorganising passenger traffic and building a new ground level car park. A first important target as regards the performance of works was achieved on 15 March 2011 with consignment of the new terminal (finger). All activities related to construction of the departures terminal extension were carried out and the extension consigned and opened to the public in November 2012. The guarantee period for the works carried out is scheduled for 2013.

POLAND – Warsaw - Łódź Railway Line And Łódź Fabryczna Station

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: railways)

The project refers to the design and performance of all works connected to upgrading of the section of railway from Łódź Widzew to Łódź Fabryczna, with construction of the passengers building and underground station of Łódź Fabryczna (4 platforms, 8 tracks), a double-track, twin-bore tunnel (1.5 kilometres) and the plant design and superstructure of the whole section, as well as an underground car park and multi-modal interchange junction at Fabryczna railway station. The works, awarded in August 2011, have a contractual

Poland,
National Road NR-8.

value of PLN 1.4 billion, equivalent to Euro 350 million (ASTALDI has a 40% investment), with a planned duration of 42 months. The project forms part of the "Infrastructure and Environment" Operating Programme, funded by EU Cohesion Funds. The works were commissioned by Poland's railway companies (PKP and PKP PLK) and the Municipality of Łódź. This project is of great importance for the national railway system insofar as it will be the first work already boasting high-speed standards, and also for the city of Łódź (Poland's number-two city for the number of inhabitants). Indeed, following the completion of works, this city will see a radical change in its city centre, with the large underground station, adjacent multi-storey car park, multi-modal junction and surface area layout becoming distinctive features. During 2012, following the completion of design activities, excavation works related to the station building and multi-storey car park and installation of the diaphragms were performed.

POLAND – Line 2 of Warsaw underground

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: undergrounds)

The project involves the construction of a central section of Line 2 of the Warsaw underground in Poland worth a total of PLN 3.375 billion, equivalent to approximately Euro 800 million (Astaldi has a 45% investment and is the project leader). The project forms part of the "Infrastructure and Environment" Operating Programme, the most important project planned in Poland in relation to the national development policy funded by the EU, and especially in relation to the operating plan for planned investments for the 2007-2013 five-year period. Specifically, Line 2 of the Warsaw underground is part of the "Environmental Transport" axis for which investment totalling approximately Euro 8 billion is planned. The works were commissioned by the Municipality of Warsaw. In detail, the project involves the design and construction of approximately 6 kilometres of new underground line along the route between Rondo Daszynskiego and Dworzec Wilenski, with 7 stations, 6 ventilation shafts and approximately 10 km of single-track tunnel, as well as 3 buildings for train deposit and shunting. The route will run mainly underground and also include passage under the River Vistula. 4 TBMs with a 6.30 m diameter will be used to dig the tunnel sections. As regards this project, station structures were built during 2012 along with the intersection ventilation shafts and over 3 km of tunnel using mechanised excavation. Consignment of the works is scheduled for August 2014.

POLAND - NR8 National Road (Piotrków Tribunalski - Rawa Mazowiecka Section)

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: roads)

The contract refers to the design and performance of works to upgrade the NR-8 National Road to fast-flowing, dual carriageway standards with regard to the Piotrków Tribunalski - Rawa Mazowiecka section (approximately 62 kilometres). This project forms part of the "Infrastructure and Environment" Operating Programme financed using EU cohesion funds - specifically, the project is part of the "TEN-T road and air transport network" for which investment totalling Euro 8.8 billion is planned. The works were completed and the road opened to traffic in September 2012. The contract has a total value of PLN 1.4 billion, equivalent to Euro 350 million (Astaldi has a 47% investment and is project leader) and, specifically, involved the design and upgrading with transformation to fast-flowing, dual carriageway standards of 62 kilometres of the NR-8 National Road, with regard to the section between Piotrków Tribunalski and Rawa Mazowiecka. The project involved the construction of 14 split-level junctions and 59 large-scale works (including overpasses, bridges and viaducts) is also planned. A specific feature of this project was the laying of hard concrete flooring with slipform pavers and with surface finishing using "uncovered aggregate". The works were commissioned by Poland's National Roads and Motorways General Directorate and the planned duration of works is 36 months, 12 months of which for design activities. At 31 December 2012, the project was largely completed in compliance with the project timeframe and budget. Therefore, taking into account the fact that this project

Algeria,
Saida-Moulay Slissen Railway.

is the first project performed by the Group in Poland and given the positive results achieved all round, it is felt that this project can help create a good reputation for future and forthcoming projects.

POLAND - Bydgoszcz-Torun Plant

(CONSTRUCTION - INTERNATIONAL, renewable energy plants)

The project involves the construction of a plant that produces energy through the transformation of urban solid waste. The contract, stipulated in September 2012, has a value of approximately Euro 95 million (ASTALDI has a 51% investment and is the leader of the joint venture) and involves the design and performance of the plant's civil and electromechanical works that will comprise two incineration facilities with a total nominal potential of 180,000 tons/year of processed waste. The plant will allow for the salvage, conversion and conveyance of electricity and heat for district heating that will be included in the municipal network serving the cities of Bydgoszcz and Torun, with non-stop operation for 24 hours a day, 7 days a week, for a minimum of 7,800 hours/year. The project also involves the construction of a waste acceptance unit and a compost production unit. The project was commissioned by MiĐdzygminny Kompleks Unieszkodliwiania Odpadów ProNatura Sp., the company set up by the Municipality of Bydgoszcz to manage urban waste and the project forms part of a wider programme funded by the European Union for the construction of plants producing energy through waste conversion. Design activities commenced during 2012. Works are scheduled to commence during the first half of 2013 with a planned duration of approximately 3 years.

The Maghreb (Algeria)

ASTALDI GROUP's presence in the Maghreb is limited to Algeria only, where the Group has operated for more than 20 years with a stable role in the area and projects linked to transport infrastructures and energy production and water supply plants.
In order to provide complete information, it must be noted that the Group is completing a single construction project (low-value motorway) in Tunisia where the Group does not intend to pursue other commercial projects and development opportunities.
Please find below a brief description of the main works in progress in the Maghreb.

ALGERIA – Saida - Tiaret railway line

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: railways)

The contract, awarded to Astaldi as part of joint venture at the end of 2010, involves the design and construction of a new railway line from Saida to Tiaret. The contract value amounts to Euro 417 million (Astaldi has a 60% investment). The works were commissioned by Algeria's Ministry of Transport through the *Agence Nationale d'Etude et du Suivi de la Réalisation des Investissements Ferroviaires* (ANESRIF). The contract involves the executive design and construction of 153 kilometres of single-track railway line featuring 39 railway bridges and viaducts, 36 road overpasses as well as 4 main stations (2 of which will be passenger stations while the other 2 will serve as a freight village and maintenance depot) and 9 interchange stations. The contract also includes the performance of signalling, telecommunications and energy-related works. The route, which will run along the "*Rocade des Hauts Plateaux*" to link up with the Bechar - Mecheria – Oran line, is the natural continuation of the railway line linking Saida and Moulay-Slissen which is already under construction by Astaldi. Work on this new project commenced in January 2011, with a total duration of 36 months. Preliminary and site installation activities as well as earth movement works were carried out during the first half of 2012, but the Customer's delays in making available the areas and approval of executive designs made it possible to start-up construction activities only during the second half of 2012. Approximately 15% of works had been completed at 31 December 2012.

Algeria,
Mecheria-Redjem Demouche Railway.

ALGERIA – Saida - Moulay Slissen railway line

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: railways)

The project refers to construction of a section of railway measuring approximately 120 kilometres that runs along the Saida - Moulay Slissen section. The project forms part of Algeria's plan to create an integrated infrastructure network and specifically, this initiative forms part of the "*Rocade des Hauts Plateaux*", which stretches from East to West in the northern part of the country's high ground. The works were commissioned by ANESRIF (*Agence Nationale d'Etudes et Suivi de la Réalisation d'Investissements Ferroviaires*), in the name and on behalf of Algeria's Ministry of Transport. The project consists in the design and construction of a new single-track railway line, not electrified but able to include a second track. The route stretches over 120 kilometres and includes, inter alia, 19 viaducts, 17 overpasses, 31 underpasses, 4 passenger stations and 1 freight station. The contract also provides for the installation of signalling, telecommunications and energy systems. Works got underway during the third quarter of 2008, and change report No. 1, approved during 2011, extended the overall duration of works to 59 months. Activities carried out during 2012 mainly concerned earth movement works, the construction of decks for viaducts and overpasses and prefabrication of railway sleepers. Change report No. 2 was approved in September 2012 which made it possible to unblock the payment of works invoiced during the year. Approximately 54% of works had been performed at 31 December 2012.

ALGERIA – Mecheria - Redjem Demouche railway line

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: railways)

The contract, awarded by SNTF, Algeria's national railway company, and subsequently handed over to ANESRIF, entails design and construction of the new Mecheria - Redjem Demouche railway line (140 kilometres), as well as signalling and telecommunications systems along the Mecheria – Redjen Demouche – Tabia section (140+80 km). The construction of this railway line forms part of the project to create a railway corridor between the coastal cities of Oran and Bechar in the south-west of Algeria. The new line will be mainly used to transport freight and will guarantee a maximum operating speed of 160 km/h. In March 2012, the Mecheria – Redjem Demouche section of the line was consigned to the customer while provision of the railway platform – performed by another company – along the Redjem Demouche – Tabia section is pending in order to be able to complete the signalling, telecommunications and energy-related works.

ALGERIA – Hamma aqueduct

(CONSTRUCTION - INTERNATIONAL, Energy production plants and hydraulic works)

The project entailed the performance of four lots of an aqueduct inside the city of Algiers, starting with a desalination unit. The initiative, of primary importance with regard to the water supply project for the city of Algiers, consisted in the performance of four different lots (A, B, C and D) and initially involved the executive design and construction of a supply system from the Hamma desalination unit to three reservoirs (of which two already existed (Telemly and Garidi) and one had to be built (Kouba) and relative connection to the existing drinking water network. The impossibility of using the proposed layout for Lot D as set forth in the preliminary design resulted in the formulation of a specific change. Said change led to the construction of a new reservoir, called HARCHA, which supplies Lot D instead of the Telemly reservoir. Civil works related to the reservoir were largely completed. During 2012, as from 5 January, the customer ADE issued an order to suspend works due to the interference of a Sonelgaz medium voltage cable that made it impossible to carry out part of the works. All activities related to the installation of hydromechanical equipment and electric and remote management systems were completed during the year together with the remaining external finishes and layouts.

Oman,
BidBid-Sur Road.

Middle East

All ASTALDI GROUP's activities within the Middle East are developed by ASTALDI ARABIA Ltd., a subsidiary of ASTALDI S.p.A. Therefore, please refer to the section herein dedicated to said company for more information regarding activities performed in the Middle East. Please find below a brief description of the main works in progress in this area.

SAUDI ARABIA – Jeddah and Kaec high-speed stations

(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: railways)

The project refers to the construction of two major railway stations, Jeddah and KAEC (King Abdullah Economic City), along the Mecca – Medina high-speed line (forming part of the "Haramain High Speed Rail Project" – the railway network expansion programme approved by the Saudi government). The total value of the works is USD 1.24 billion (Astaldi has a 15% investment). The works were commissioned by the Saudi Railways Organization. Designed by Norman Foster and Buro Happold, the two stations boast large dimensions: Jeddah, the larger station, will occupy a total surface area of over 111,000 m^2 – equivalent to approximately 14 football pitches – while KAEC will occupy a total surface area of approximately 64,000 m^2. 200,000 m^3 of concrete and more than 74,000 tons of steel will be used to construct the stations that will feature 58 lifts and 116 escalators. The planned duration of works is approximately 2 years and they were started up in 2011.

SAUDI ARABIA – Jubail Industrial plant

(CONSTRUCTION - INTERNATIONAL, Industrial construction)

The project has a contractual value of USD 80 million and refers to the performance of civil works and electromechanical plants for the construction of an oil refinery in the Jubail industrial district (Areas 5 and 2-A).The project, known as the Jubail Export Refinery Project, was commissioned by the French company, TECHNIP. It will be performed by ASTALDI ARABIA Ltd., the subsidiary of Astaldi S.p.A. which handles the Group activities in the Middle East. Works had largely been completed at 31 December 2012 and testing and commissioning procedures had commenced.
On this occasion it is considered useful to briefly outline the complex contractual situation that arose from the early stages of the project. Indeed, in this regard, it must be noted that some circumstances, not considered to fall under the responsibility of the subsidiary Astaldi Arabia (the contractor), resulted in irregular performance of works thus generating higher charges and an excess of costs for performance of the works provided for in the contract.
Specifically, design of the works – for which the Customer was responsible pursuant to the contract – resulted in continuous and substantial changes to the morphology, type and size of the works to be performed, making significant amendments to the standard, scheduled performance of works.
Moreover, the unavailability of work permits, the obtainment of which was supposedly to be promptly guaranteed by the Customer, forced the Contractor to make use of local agencies to provide workers, with consequent increase in terms of specific charges as well as delays in the scheduled performance of works.
Given the lack of acknowledgement by the Customer of the higher charges and costs as a result of the aforementioned circumstances, in May 2012, the Contractor started up international arbitration in accordance with International Chamber of Commerce (ICC) regulations provided for in the contract, preliminarily asking for the sum of USD 61.7 million for the damages incurred, with the total amount to be defined during arbitration.
As regards any counter claims, that the Customer has made known that it wishes to submit, for the sum of approximately USD 11 million, not detailed analytically to date, with regard to the alleged delay in completion of the works, the Contractor can support its defence in a highly effective manner.
Therefore, with reference to said counter claim and the additional circumstances detailed above, the di-

Venezuela,
Puerto Cabello-La Encrucijada Railway.

rectors feel that the risk of losing and having to cover legal expenses during arbitration proceedings is a remote one.

OMAN – Bidbid-Sur road (Lot 1 - Package 1-A)
(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: roads)
The project has a contractual value of OMR 125 million, equivalent to approximately USD 324 million (ASTALDI has a 51% investment). The contract refers to the road project to widen one of the Sultanate's main roads, for a total of 41 kilometres of new road linking the capital with the country's eastern regions. The project was commissioned by Oman's Ministry of Transport and Communications. The works commenced during 2011, with a duration of just over three years. Overall project review is currently underway which should result in significant changes, with the aim of taking into account problems linked to the definition of road routes.

Latin America

VENEZUELA – Puerto Cabello - La Encrucijada railway line
(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: railways)
The contract involves the construction of a double-track railway line running along the Puerto Cabello - La Encrucijada section for approximately 128 kilometres, with 33 km of tunnels, 23 km of viaducts and 10 stations. Consorcio Grupo Contuy-Proyectos y Obras de Ferrocarriles, in which Astaldi holds a 33.33% investment, is responsible for construction of the line. The total value of the contract amounts to approximately Euro 3 billion (including Option 10 signed in 2006, which entails the construction of stations and freight villages), one third of which refers to Astaldi's investment. A contract addendum for completion of the railway line was also signed during 2011. Said addendum provides for updating of the existing contract and extension of the line from Moron to Puerto Cabello port. With said addendum, the value of works to be completed in relation to the Puerto Cabello-La Encrucijada line amounts to Euro 3.3 billion (Astaldi has a 33.33% investment), meaning Euro 500 million of new works for the company. Construction of the new railway section will make it possible to link the line under construction with Puerto Cabello port and will guarantee Valencia, one of the country's leading cities located along the line, access to the sea that is all-important for trade. The works have been commissioned by I.F.E *(Instituto de Ferrocarriles del Estado)*, the independent organisation responsible for managing Venezuela's railway transport infrastructures. The project fits into the Economic, Industrial, Infrastructure and Development Cooperation Agreement signed by the Italian and Venezuelan governments in February 2001, and ratified in subsequent agreements, the most recent in May 2010. The works, for which Astaldi is responsible, started during 2002, are split into two lots, one situated in the mountains and one in the plains. Despite the planned slowdown in activities, works related to this project continued to go ahead during 2012, generating an extremely positive trend. Specifically, works involving lining of the tunnels (100% of which have been dug) continued together with the construction of the viaducts contained in the plain lot. Construction of Cagua station also commenced and of part of the railway (with a performance of 60% of the total works assigned to the consortium to be carried out by Astaldi).

VENEZUELA – S. Juan de Los Morros - S. Fernando de Apure and Chaguaramas – Cabruta railway lines
(CONSTRUCTION - INTERNATIONAL, Transport infrastructures: railways)
The contracts for the two projects in question - resulting from the Italo-Venezuelan intergovernmental agreements of 2005 aimed at ensuring cooperation between the two countries as mentioned above - were signed in June 2006. The two projects involve the construction of a total of 452 km of new railway lines, of which 15 km of tunnels and 12 km of bridges and viaducts, and include design and installation of the railway superstructure, 13 stations, 3 freight villages and a maintenance workshop. The works have been

Peru,
Cerro del Àguila Hydroelectric Project.

commissioned by I.F.E *(Instituto de Ferrocarriles del Estado)*, the independent organisation responsible for managing Venezuela's railway transport infrastructures.

San Juan de Los Morros - San Fernando de Apure railway

The contract provides for construction of a new railway line running along a route measuring approximately 252 kilometres, with 17 kilometres of tunnels and 6.3 kilometres of viaducts, 7 stations and 3 maintenance areas. The contractual value of the works amounts to Euro 1,258 million, a third of which corresponds to Astaldi's investment. Activities were rescheduled during 2012 in agreement with the customer, reducing the progress made on construction progress with completion of 35% of the total works assigned to the consortium and to be performed by Astaldi.

Chaguaramas – Cabruta railway

The new railway line runs for 201 kilometres and includes 6 stations and a maintenance area. The contractual value of the works amounts to Euro 591 million, a third of which corresponds to Astaldi's investment. It is important to note that the area involved in the project is characterised by logistic difficulties (distance from residential areas) and technical difficulties (performance of works in areas subject to flooding). Activities were rescheduled during 2012 in agreement with the customer, reducing progress made on construction works with completion of 45% of the total works assigned to the consortium and to be performed by Astaldi.

PERU – Huanza Hydroelectric project

(CONSTRUCTION - INTERNATIONAL, Energy production plants)

The contract, worth an equivalent of USD 116 million and carried out in JV, involves the performance of civil works related to Huanza hydroelectric plant in Peru. The project, largely completed during 2012, consisted in the construction of a hydroelectric plant with a nominal power of 90 MW, making use of water provided by the Rio Pallca. Construction of this plant also involved the construction of a 34,000 m^3 concrete weir, a 10-kilometre tunnel, a penstock, a hydroelectric plant and a switchyard. The works were commissioned by Minera Buenaventura, one of the leading mining operators in Peru.

PERU – Santa Teresa hydroelectric project

(CONSTRUCTION - INTERNATIONAL, Energy production plants)

The contract, worth an equivalent of USD 100 million (Astaldi has a 40% investment) involves the performance of civil works related to Santa Teresa underground hydroelectric plant in the Machu Picchu region of Peru. The project consists in the construction of a hydroelectric plant with a nominal power of 98 MW, making use of water provided by the Rio Urubamba, waters that are already "turbined" by the Machu Picchu plant currently in operation. Construction of this plant will involve, inter alia, the construction of an underground water intake facility, a series of tunnels to access the plant and the main tunnel. A conduction tunnel is also planned along with a supply shaft for the underground plant and the performance of plant excavation works, for an underground excavation volume of 270,000 m^3 of rock. The works were commissioned by Luz del Sur, one of the main electricity distributors in Peru. The project was acquired during 2011 and site installation activities were started up during the same year. The works are expected to be completed over 30 months.

PERU – Cerro Del Àguila hydroelectric plant

(CONSTRUCTION - INTERNATIONAL, Energy production plants and hydraulic works)

The turnkey EPC contract, worth an equivalent of USD 670 million (Astaldi has a 50% investment and is project leader) involves the performance of civil and electromechanical works related to Cerro del Àguila hydroelectric plant in Peru. The project consists in the design and construction of a hydroelectric plant with a nominal power of 510 MW, making use of water provided by the Rio Mantaro. Construction of this plant will

Florida (USA),
State Road Sr-93.

involve, inter alia, the construction of 70 km of access roads, a weir consisting in a gravity dam of 340,000 m^3 of concrete, a tunnel measuring 6 kilometres with a 100 m^2 section, a 140 m-tall charge basin, the underground hydroelectric plant and a discharge tunnel measuring approximately 5 kilometres. The contract also provides for the supply and installation of three Francis turbines. The works have been commissioned by KALLPA S.A., one of the main electricity generators in Peru. The project was acquired during 2011 and site installation activities were started up during the same year. The works are expected to be completed over 48 months.

CHILE – Chuquicamata Mining project

(CONSTRUCTION - INTERNATIONAL, Mining works)
The project involves the performance of a series of works aimed at transforming the world's largest open-air mine into an underground mine. It consists in construction of the access tunnel to the new underground system to access copper deposits (7.5 km) and a tunnel to transport copper extracted externally (6.2 km), as well as tunnels to link the two aforementioned ones, and ventilation and emergency shafts for a total length of 3.5 km. The contract value, initially USD 155 million, underwent contractual increases totalling USD 10 million for additional works. This project is technically difficult given the gradient (between 8% and 15%, downhill) of the two tunnels to be built. The contract is currently in progress and works are going ahead as planned. The project was commissioned by CODELCO (Corporación Nacional del Cobre del Chile), the Chilean state-owned company that is the leading copper producer in the world. It is felt that the good performance recorded as regards construction can lead to additional commercial opportunities with CODELCO in the medium-term.

CHILE – Relaves Mining project (construction contract)

(CONSTRUCTION - INTERNATIONAL, Mining works)
The contractual value of this project is USD 34 million (Astaldi's investment), corresponding to the planned investment to perform civil works in relation to the concession agreement for the design, construction and subsequent management of a plant to treat sludge produced by the CODELCO Andes mine in order to salvage copper and molybdenum. The Relaves construction project, worth a total USD 26 million, was assigned to Astaldi by MVA (Consorcio Minera Valle Aconcagua), the concessionaire of the concession project which Astaldi is the majority shareholder in with a 55% investment. Works commenced during 2011 and the important characteristic of this contract is the complexity of the electromechanical supplies. Civil works were virtually completed in January 2013 and assembly of the electromechanical plants started up. The works were commissioned by CODELCO, the Chilean state-owned company that already commissioned the Chuquicamata Mining Project.

Central America

Projects in progress in this area are mainly related to the transport infrastructure sector (roads), underway in Honduras and El Salvador. Specifically, as regards the latter, it must be noted that during 2012, the Group was awarded the contract to perform the project to upgrade the Comasagua-Chiltiupian road, a section measuring 9.6 kilometres, and the bridge over Rio Lempa in Nombre de Jesus was opened. Commercial activities are continuing throughout the area with acquisition of new projects under construction, mainly in the transport infrastructures and renewable energy sectors.

Chile,
Relaves Mining Project.

North America

ASTALDI GROUP has been present in the USA for over 20 years, operating mainly in the transport infrastructure sector (roads, motorways, bridges and viaducts). All the activities in the USA are performed through ASTALDI CONSTRUCTION CORPORATION, a US-regulated, 100%-owned company of ASTALDI S.p.A. Therefore, for more information regarding the operations of said subsidiary and in the USA, please refer to the section herein dedicated to the Group's main companies.
It must also be recalled that in order to ensure further diversification of the geographical positioning of activities, the Group is also examining Canada, a country that offers interesting opportunities in the transport infrastructures and energy production plants sectors. In order to ensure suitable monitoring of the market, Astaldi Group felt it was a good idea to set up ASTALDI CANADA Inc. (a company owned completely by ASTALDI S.p.A.) at the start of 2012. During the year it also acquired TEQ with whom it is felt that interesting synergies to develop the area can be established. TEQ is a Canadian company operating in the construction and project management sectors, purchased for the sum of CAD 2 million, in addition to an earn-out of CAD 2 million (for a total of Euro 3.1 million). The transaction is in keeping with the commercial development policies typically adopted by the GROUP with regard to entry into new markets and will allow for an operating presence in Canada so as to be able to already grasp the important opportunities the country can offer. TEQ is regulated by Canadian law and has operated since the 1970s in the non-residential construction sector and has an annual turnover of approximately CAD 50 million. It must be recalled that the economic effects of this purchase came into effect as from 1 August 2012 and a contribution from Canada is already envisaged for the current year.

Concessions

Astaldi Group is a leading General Contractor in Italy, operating at an international level in the transport infrastructures, water and energy, civil and industrial construction and plant engineering sectors. Thanks to the high level of engineering and management skills it has acquired, recent years have seen the consolidation on the market of its role as a developer of integrated solutions for complex projects, performed using the general contracting, concession and project financing formulas. Therefore, as regards its development plans, concessions are identified as complementary to the traditional construction sector and able to guarantee exploitation of the high levels of specialisation acquired in terms of project management and engineering as well as project financial management.
Following on from this, ASTALDI CONCESSIONI was set up in 2010 as part of a broader project to streamline the Group's activities that, as a hole, involves (i) the transfer in several phases of projects in progress in the sector from the parent Astaldi S.p.A. to ASTALDI CONCESSIONI, and (ii) the standardisation of skills acquired at a head office level, in terms of strategic planning, organisation and start-up of projects.
The process of transferring projects was at an advanced stage as at the draft date of this report insofar as many projects started up by the Group in the concessions sector have been transferred.
However, for a correct assessment of the company and its growth opportunities, it is considered appropriate herein to offer a detailed overview of the projects formulated by Astaldi Group in the concessions sector, with differentiation between the projects listed for the purpose of this report – insofar as still to be included in the consolidation scope of ASTALDI CONCESSIONI

and which it is felt will be transferred in the medium-/short-term.
On the whole, the projects in progress consist in the Group's involvement in projects in Italy and abroad (Turkey, Chile, Honduras) related to the following sectors: (i) civil and healthcare construction, for a total of 6,180 hospital beds and 5,740 parking spaces (ii) underground and motorway transport infrastructures, for a total of 900 km of motorway, 28 km of underground line and 40 stations (iii) airports able to handle 5,000,000 passengers/year, (iii) car parks offering a total of 3,675 parking spaces, (iv) water and energy with a 111 MW hydroelectric plant able to produce 557 Gw/year, (v) mining sector infrastructures.
Please find below a list of the projects in progress, with highlighting of those transferred to ASTALDI CONCESSIONI and of the project lifecycle phase (management, construction and launch).

Figure 1 – Projects transferred to ASTALDI CONCESSIONI at the draft date of this report.

Projects under management	Projects under construction/being launched
Direct projects (Italy/under management)	
5 car parks (3,675 parking spaces) Corso Stati Uniti car park - Turin Porta Palazzo car park - Turin Piazza VIII Agosto car park - Bologna Riva Reno car park - Bologna Piazza Cittadella car park - Verona	
Equity investments (Italy/under management))	
1 hospital (680 beds, 1,240 parking spaces) Veneta Sanitaria Finanza di Progetto S.p.A. (Ospedale dell'Angelo - Mestre - Venice)	
193 km of high-density traffic motorway A4 Holding S.p.A. (formerly Autostrada Brescia-Verona-Vicenza-Padova S.p.A.), through AI2 S.r.l. (A-4 Brescia-Padua and A-31 Valdastico motorways)	
Investments (international/under management)	Investments (international/being launched)
1 hydroelectric plant (111 MW) Pacific Hydro Chacayes S.A. (Chacayes hydroelectric plant - Chile)	**1 hospital (3,500+ beds)** Ankara Etlik Hastanesi A.S. (Etlik Hospital Campus – Ankara, Turkey) Investments (international/under construction)
1 airport able to handle 5,000,000 passengers/year MONDIAL Milas-Bodrum Airport Anonim Sirteki S.A. (Milas-Bodrum International Airport - Turkey)	**1 copper (85 t/year) and molybdenum (4,000 t/year) recovery plant** Valle Aconcagua S.A. (Relaves mining project - Chile)
1 water treatment plant Agua de San Pedro Sula A.S. (San Pedro Sula water network - Honduras)	

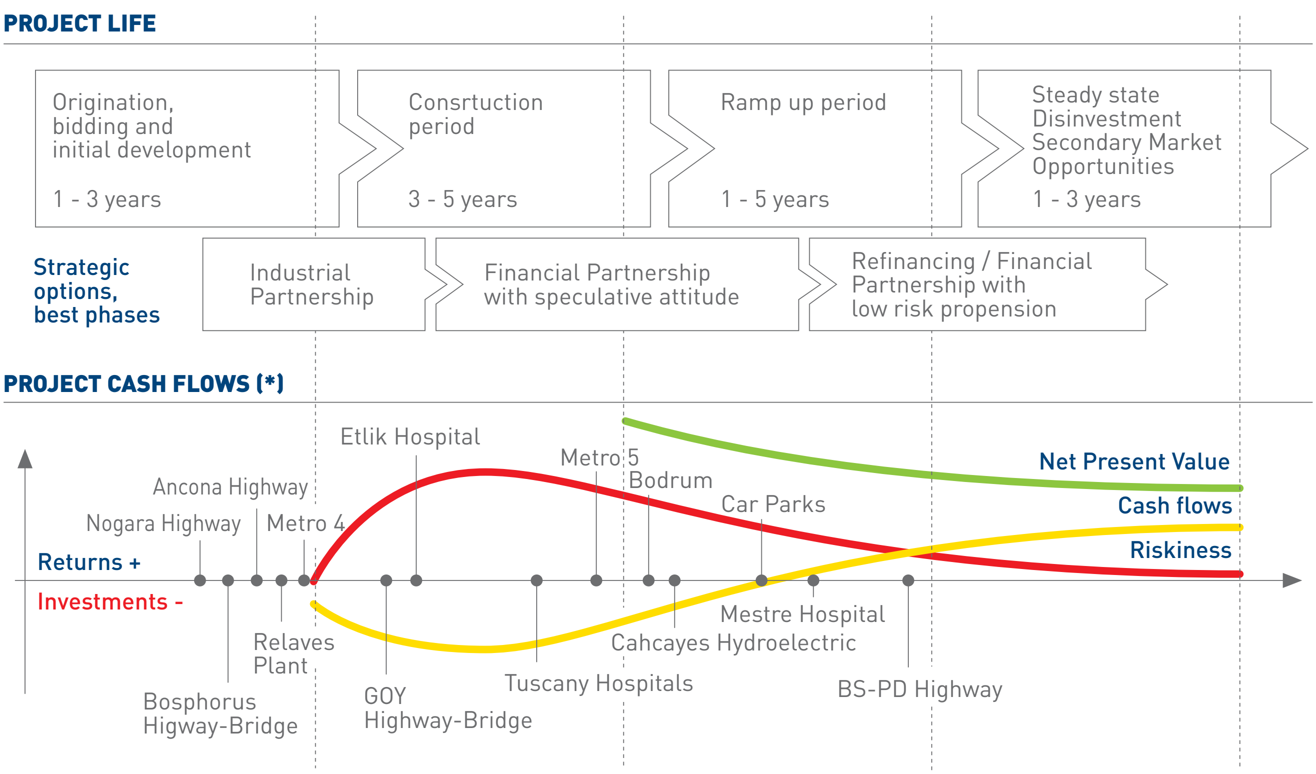
Figure 2 – Concession projects controlled by the parent Astaldi S.p.A. at the draft date of this report.

Projects under construction	Projects being launched
Investments (Italy/under construction)	Investments (Italy/being launched)
■ **19 km of underground, 13 stations** Metro 5 S.p.A. (Line 5 of Milan underground - Bignami-Garibaldi Station section)* Metro 5 Lilla S.p.A. (Line 5 of Milan underground – Garibaldi Station-San Siro section)	118 km of motorway links, 15 km of underground with 21 stations Ancona Port motorway links Nogara-Mare motorway
■ **4 hospitals (2,000+ beds, 4,500 parking spaces)** S.A.T. S.p.A. (Prato, Pistoia, Lucca, Massa/delle Apuane hospitals in Tuscany)	Metro 4 S.p.A. (Line 4 of Milan underground) New offices for Rome's municipal authority ("Campidoglio 2" Project)
Investments (international/under construction)	Investments (international/being launched)
■ **434 km of motorway links** Otoyol S.A. (Gebze-Izmir motorway - Turkey)	■ **113 km of motorway links, 2 km of bridge** Third Bridge over Bosporus and North Marmara Highway - Turkey

* In order to provide complete information, it must be noted that a first operational section of Line 5 of the Milan underground (Bignami-Garibaldi Station) was opened and put into operation in February 2013. For more information, please refer to the section herein entitled "Foreseeable development of operations".

Italy,
Car Park in Verona
("Piazza Cittadella").

Figure 3 – Lifecycle of listed projects



(*) The graph is based on available information
(**) Graph does not consider Bosphorus and A4

Car parks

At the draft date of this report ASTALDI CONCESSIONI is involved in 5 projects in the car park sector that are all operational, for a total of 3,675 parking spaces.

- *Corso Stati Uniti* car park - Turin (Italy, under management)
  - Management end date: 2079 - 500 parking spaces
- *Porta Palazzo* car park - Turin (Italy, under management)
  - Management end date: 2076 - 853 parking spaces
- *Piazza VIII Agosto* car park - Bologna (Italy, under management)
  - Management end date: 2058 - 979 parking spaces
- *Riva Reno* car park - Bologna (Italy, under management)
  - Management end date: 2040 - 543 parking spaces
- *Piazza Cittadella* car park - Verona (Italy, under management)
  - Management end date: 2048 - 800 parking spaces

ASTALDI Group has entered into a strategic partnership with APCOA Europe Group with regard to management of all the above projects. The latter is a leading operator in the car park services sector in Italy and Europe and is able to offer suitable expertise for the optimisation of all the management processes related to the projects. The agreements related to each project provide for APCOA Europe to be directly responsible for management of the car parks, through its investees, and to split revenue with Astaldi Group subsequent to the performance of activities. Said agreements also provide for guaranteed minimum amount

Italy,
Car Park in Bologna
("Riva Reno").

clauses which mitigate the consequences for ASTALDI CONCESSIONI of any occupancy risk related to the managed car parks that are all located in central areas or linked to local situations able to guarantee constant transit flows. As regards 2012, Astaldi Group's revenue linked to car park management amounted to approximately Euro 5 million.
Please find below a brief description of the individual projects in progress in this sector.

"Corso Stati Uniti" car park – Turin,
(Italy / under management - 500 parking spaces)

The concession to construct and manage *Corso Stati Uniti* Car Park in Turin has a duration of 80 years as from 29 February 1999, expiring on 24 February 2079. There are 500 available parking spaces and they are directly managed by APCOA Parking Italia S.p.A. (APCOA Europe Group). Management activities commenced in October 2001 following the completion of car park construction activities performed directly by Astaldi Group.
The car park is located in the city centre, near to public offices such as the court, police headquarters and Turin Polytechnic as well as Porta Nuova station. The car park has surveillance officers and is open 24 hours a day and is well linked to the railway and local transport system so as to allow users to park their cars and move around the city.
The project's business plan is based on revenue guaranteed under an agreement entered into with APCOA Parking Italia S.p.A. that provides for the company to receive 50% of the total annual turnover generated by the car park. Astaldi's revenue for 2012 from management of this car park amounted to Euro 148,000.

"Porta Palazzo" car park - Turin
(Italy/ under management - 853 parking spaces)

The concession to construct and manage *Porta Palazzo* Car Park in Turin has a duration of 80 years as from 9 August 1996, expiring in August 2076. There are 853 available parking spaces directly managed by APCOA Parking Italia S.p.A. (APCOA Europe Group). Management activities commenced in January 1999 following the completion of car park construction activities performed directly by ASTALDI.
The managed car park is a multi-storey car park with 8 levels, 2 of which are below ground level, the ground level for private spaces and 5 levels above ground level. It is open every day 24 hours a day, is located next to the city's most central and important streets and squares, as well as Porta Nuova station and is near to the so-called "Quadrilatero Romano", the most important area for the city's night life. It is within easy reach of all the main tourist attractions and is well connected to the local transport system.
The equilibrium of the project's business plan is based on revenue guaranteed under an agreement entered into with APCOA Parking Italia S.p.A. that provides for the company to receive 50% of the total annual turnover generated by the car park. Astaldi's revenue for 2012 from management of this car park amounted to Euro 294,000.

"Piazza VIII Agosto" car park - Bologna
(Italy / under management - 979 parking spaces)

The concession to construct and manage *Piazza VIII Agosto* Car Park in Bologna has a duration of 60 years as from 24 February 1998, expiring in February 2058. Management activities commenced in March 2001 following the completion of car park construction activities performed directly by ASTALDI. There are 979 available parking spaces and they are directly managed by the partner APCOA Austria A.G. (APCOA Europe Group) through APCOA Parking Italia S.p.A.
The managed parking facility is a covered multi-storey car park, with surveillance officers and open every day 24 hours a day, well connected to the public transport network so as to allow users to park their cars and move around in the city centre using local transport.
The initial equilibrium of the project's business plan is based on revenue guaranteed under an agreement entered into with the operator that provides for the company to receive 50% of the total annual turnover generated by the car park. Astaldi's revenue for 2012 from management of this car park amounted to Euro 1.7 million.

Italy,
Car Park in Turin
("Porta Palazzo").

"Via Riva Reno" car park - Bologna
(Italy / under management - 543 parking spaces)

The concession to construct and manage *Via Riva Reno* Car Park has a duration of 37 years as from 15 April 2003, expiring in December 2040. There are 543 available parking spaces and they are directly managed by the partner APCOA Parking Italia S.p.A. Management activities commenced in March 2009 following the completion of car park construction activities performed by Astaldi Group.

The managed car park is a covered multi-storey car park, well connected to the public transport network so as to allow users to park their cars and take available local transport services to move around in the city centre.

The equilibrium of the project's business plan is based on revenue guaranteed under an agreement entered into with APCOA Parking Italia S.p.A. that provides for the company to receive 50% of the total annual turnover generated by the car park. Astaldi's revenue for 2012 from management of this car park amounted to Euro 811,000.

"Piazza Cittadella" car park - Verona
(Italy - 800 parking spaces)

The concession to construct and manage *Piazza Cittadella* Car Park has a duration of 37 years as from 1 September 2010, expiring in June 2048. There are 800 available parking spaces and they are managed by the partner APCOA Parking Italia S.p.A. The car park is located in a central area of the city, in the immediate vicinity of the famous Verona Arena that, in itself, is a major attraction for tourists and citizens moving around the city. Management activities commenced in September 2010 following the completion of car park construction activities performed by Astaldi Group.

The managed car park is split over 3 underground levels and also has 50 ground-level stalls in the square. On the whole, it stands out as an innovative project in this area, for the high quality standards of the service provided to users, as well as for the aesthetic and functional requisites that place it at the best European levels – for flow management, sign effectiveness, safety of the wide-reaching video-surveillance system, as well as a nursery room and green exhibition area that make it extremely welcoming.

The equilibrium of the project's business plan is based on revenue guaranteed under an agreement entered into with APCOA Parking Italia S.p.A. that provides for the company to receive 50% of the total annual turnover generated by the car park. Astaldi's revenue for 2012 from management of this car park amounted to Euro 1.9 million.

Investments - Italy

A4 Holding S.p.A.
(Italy – 193 km of motorway links)

ASTALDI CONCESSIONI S.r.l. – through its subsidiary AI2 S.r.l. - is the owner of an investment in A4 Holding S.p.A. (formerly Autostrada Brescia-Verona-Vicenza-Padova S.p.A.), the concession holder for the A4 Brescia – Padua motorway (also known as Serenissima motorway), in other words 193 kilometres of high-density traffic motorway links located in the North-East of Italy.

ASTALDI Group's entry into A4 Holding S.p.A. is of particular strategic importance if considered within the broader development plans for the Group's activities, insofar as it has allowed it to join a sector – the motorway transport infrastructure sector – which it is felt can guarantee significant synergies between the construction and concessions sectors.

The investment was acquired in several stages during 2011: (i) following the outcome of calls for bids made by the Municipalities of Milan and Brescia, with contracts made official during 2011, and (ii) in fulfilment of the share capital increases resolved upon by the concessionaire, in which regard ASTALDI CONCESSIONI subscribed the share it was entitled to as well as part of the unopted share resulting from the failure of some shareholders to take part in the share capital increase in question.

In 2012, in order to consolidate its role as industrial partner for A4 Holding, ASTALDI CONCESSIONI signed an investment agreement with other shareholders

Chile,
Chacayes,
Hydroelectric Power Plant.

– IN.FRA S.p.A. (Gruppo Intesa) and 2G Investimenti S.p.A. Said agreement regulated joint exercise of the right of pre-emption with regard to acquisition of additional shares in A4 Holding put up for sale by the municipalities of Vicenza and Padua, but it also outlined total reorganisation of the shares held in order to acquire control of the concessionaire by concentrating said shares in a majority package headed by a single company. In this regard, ASTALDI CONCESSIONI set up Ai2 S.r.l. to which it transferred the share package held in A4 Holding – Technical Estimate pursuant to Article 2465 of the Italian Civil Code, drafted on 30 May 2012 and signed by Enrico Laghi –, subsequently transferring 22.17% and 6.08% of shares in Al2 to IN.FRA and 2 G Investimenti respectively. The result is that, at the present time, ASTALDI CONCESSIONI holds 10.73% of A4 Holding through the company AI2.

Veneta Sanitaria Finanza di Progetto S.p.A. (Italy / under management - 680 beds, 1,240 parking spaces)

Veneta Sanitaria Finanza di Progetto S.p.A. is the SPV responsible for construction and management of Ospedale dell'Angelo in Mestre-Venice, Italy. ASTALDI CONCESSIONI holds a 3.5% share as from April 2012 pending transfer of the 31% share still held by Astaldi S.p.A.

The hospital has 680 beds and 1,240 parking spaces and occupies a surface area of 127,000 m^2 (plus another 5,000 m^2 for the Eye Bank). The hospital has been operational since 2008, and management activities will be performed until 2032.

Management activities went ahead as planned during 2012, in compliance with concession agreement specifications and with results in line with project's business plan forecasts. In keeping with forecasts, the SPV distributed dividends totalling Euro 3.7 million to shareholders in addition to partial repayment of the subordinate loan for Euro 1 million.

On 28 February 2012, the SPV's Deputy-Chairman, Piergiorgio Baita, was remanded on custody following judicial investigations in progress by the Public Prosecutor's Office of Venice. The alleged crimes he is charged with cannot be linked to the position he held within the company. On the basis of information made known to date, with regard to the aforementioned events, no risk profiles, including only of an equity type, can be attributed to the company while, in any case, the outcome of the proceedings is pending.

Autostrada Nogara Mare Adriatico S.c.p.A. (Italia / being launched – 107 km of motorway)

On 14 December 2011, ASTALDI CONCESSIONI – through A4 Holding S.p.A. - acquired a 13% investment in Autostrada Nogara-Mare Adriatico S.c.p.A. The latter is the company set up by the Sponsor (pursuant to Article 37-bis of Law No. 109/1994 as subsequently amended and added to) in relation to the invitation to tender put out by Veneto's regional authority to award the concession for the design, construction and management – using the project financing formula – of the toll motorway link known as Autostrada Regionale Medio-Padana Veneta Nogara-Mare Adriatico – a project for which the relevant administration carried out the second phase of the invitation to tender during 2012.

As regards this project, 2012 saw the reorganisation of the JV with the Sponsor that took part in the second phase of the invitation to tender and which saw the involvement of Astaldi – in the capacity of principal company- with a 23% investment, 10% of which held by Astaldi and the remaining 13% by Astaldi Concessioni. The invitation to tender concluded with a positive outcome during 2012 and the Sponsor JV is currently awaiting temporary awarding of the project.

Investments - International

Pacific Hydro Chacayes S.A. (Chile / under management - 1 111MW hydroelectric plant)

The project consists in its investment in the SPV Pacific Hydro Chacayes S.A., responsible for constructing and managing the Chacayes hydroelectric plant, located in Chile and with an installed capacity of approximately 110 MW (557 Gw/year).

Its investment in the S.P.V. consists in a 60% interest

Turkey,
Milas-Bodrum
International Airport.

in Inversiones Assimco Ltd. that, in turn, owns 100% of Cachapoal Inversiones Ltd. and that, in turn, holds 27.3% of Pacific Hydro Chacayes S.A. SIMEST S.p.A. also holds a 31.39% investment in Inversiones Assimco Ltd. and the remaining 8.61% is held by F.V.C. (SIMEST S.p.A.'s venture capital fund).
The Chacayes hydroelectric plant was built by Astaldi Group together with the Australian company Pacific Hydro. It is located in the Alto Cachapoal valley (Andes mountain range) and is a run-of-river hydro power plant, in other words a hydroelectric plant which works by exploiting the kinetic energy generated by the plentiful flow of the rivers located in the valley. Therefore, the plant produces clean energy and is totally eco-compatible, a characteristic that, inter alia, allowed it to win the 2012 Best Hydro Project Award in the World awarded by the prestigious Renewable Energy World Magazine in December 2012.
The concession agreement provides for user rights for the area's water for an unlimited period of time: moreover a long-term sales agreement means that 60% of the energy produced is sold on the Chilean energy market while the remaining 40% is for the spot market.
Management of the plant commenced in October 2011 with spot sale of energy. Subsequently, the PPA contract came into force as of 1 January 2012.
It must also be noted that during the last quarter of 2012, the SPV successfully closed a syndicated loan for a total USD 340 million with a pool of local banks (Banca Itaú, Corpbanca, BCI). The financial transaction, that forms part of Astaldi Group's development policies, allowed ASTALDI CONCESSIONI – through the SPV Cachapoal Inversiones Ltd. – to receive USD 31.9 million, split into USD 12.2 million for payment of shareholders' loan, USD 12.8 million to reduce the share capital and USD 1.99 million for dividends.
The project acquired additional value thanks to the fact that during 2012 the plant also obtained its first *carbon credits* from the UN which, as provided for in the CDM (*Clean Development Mechanism*) of the Kyoto International Protocol[10], will be able to generate revenue in approximately one year's time – subsequent to a set period of monitoring as defined by the UN. From that moment, as regards this project, it will be possible to sell carbon credits for approximately 350,000 CERs/year for a period of 21 years, with consequent benefits for the project's overall earnings. Carbon credits ratify the plant's excellent capacity to reduce CO_2 emissions and, on the basis of mechanisms approved by the aforementioned protocol, are equivalent to real certified commercial credits that can be sold.

MONDIAL Milas-Bodrum Airport Anonim Sirteki S.A. (Turkey / under management - 1 airport able to cater for 5,000,000 passengers/year

MONDIAL Milas-Bodrum Airport Anonim Sirteki S.A. is the SPV that holds the concession agreement for the design, construction and management of the international passenger terminal of Milas-Bodrum International Airport in Turkey, currently in operation.
The airport is located in a high-density tourist area in the south-west of Turkey and occupies a total surface area of 100,000 m^2. The works were performed by Astaldi Group with an EPC contract and the airport as a whole is able to cater for 5,000,000 passengers/year.
Management activities commenced, as planned, on 16 May 2012, recording passenger traffic of approximately 1.95 million during the year, in line with the company's forecasts. All the commercial services that are typical of the airport business were subsequently gradually started-up, including duty-free activities - managed by Unifree, a leader in the sector in Turkey and currently expanding in Eastern Europe and North Africa - that alone can guarantee 30% of airport revenue. The following were also started-up, albeit at different times: (i) food and beverage, managed by DO&CO, a leading company in the catering and refreshment sector in Turkey: indeed various food points are envisaged in the passenger departures and arrivals areas, (ii) minor commercial activities (such as rent a car, currency exchange, ATM, tourism offices), (iii) the rental of technical areas to sector operators and management of car, bus and mini bus car parks. All the aviation services provided for in the concession agreement were provided by the company in accordance with arrangements

Italy,
New Hospital in Prato
(Tuscany).

made with the relevant authority (bridge service, supply of additional services such as slot assignment management) prior to the start-up of operations.

Ankara Etlik Hastanesi A.S. (Turkey / being launched - 1 hospital for 3,500+ beds)
Ankara Etlik Hastanesi A.S. is the SPV set up on 5 January 2012 and responsible for the design, construction and management, using the concession formula, of the Etlik hospital campus in Ankara, Turkey.
The project involves the construction of a healthcare facility that will have a total of 3,500 beds split over 9 departments and occupying a total surface area of approximately 1,080,000 m^2.
The complex will be built on behalf of the Turkish Ministry of Health (MOH) by the joint venture in which ASTALDI CONCESSIONI holds a 46% investment, Astaldi S.p.A. a 5% investment and the Turkish company, Türkerler, the remaining 49%.
The planned duration of the concession is 28.5 years, 3.5 of which for construction activities and 25 for management activities that will commence subsequent to completion of the construction phase.
The project involves a total investment of Euro 940 million, the return on which will be guaranteed by an annual availability charge (that can be reassessed for inflation), as well as a charge for the performance of some non-healthcare services (routine and non-recurring maintenance of buildings, roads, green areas, electromechanical equipment and furnishings, utility management) and the commercial development of some real estate areas.
As regards this project, the contract was signed with the customer (MOH) on 5 March 2012. At the present time, direct negotiations are underway with the customer that could lead to the improvement of some operating and contractual conditions and the definition of additional services. It is felt that said procedure could be completed by the first half of 2013. Subsequently, Astaldi's shares in the project shall be entered among the backlog following financial closing.

VALLE ACONCAGUA S.A.
(Chile / under construction – 1 mineral salvage plant)
ASTALDI CONCESSIONI as part of a joint venture with local partners and through the SPV, Valle Aconcagua S.A., acquired from CODELCO (*Corporación Nacional del Cobre de Chile*, a Chilean state-owned company set up in 1976 that is currently the leading copper producer in the world) a concession agreement for the design, construction and subsequent management of a plant to treat sludge produced by the Andes mine in order to salvage copper and molybdenum.
The plant, to be completed by 2013, will make it possible to salvage approximately 4,000 tons/year of copper and 80 tons/year of molybdenum which CODELCO has undertaken to purchase at predefined and agreed conditions.
The total value of the investment is USD 34 million, with concession revenue amounting to approximately USD 300 million.
As regards this project, the loan agreement for a total of USD 21 million was closed with Banca Security in August 2012.

SAT S.p.A.
(Italy / under construction – 4 hospitals, 1,510 beds)
SAT S.p.A. is the concession holder of the project financing initiative for the final and executive design, construction and management of relative non-healthcare and commercial services of 4 hospital complexes in Tuscany - Massa (delle Apuane), Lucca, Pistoia and Prato, for a total of 1,700 beds. The supply of electromedical equipment and furnishings is excluded. The local health authorities granting the concessions are

[10] The Kyoto Protocol is an international environmental treaty that was enforced in 2005 that obliges signatory countries to reduce pollutant emissions (firstly, carbon dioxide) at an annual agreed rate. Among other things, it provides for the use of market mechanisms to acquire emission credits – so-called flexible mechanisms, the main one of which is the CDM (Clean Development Mechanism) – whose aim is to maximise obtainable reductions with the same investment. Specifically the CDM makes it possible to perform projects in developing countries that generate environmental benefits in terms of reduction of greenhouse gas emissions and economic and social development of host countries and that, at the same time, generate carbon credits. Said credits can be sold and used by industrialised countries to achieve their targets in terms of emissions in relation to the Kyoto Protocol.

Italy,
Milan Subway Line 5.

U.S.L. 1 - Massa and Carrara, U.S.L. 2 - Lucca, U.S.L. 3 – Pistoia and U.S.L. 4 - Prato. Astaldi holds a 35% investment in SAT S.p.A. The duration of the concession is 25 years and 8 months, 20 of which for management activities. As per the financing agreement stipulated on 8 August 2012, the operation is structured on the basis of non-recourse financing of approximately Euro 133 million, with 20/80 financial leverage which entails a contribution of own resources (share capital + subordinate loan) of approximately Euro 38 million. Total public funding of approximately Euro 242 million (excluding VAT) is envisaged, (Euro 232 million to be paid on the basis of progress of works and a final amount of Euro 10 million upon testing) against a total investment of approximately Euro 387 million (excluding VAT and financial charges). The return on investment for private parties is guaranteed by estimated concession revenue for the SPV in relation to the supply of non-healthcare (cleaning, maintenance, sterilisation, laundry, catering, etc.) and commercial services. Even if four agreements have been signed with each of the local health authorities concerned, the operation is based on the single nature of the project's Business Plan and on the concept of union among the four projects. Each local health authority will intervene should a financial review prove necessary. For more information regarding the progress made on construction activities, please refer to the section herein dealing with the performance of construction projects. While as far as financial aspects related to the project are concerned, it must be noted that the financing agreement (financial closing) was signed in August 2012 for a total of Euro 174 million – entered into by SAT and a pool of international banks (Banco Bilbao Vizcaya Argentaria SA, Centro Banca, Credit Agricole Corporate and Investment Bank, Dexia Crediop, Unicredit). Said agreement, in addition to the base facility of Euro 133 million, also provides for a bridge facility for the amount paid subsequent to testing, equal to Euro 10 million, financing of VAT for approximately Euro 18 million, a stand-by facility on public funding of approximately Euro 3 million and a facility for unforeseen costs of approximately Euro 10 million.

METRO 5 S.p.A. (Italy / under construction – 6.1 kilometres of underground line, 26,000 passengers/hour in each direction)

Metro 5 S.p.A. is the concession holder of the project financing initiative for the final and executive design, construction and management of the new Line 5 of the Milan underground for the section running from Garibaldi Station to Bignami (6.1 kilometres, 9 stations and a capacity of 26,000 passengers/hour in each direction). The line is currently under construction by ASTALDI as part of a joint venture and February 2013 saw the opening of an operational section along the Zara-Bignami route with it being planned to put the whole line into operation by 2013. The authority granting the concession is the Municipality of Milan. The duration of the concession is 31 years and 9 months, 27 years of which for management activities. Astaldi holds a 38.7% investment in the special purpose vehicle. Said figure includes the increase in its investment seen during 2012 and described in more detail below. The operation is structured on the basis of non-recourse financing of approximately Euro 275 million, with 18/82 financial leverage and consequent contribution of own resources (share capital + subordinate loan) of approximately Euro 40 million. Total public funding of approximately Euro 350 million excluding VAT (of which Euro 116 million from the Municipality and the rest from the state) is envisaged against a total investment of approximately Euro 552 million (excluding VAT and financial charges). Return on the investment for the SPV is guaranteed by concession revenue of approximately Euro 26 million per year. For more information regarding the construction activities of this project, please refer to the section herein dealing with the performance of construction projects. It is considered appropriate to note that a series of activities were embarked on with the municipality of Milan during 2012 with the aim of unifying the agreements relating to the two sections of Line 5 currently under construction (by Astaldi) – the Garibaldi Station-Bignami section (performed by Metro 5 S.p.A.) and the Garibaldi Station-San Siro section (performed by Metro 5 Lilla S.p.A., as described in more detail below) – in

Italy,
Milan Subway Line 5.

order to obtain a single line (Bignami-San Siro) and a single concessionaire. At the draft date of this report, said activities are still underway. It must also be noted that, following the declaration of bankruptcy by one of the shareholders in 2010, in April 2012, with the aim of consolidating its investment in the project – a transaction was performed involving the official receivers and Astaldi that resulted in the share held by the bankrupt shareholder being transferred to Astaldi. Therefore, as already mentioned, Astaldi's investment increased from 31% to 38.7%.

METRO 5 LILLA S.p.A. (Italy / under construction – 7.1 kilometres of underground, 26,000 passengers/hour in each direction)

The project refers to the project financing initiative for the executive design, construction and management of the extension of Line 5 of the Milan underground for the section running from Garibaldi Station to San Siro (7.1 kilometres, 10 stations and a capacity of 26,000 passengers/hour in each direction). The project concession holder is METRO 5 LILLA S.r.l., 100%-owned by METRO 5 S.p.A. (which ASTALDI holds a 38.7% investment in). The authority granting the concession is the Municipality of Milan. The duration of the concession is 30 years (until 31 December 2040), 25 years and 8 months of which for management activities. The operation is structured on the basis of non-recourse financing of approximately Euro 334 million, with 21/79 financial leverage and consequent contribution of own resources (share capital + subordinate loan) of approximately Euro 85 million. Total public funding of approximately Euro 443 million excluding VAT (of which Euro 88 million from the Municipality and the rest from the state) is envisaged against a total investment of approximately Euro 775.7 million (excluding VAT and financial charges). The equilibrium of the project's Business Plan is based on the forecast concession revenue for the SPV, with an availability charge provided for. For more information regarding the construction activities of this project, please refer to the section herein dealing with the performance of construction projects. It is considered appropriate to note herein that a series of activities aimed at unifying the agreements for the two sections of Line 5 currently under construction (by Astaldi) – the Garibaldi Station –Bignami section (performed by Metro 5 S.p.A.) and the Garibaldi Station-San Siro section (performed by Metro 5 Lilla S.p.A., as described in more detail below) – were embarked on during 2012 with the aim of achieving a single line (Bignami-San Siro) and a single concessionaire. Said activities were still in progress at the draft date of this report.

Astaldi Group's main companies

Astaldi S.p.A. (Parent)

The year just ended saw the reflection in Astaldi S.p.A.'s accounts of the effects of the geographical expansion recently undertaken by the Group. Indeed, the percentage incidence of income statement items, when compared to the same consolidated figures, show how the parent saw a reduction during 2012 of its own incidence, both in terms of revenue and profit margin. This was the result of the inclusion among the consolidation scope of Italian (e.g. Nbi Srl) and foreign (the Canadian TEQ, the consortia for the hydroelectric works in Latin America and construction of the terminal in St. Petersburg) companies that, due to the type of company they are cannot be included among the consolidation scope of the so-called separate financial statements at the present time. Despite this, Astaldi Spa continues to play a significant role within the Group since about 80% of volumes is developed by the Group.
Revenue amounted to Euro 1,897.8 million (Euro 2,038.1 million in 2011); EBIT totalled Euro 178.6 million (Euro 210.4 million in 2011); pre-tax profit amounted to Euro 85.8 million (Euro 105.2 million in 2011) while the profit for the year stood at Euro 45.4 million (Euro 62.6 million in 2011).

Peru,
Cerro del Àguila
Hydroelectric Project.

Financial results

Restated income statement

(thousands of euros)	Notes regarding reconciliation with separate financial statements	2012	%	2011	%
Revenue	1	1,767,397	93.1%	1,948,735	95.6%
Other operating revenue	2	130,353	6.9%	89,328	4.4%
Total Revenue		1,897,750	100.0%	2,038,063	100.0%
Cost of production	3 – 4	(1,449,315)	(76.4%)	(1,589,267)	(78.0%)
Added value		448,435	23.6%	448,796	22.0%
Personnel expenses	5	(195,885)	(10.3%)	(170,588)	(8.4%)
Other operating costs	7	(43,905)	(2.3%)	(22,885)	(1.1%)
EBITDA		208,645	11.0%	255,324	12.5%
Amortisation and Depreciation	6	(29,428)	(1.6%)	(37,288)	(1.8%)
Provisions	7	(1,200)	(0.1%)	(7,665)	(0.4%)
Impairment losses	6	(441)	0.0%		0.0%
(Capitalisation of internal costs)	8	1,026	0.1%		0.0%
EBIT		178,602	9.4%	210,371	10.3%
Net financial charges	9 – 10	(92,804)	(4.9%)	(105,199)	(5.2%)
Pre-tax profit		85,798	4.5%	105,172	5.2%
Taxes	11	(40,383)	(2.1%)	(42,518)	(2.1%)
Profit for the year		45,414	2.4%	62,654	3.1%

Revenue

Revenue amounted to Euro 1,767.4 million compared to Euro 1,948.7 million in 2011. Said results were achieved thanks to the good performance recorded in both the domestic area (Maxi Lot of the Jonica National Road, Line 5 of the Milan underground, Tuscan hospitals, Line C of the Rome underground and Parma-La Spezia Pontremolese railway) and the foreign area (contracts related to the motorway sector in Romania and Poland and railway works in Algeria, Poland and Venezuela).
The breakdown of revenue by geographical area reflects the diversification policy implemented by the parent: Italy accounted for 45% of revenue generating Euro 798 million (49% and Euro 958 million in 2011), with foreign activities accounting for the remaining 55% for a total of Euro 969 million (51% and Euro 991 million in 2011). Said figures was achieved thanks to largely stable revenue from Europe totalling Euro 568 million, from America totalling Euro 213 million and from the Maghreb totalling Euro 188 million.
Transport infrastructures continued to represent Astaldi S.p.A.'s core business, accounting for 93.1% of revenue generating Euro 1,645 million (90.4% and Euro 1,761 million in 2011), followed by civil and industrial construction with 4.9% amounting to Euro 87 million (7.2% and Euro 140 million in 2011) and energy production plants with 0.3% amounting to Euro 5 million (2.5% and Euro 48 million in 2011). As from this year there is also the plant engineering and maintenance business line that accounted for 1.7% corresponding to Euro 30 million and referring to works related to the Relaves and Chuquicamata plants.

Romania,
Arad-Timisoara Highway.

Breakdown of operating revenue by geographical area and sector

Breakdown of operating revenue by geographical area

(millions of euros)	2012	%	2011	%
Italy	798	45.2%	958	49.2%
International	969	54.8%	991	50.8%
Europe	568	32.1%	619	31.8%
America	213	12.1%	210	10.8%
Africa (the Maghreb)	188	10.6%	162	8.3%
Total	1,767	100.0%	1,949	100.0%

Breakdown of operating revenue by sector

(millions of euros)	2012	%	2011	%
Transport infrastructures	1,645	93.1%	1,761	90.4%
Energy production plants and hydraulic works	5	0.3%	48	2.5%
Plant engineering and maintenance	30	1.7%	0	0.0%
Civil and industrial construction	87	4.9%	140	7.2%
Total	1,767	100.0%	1,949	100.0%

Other revenue amounted to Euro 130.3 million (Euro 89.3 million in 2011). Said item includes all sub-annual activities which, given that they are secondary to the core business and part of the same main contract, follow the performance of the main contract and are of a lasting nature.
Therefore, total revenue amounted to Euro 1,897.8 million compared to Euro 2,038.1 million in 2011.
The cost of production totalled Euro 1,449.3 million**,** (Euro 1,589.3 million in 2011) with a 76.4% incidence on revenue. **Personnel expenses** amounted to Euro 195.9 million (Euro 170.6 million in 2011) with a 10.3% incidence on revenue. **Other operating costs** amounted to Euro 43.9 million due to the aforementioned closure of commercial items regarding companies subject to bankruptcy proceedings.
Depreciation and amortisation of property, plant and equipment, investment property and intangible assets amounted to Euro 29.4 million (Euro 37.2 million in 2011) and follow the normal trend of return on investment. **Provisions and impairment losses** totalled Euro 1.6 million (Euro 7.7 million in 2011) and referred to conservative provisions regarding future charges on works and for a residual amount impairment losses on receivables included among current assets. Given said trends, **operating profit (EBIT)** amounted to Euro 178.6 million (Euro 210.4 million in 2011).
Net financial charges totalled Euro 92.8 million (Euro 105.2 million in 2011) with a 4.9% incidence (5.2% in 2011).
Pre-tax profit (EBT) amounted to Euro 85.8 million (Euro 105.2 million in 2011). **Taxes** totalled Euro 40.4 million for a **profit** for the year of Euro 45.4 million (Euro 62.6 million in 2011).

Financial position

Restated balance sheet

(thousands of euros)	Notes regarding reconciliation with separate financial statements	31/12/12	31/12/11
Intangible assets	15	8,215	3,983
Property, plant and equipment	13 - 14	151,333	131,976
Investments	16	356,041	226,556
Other net non-current assets	17 - 18	122,769	222,358
TOTAL non-currentd assets (A)		638,358	584,873
Inventories	19	58,653	79,308
Contract work in progress	20	964,765	963,486
Trade receivables	21	163,687	150,986
Receivables from customers	21	636,106	598,870
Other assets	17 - 18	207,219	197,229
Tax assets	22	108,304	83,126
Payments on account from customers	20	(309,969)	(377,023)
Subtotal		1,828,764	1,695,982
Trade payables	28	(414,839)	(344,740)
Payables due to suppliers	28	(504,992)	(566,406)
Other liabilities	25 - 26 - 29	(278,442)	(219,769)
Subtotal		(1,198,273)	(1,130,914)
Working capital (B)		630,491	565,068
Employee benefits	27	(5,198)	(5,631)
Provisions for non-current risks and charges	30	(85,472)	(111,237)
Total Provisions (C)		(90,670)	(116,868)
Net invested capital (D) = (A) + (B) + (C)		1,178,180	1,033,072
Cash and cash equivalents	23	220,670	241,247
Non-current financial receivables	17 - 18	42,181	3,783
Securities	17	1,129	1,675
Current financial liabilities	25	(437,046)	(347,456)
Non-current financial liabilities	25	(536,735)	(486,758)
Net financial liabilities (E)		(709,800)	(587,508)
Equity (G) = (D) - (E)	24	468,379	445,564

Net non-current assets increased to Euro 638.3 million (Euro 584.9 million at 31 December 2011), mainly due to the increase in investments.
Working capital amounted to Euro 630.5 million (Euro 565.1 million at 31 December 2011). The YOY increase can be largely explained by the order backlog structure which has a major incidence of contracts providing for lump-sum payments (rather than payments in relation to the quantity of works performed) which, by their very nature, are made against the overall works carried out. Lastly, it is important to note that contract advances exclusively refer to items regarding foreign contracts insofar as no down payments are envisaged for projects in progress in Italy, and Poland as regards foreign projects.
On the whole, the aforementioned trends generated **an increase in net invested capital to Euro 1,178.2 million** (Euro 1,033.1 million at 31 December 2011).
Equity increased to Euro 468.4 million (Euro 445.6 million at 31 December 2011) thanks to the profit for the year, deferred items entered in the income statement and distribution of dividends.

Total net financial debt

The parent's financial structure accompanied the changes in the income statement and succeeded in dealing with the exogenous stress that occurred during 2012. The company's management continues to work on this delicate corporate aspect with the aim of finding advantageous and elastic solutions that make it possible to achieve the Business Plan targets.

(thousands of euros)			31/12/2012	31/12/2011
A	Cash and cash equivalents		220,670	241,247
B	Securities held for trading		1,129	1,675
C	Available funds	(A+B)	221,799	242,922
-	Short-term financial receivables			
-	Current share of receivables rights arising from concessions			
D	Current financial receivables			
E	Current bank loans and borrowings		(390,816)	(253,554)
F	Current share of non-current debt		(31,272)	(90,262)
G	Other current financial payables		(14,958)	(3,640)
H	Current financial debt	(E+F+G)	(437,046)	(347,456)
I	Net current financial debt	(H+D+C)	(215,246)	(104,534)
J	Non-current bank loans and payables		(528,602)	(482,501)
K	Other non-current payables		(56,798)	(24,257)
L	Non-current financial debt	(K+J)	(585,400)	(506,758)
M	Net financial debt	(L+I)	(800,647)	(611,292)
-	Non-current financial receivables		42,181	3,783
-	Non-current share of receivables rights arising from concessions			
N	Non-current financial receivables		42,181	3,783
O	Share of debt referred to related parties		48,666	20,000
P	Total financial debt	(M+N+O)	(709,800)	(587,508)
	Treasury shares on hand		3,019	3,005
	Total net financial debt		(706,781)	(584,503)

Astaldi Concessioni S.r.l.

ASTALDI CONCESSIONI is the Astaldi Group company (100%-owned by the parent, Astaldi S.p.A.) dedicated to developing and managing concession and project financing initiatives assigned to said company by the parent, as well as future projects which the Group plans to undertake in this sector.
As already mentioned, ASTALDI CONCESSIONI was set as part of a broader project to streamline Astaldi Group's activities which, inter alia, provides for the standardisation of skills and know-how acquired at a central level, in terms of planning, organisation and start-up of concession projects.
Therefore, in keeping with the Group's development plans, ASTALDI CONCESSIONI is currently able to generate synergies with the construction sector and exploit skills and know-how in the concessions sector, both with regard to the singling out, development and investment in infrastructures, and to structured finance, risk management, lifecycle improvements and subsequent operational management.
The prime goal is to work in the concessions sector, maximising margins which, by their very nature, are higher than those typically attributed to the construction sector.
In this regard, the key skills developed over time and borrowed from the construction sector represent an all-important asset for profitable, sound management of concession projects. Said skills are used by ASTALDI CONCESSIONI that is directly involved in a well-defined set of activities aimed at conceiving, constructing and managing concession works, as explained in more detail below.

Conception

The project conception phase consists in a set of strategic activities whose aim is to collect and analyse exogenous data so as to obtain recommendations which investment decisions will be subsequently optimised on, i.e.:

- analysis and identification of new investment opportunities through assessment of main risk drivers;
- investigation of main criteria for selecting new projects (sector, geography, diversification or skills, greenfield and brownfield projects, budgeting, revenue);
- preliminary screening of new projects and analysis of potential impact on existing backlog;
- price/return assessment in stand-alone phase and in terms of incremental contribution to existing backlog;
- identification of growth strategies (new markets, new sectors, greenfield and brownfield);
- creation and development of synergies with construction sector.

Invitation to tender and awarding

Regardless of technical assessments that are needed during this phase and that obviously provide for optimisation of technical skills that can be borrowed from the construction sector, the phase comprising invitation to tender and awarding is managed on the basis of experience and professional skills accrued that make it possible to:

- focus on economic-financial parameters to assess the tender;
- use, for new projects, knowledge of organisational and standardisation processes so as to ensure subsequent monitoring and relative value.

Monitoring

Monitoring of individual contracts provides for a close agreement with financing bodies that, hence, becomes all-important in the taking of decision regarding the project's strategic development. From a general viewpoint, this phase involves:

- standardised business reporting processes;
- backlog analysis by location and monitoring of operating and financial risks;
- cost controlling of projects with the involvement of the project's main players (e.g. grantor, financial partner, EPC Contractor);
- optimisation and standardisation of dividend policy for the development of brownfield backlog projects;
- credit rating of projects among backlog.

Post-project performance

The activities included in this phase are numerous and are all aimed at encouraging the best balance of project sources/investments as well as the overall basket of activities which the company (and more generally Astaldi Group) is investing or plans to invest in. Therefore, they consist in:

- study of opportunities to sell shares to reduce the commitment on individual concessions;
- assessment of project refinancing opportunities with an overall increase in leverage during repayment of part of invested equity;
- improvement of financing terms and conditions;
- possible inclusion on the market of company shares so as to speed up the development and acquisition of new projects in the short/medium-term;
- possible issue of corporate bonds to improve financial conditions, with positive consequences for debt duration.

For a description of the projects in progress, please refer to the section herein dealing with concession projects. Please find below a brief table summarising the projects performed by Astaldi Concessioni at the draft date of this report.

NBI S.r.l.

NBI is the Astaldi Group's company operating in Plant Engineering, Facility Management and Renewable Energy. It is the result of Astaldi Group's acquisition of a business unit of the longstanding company Busi Impianti based in Bologna and is currently 100% owned by Astaldi S.p.A. The company's core business is plant engineering where the company is an all-round specialist: from civil plant engineering to industrial plant engineering in the public and private sectors. Its main business areas are: healthcare, commerce, industry, road and airport infrastructures, hotel and tourism, pharmaceutics. As regards renewable energy, the company can boast specific skills with regard to photovoltaic energy, wind energy, microgeneration and sustainable development. The company mainly works in the integrated plant engineering and energy production plant sectors in the capacity of operator/maintenance technician, in the following activities:

- General Contracting
- Integrated design and construction
- Electrical, mechanical, hydraulic and technological systems
- Heating, air conditioning and hydraulic systems
- Electric power distribution systems
- Engineering
- Civil works
- Integrated special systems
- Automation of civil and industrial systems
- Safety systems
- Global maintenance engineering and facility management
- Electric and thermal energy production systems.

As regards foreign activities, it operates in Astaldi Group's reference markets – especially Poland, Romania, Russia, Turkey, Algeria, Venezuela, Chile, Peru, the United States and Canada – with whom it is already able to establish interesting synergies. In 2012 it also set up the company *"nBI Elektrik Elektromekanik Tesisat ĐnĐaat Sanayi Ve Ticaret L.S."*, regulated by Turkish law, that is working on a facility management contract stipulated with MONDIAL related to Milas-Bodrum International Airport, as well as on a contract with ASTALDI for completion of the airport's plants. Consulting and design contracts have also been defined for some ASTALDI contracts in Romania e Algeria.

Please find below a brief summary of the main projects characterising NBI's activities during 2012.

Plant department – activities went ahead as planned for this department and concerned:

- Construction of new Emergency Department at Pavia Polyclinic
- Plants for new tunnel along Statale Sorrentina in Campania
- Plants for new Conserve factory in Italy
- Prosthesis centre in Vigorso
- S. Orsola Cardiovascular Centre in Bologna

- Lucca Hospital
- New Poste Italiane Data Center in Turin
- Stazione Centrale in Milan
- Office building (Building E) in Rome for Seb Investment
- Renovation of Reggio Calabria and Tione Hospitals
- A24 Dei Parchi motorway - Gran Sasso tunnel
- A24 Dei Parchi motorway - S.Rocco and S.Domenico tunnels
- Milan-Naples motorway – Tunnels – Lot 13
- Massa Hospital
- Pedelombarda ScpA - Dalmine-Como-Varese-Valico del Gaggiolo motorway link
- Milan underground – Line 5
- SS. 106 Jonica National Road – Maxi Lot DG22
- Office building (Building C) in Rome for Seb Investment.

Even if still to be started up, the following additional acquisitions are to be taken as defined and formalised during the year:

- Padua – Buildings of Institute of Nuclear Physics
- Granarolo – Soliera factory.

Maintenance & Energy Department – The activities carried out by the department operating in the Facility Management market, with maintenance-related contracts, also considering the benefits of the incentive coming from involvement in projects linked to Astaldi Group activities, has made it possible to confirm the production levels and margins forecast for the Italian market, with opportunities and development programmes for the foreign market. Development programmes envisage confirmation of the focus on strengthening positions on the specific market of complex technological management contracts (private and public) as well as improvement of the strategic synergy for interaction with the parent. Specifically, the main contracts related to the Maintenance departments that were continued and developed during 2012 at a national level were as follows:

Maintenance:

- Cariparma SpA – Plant maintenance at offices in Bologna, Parma and Modena
- Bologna fiere – Electrical plant maintenance
- ENI Servizi – Technological plant maintenance at offices in Milan
- Grandi Stazioni – Electrical plant maintenance at Stazione Centrale in Milan
- Università di Bologna – Thermo-technical plant maintenance
- HERA Bologna – Substation maintenance – district heating plants
- Villalba – technological plant maintenance overview
- Teatro Comunale Bologna – Technological plant maintenance

Construction:

- ENFINITY Montessori Srl – Villacido photovoltaic plant
- Porto Torres (SS) – Photovoltaic plant
- IDEA Fimit Sgr SpA – Plant renovation
- Banca d'Italia – New electric power plants
- Renovation of INPS offices in Bologna
- Building renovation and base management at Sigonella
- Metro Brescia – Commissioning and start-up of operations.

Lastly, note must be taken of the activities performed during the year by the Turkish company NBI Elektrik, mainly referred to Milas-Bodrum International Airport in Turkey.

NBI Group's total industrial production for the year amounted to Euro 72 million, Euro 60 million of which for plant activities and Euro 12 million for maintenance activities.

Sartori Tecnologie Industriali S.r.l.

Sartori Tecnologie Industriali is the Astaldi Group's company - 100% owned by Astaldi S.p.A. - dedicated to the maintenance and repair of industrial plants and equipment, supply and installation of steel structural work, lifting of industrial equipment in impoverished situations and highly critical conditions. During 2012, the company continued its commercial activities within the captive market, consolidating relations with Metro C and Scar srl, SPEs that Astaldi holds investments in. As regards said relations, new activities were defined that continue to offer the forecast continuity for steel structural work for civil construction in an increasingly independent way from industrial plant mechanical maintenance activities. A foreign contract was also acquired in Poland, thus testifying to Sartori's desire to become a point of reference for Astaldi Group outside the domestic market too. Without prejudice to the desire to diversify the customer portfolio through cross-selling activities that continue to provide results, note must be made of the important contribution that production inside the petrochemical factory in Brindisi (Versalis, formerly Polimeri Europa) is continuing to offer in terms of numbers. Confirmation of the company's intent to effectively tackle new activities and set new, challenging growth targets for the coming years can be seen in acquisition in 2012 of the factory located in Brindisi's industrial district, used as a mechanical workshop outside Brindisi's petrochemical factory, that is now the main operating office as well as a transformation workshop pursuant to civil construction technical provisions (Certificate No. 1124 of the High Council of Public Works).

Activities during 2012 concerned the following contracts:

■ Metro C S.c.p.A.	Supply and assembly of metal safety platforms
■ Versalis S.p.A	Maintenance framework agreement for Brindisi petrochemical factory
■ CO.Sat S.c.r.l.	Supply of steel structural work - Prato
■ S.Car s.c.r.l.	Supply and installation of steel structural works
■ Astaldi S.p.A for Metro 5	Supply of steel structures for TBMs
■ Astaldi S.p.A for Metro 5	Supply of conveyor belt accessories
■ AGP Metro Polska	Supply of metal beams

Total production during the year amounted to Euro 7 million.

Astaldi Construction Corporation

Astaldi Construction Corporation (hereinafter ACC) is the company operating under U.S. law, based in Fort Lauderdale in Broward County, Florida and owned entirely by Astaldi S.p.A., which has handled the Group's activities in the USA for over 20 years. In 2012, ACC was placed 74th in the list compiled by Engineering News Record (ENR Southeast Top US Contractors), an improvement on the 84th position seen in 2011.
The reference geographical area is the centre-south of Florida, including both the east coast (Miami, Fort Lauderdale, Cape Canaveral), and the west coast (Naples, Tampa), with additional real possibilities of expansion in the adjacent areas of Orlando and Jacksonville.
ACC is currently involved in two business areas: traditional construction activities and procurement and engineering activities on the US market, for both its own operating units and on behalf of other ASTALDI GROUP areas located outside the USA, to support the Group's dedicated facilities.
The procurement division avails itself of a network of accredited suppliers located throughout North America as far as Canada. The activities performed by said division have made it possible to carry out widespread monitoring of the local market and the consolidation of relations with leading US manufacturers and dealers, with consequent benefits at a Group level too.
As regards construction works, ACC is accredited with several public authorities including the Florida Department of Transportation (FDOT), the South Florida

Water Management District (SFWMD), the US Army Corps of Engineers, as well as various counties and local administrations.
The company has also been registered since 2008 with the USGBC (United States Green Building Council), a no-profit organisation dedicated to developing and making known sustainable design and construction methods (green building). It has also developed commercial agreements with local partners working in the renewable energy sector in order to explore possible photovoltaic-related projects in North America, also making use of the partnerships generated through procurement activities.
It must also be noted that during 2012 ACC obtained some important awards and specifically:

- "Florida's Best in Construction - Urban" from FTBA (Florida Transportation Builders Association) for the SR 823 – NW 57th Avenue project completed in March as acknowledgement of construction quality;
- "2012 FTBA Safety Award" from Florida Transportation Builders Association, for the excellence of its safety record.

The aforementioned awards acknowledge ACC's ongoing commitment to guarantee an excellent level of performance with regard to its works, with the aim of ensuring customer satisfaction, maintaining constant focus on HSE (Health, Safety & the Environment) management, which ACC has always looked on as a priority in order to safeguard employees and the environment it works in.
During 2012, the company continued to tackle an even more competitive market with few medium/high-value projects that represent the initiatives of greatest interest for ACC.
It must also be noted that in January 2013, the Governor of Florida announced a budget of USD 8.3 billion for FY 2014, to be used for strategic works in the transport infrastructure sector, especially motorways and bridges and ports and airports.
Works currently in progress (or recently completed) in Florida mainly refer to road infrastructure works and bridges, performed on behalf of the Florida Department of Transportation, which has always been one of ACC's strategic customers in Florida, and on behalf of Collier County, on the west coast of Naples, where ACC has already performed several projects in past years.
Among the projects in progress in Florida, three contracts with the FDOT must be noted:

1. **SR-823 (NW 57th Ave)**: the project consists in the construction and widening of State Road 823, located in Hialeah in Miami-Dade County (FL). Contract value: USD 14.5 million (100% ACC). The project was completed in March 2012 with obtainment of the "Florida's Best in Construction - Urban" award from FTBA (Florida Transportation Builders Association) for construction quality.

2. **SR-93/I-75**: the project consists in widening and rebuilding a 15-kilometre section of State Road 93 along I-75, including the construction of 8 flyovers and located in Venice, in Sarasota County (FL). The contract value amounts to USD 33 million (100% ACC). The project was completed in September 2012.

3. **SR-862/ Eller Dr ICTF**: the project consists in rebuilding and widening a motorway junction, including 4 flyovers, located near SR-862/I-595, in the vicinity of Fort Lauderdale Airport and Port Everglades in Broward County (FL). The contract value amounts to USD 36.9 million (100% ACC).

4. **SR-84 (Davis Boulevard)**: the project consists in the widening and upgrading of SR-84 (Davis Boulevard) along the section from Radio Road to Collier Blvd., and of CR-951 (Collier Boulevard) from Davis Boulevard to Golden Gate Canal in Naples, in Collier County, Florida. The contract value amounts to USD 28.1 million (100% ACC).

5. **NW 25th Street:** the project, strategic for improvement of traffic flow in the area, consists in the rebuilding and widening to 4-6 lanes of an expressway in Doral, in Miami-Dade County (FL), in the vicinity

of Miami International Airport. Works include the construction of a metal frame flyover near SR-826 Palmetto Expressway and of a viaduct, for a total length of 1.9 km. The contract value amounts to USD 57.9 million (100% ACC).

Astaldi Construction Corporation's remaining order backlog at 31 December 2012 amounted to approximately USD 73.1 million, without considering the road project worth USD 29.5 million acquired in January 2013.
As regards the performance of activities during 2012, the company recorded USD 47 million of revenue from works, considerably up on USD 28.7 million recorded in 2012.

Astaldi Arabia Ltd.

ASTALDI ARABIA Ltd. is the ASTALDI Group's company, owned entirely by ASTALDI S.p.A., which handles and monitors all the Group's working and commercial activities in the Middle East (Qatar, Saudi Arabia, United Arab Emirates).
The company is now focused on the transport infrastructure sector and is leaving behind the oil&gas sector, as already mentioned, that can no longer guarantee the profit margins achieved in the past. At the current time, management of the end phase of the contract in progress in Saudi Arabia (Jubail Export Refinery Project) and disinvestment of assets in Qatar have resulted in closure charges that were completely reflected in the 2012 results. As already mentioned, the company – together with the parent, Astaldi S.p.A., is currently expanding solely in the transport infrastructure sector so as to carefully assess the actual possibilities of continuing to work in the area.

Events after the reporting period

In January, the company completed a financing transaction involving an equity-linked bond ("Euro 130,000,000 4.50% Equity-Linked Bonds due 2019") placed with qualified Italian and foreign investors. The transaction, which achieved great success on the market, was regulated through the issue of bonds and payment of the subscription price. The bonds, with a unitary value of Euro 100,000, were issued for a total of Euro 130,000,000, have a six-year duration (expiring on 31 January 2019) with six-monthly coupons at an annual fixed rate of 4.50%, payable on 31 January and 31 July of each year. The bonds can be converted into ordinary shares, either existing or newly-issued, as from one year following bond issue and subject to approval of a share capital increase with exclusion of the right of option by the company's Shareholders at their Extraordinary Meeting, to be held by 30 June 2013. The bond conversion price has been set at Euro 7.3996 that incorporates a conversion premium of 35% compared to the average weighted price for Astaldi shares traded on the Italian Stock Exchange over the period of time between the transaction launch and share pricing at Euro 5.4812. The company will be entitled to regulate all conversions through payment in cash or a combination of shares and cash (cash settlement option). Bonds will be quoted on the Luxembourg Stock Exchange on the non-regulated Euro MTF market.
In February, Astaldi Group was awarded the contract to upgrade and improve John Paul II International Airport Kraków-Balice in Poland worth Euro 72 million. The project involves the extension and reconstruction of the international passenger terminal, the installation of external plants and construction of links to the multi-storey car park and railway station as well as construction and upgrading of the internal transport system. The new terminal will occupy a total covered surface area of 26,000 m^2, with a volume of 424,000 m^3 and, upon completion, the airport will be able to serve 8,000,000 passengers per year, guaranteeing a "C" service level in accordance with IATA regulations. The works will be performed in operational phases so as to allow the current terminal to operate correctly. The latter will be aligned to the new building from an architectural and plant design viewpoint. The planned duration of works is 2 years, with works set to start as from next spring. The project has been commissioned by *Międzynarodowy Port Lotniczy im. Jana Pawła II*

Kraków-Balice Sp. z o.o., the government-controlled company responsible for developing and managing the airport.
At an operating level, two important production milestones were achieved in Italy during the early part of 2013. The Zara-Bignami operational section of Line 5 of the Milan underground was opened in February followed by start-up of the management phase to be handled by Concessionaria Metro 5 S.p.A., an Astaldi Group investee. Subsequently, the Brescia underground was also opened to the public in March.
As regards foreign activities, the local government in Venezuela decided to devalue the bolivar fuerte in February. The country has experienced economic and socio-political tension for some time, further worsened by the illness of President Hugo Chavez who died in March of this year. The devaluation performed in February 2013, a phenomenon that had been widely forecast both by Astaldi Group and by leading analysts of the Venezuelan market, is a "competitive" devaluation aimed at re-launching the local economy. Said devaluation resulted in the VEF/USD exchange rate going from the previous 4.3 to the current 6.3.
For Venezuela, all of this will clearly have a negative impact on inflation levels that had already undergone partial adjustments on the basis of the pressure caused by the parallel exchange rate (non-official).
As regards Astaldi Group, the "devaluation" was not an unexpected event given that in approximately 40 years of working in this area, the Group has already witnessed more than a dozen similar operations ("competitive devaluations"). The experience it has accrued and the in-depth knowledge of the context has made it possible to develop a local business model that has always taken into account said phenomena when representing profit margins and that has led to focusing of the resources in this area solely on priority infrastructure projects for the country (construction of railways that represent strategic projects, developed under the aegis of bilateral government agreements between Italy and Venezuela). This is why additional curbing of activities in Venezuela is provided for in the Group's forecasts as from the early part of 2013, partially offset by the opening up of new countries (Chile and Peru) with consequent streamlining of the overall risk profile of Latin America.
As regards the financial effects arising from said recent devaluation, it must be noted that, even though the projects in Venezuela were acquired by an Italian consortium of companies which Astaldi holds a 33.3% investment in, the operating and financial effects were distributed through the assignment of separate sections of railway to each consortium member.
Economic assessment of Astaldi Group's projects, which, it must be recalled, uses the cost to cost criteria (standardisation of contract margins), has always taken into account risk coefficients and operating and financial procedures that tended to neutralise as far as possible any consequences of devaluation. This is further confirmed by the hedging of assets in local currency with similar debt positions, combined with the fact that contractual amounts are expressed and paid for a large part (approximately 50%) in Euros and that the overall margin is calculated in Euros.

Outlook

As far as the coming months are concerned, the Group's operations will be focused on achieving some **important milestones in Italy and abroad** and on **consolidating the new growth targets** approved in the 2012-2017 Business Plan.
Despite the complexity of the markets, the order backlog has a risk profile of activities and an overall level of earnings that **also guarantees a sustained increase in activities for the future**.
As regards projects in progress, works in Italy will focus on the commencement of Line 4 of the Milan underground and Lot DG-41 of the Jonica National Road, as well as the performance of key motorway and railway contracts in progress. As regards civil construction, activities will recommence in the medium term in relation to construction of Ospedale del Mare in Naples – in the light of sums allocated to complete works – and the hospitals in Prato and Pistoia and the Police Officer's Academy in Florence will be complet-

ed. As regards undergrounds, activities will focus on completion of Line 5 of the Milan underground. As far as foreign activities are concerned, production from Central Europe and Algeria (transport infrastructures) and Latin America (transport infrastructures, hydroelectric plants, mining sector) will continue to play an important role. Specifically, focus will be on the completion of contracts recently acquired in the airport sector (Pulkovo in Russia and John Paul II in Poland), as well as railway and motorway projects in progress in other countries where the Group operates. Specific attention will also be paid to the start-up of the major project to construct the St. Petersburg ring road (WHSD). Said project represents a major challenge for the coming three years both for the technical aspect and for the extremely limited construction timeframe.
It is foreseen that by 2013, the numerous project financing / concession projects, for which most of the relative investments have already been made, will start to generate the first positive effects on the income statement (i) the **Gebze-Izmir** motorway (434 kilometres of road) in Turkey, for which financial closing-related activities are continuing that will be completed in two separate and consecutive phases given the size of the project and to facilitate construction; (ii) the **Third Bridge over the Bosporus** and the **North Marmara Highway** for which the relative financial closing is underway; (iii) additional projects in Italy and abroad for which the Group already holds first position and completion of the award procedures is pending.
All these activities reflect the approved growth targets for the next five-year period which, in brief, are based on additional consolidation of the Group's competitive positioning and distinctive features (order backlog quality, mitigated risk profile, highly qualified management) through the introduction of new ideas aimed at optimising the Group's improved integrated offer capacity and expertise.
Therefore, we will see intensification of the Group's role in areas where traditionally present and the consolidation of activities in progress in Canada and Peru. As regards Russia, the focus will be on consolidating industrial partnerships established in recent years that could lead to the start-up of new projects in this area. While rescaling of its role in the Middle East is planned in order to benefit the new areas of interest, firstly Canada that can boast legislative and economic frameworks which tend to be more stable. Italy will continue to play an all-important role, also thanks to opportunities that may arise from the motorway concessions sector as a result of the investment acquired by the Group in A4 Holding – the concessionaire company of two motorway routes in the north-east of Italy (the Brescia-Padua section of the A4 and the A31 Valdastico). At an international level, as already mentioned, major attention will be dedicated to Turkey that has been singled out not only as an area of interest for the construction sector, but also as a market for investing in concession projects.
Suitable geographical diversification of activities will make it possible to maintain the increases in revenue seen in recent years and will also encourage a growth in profit margins. The latter will benefit from (i) the radical change in the quality of the order backlog which, in turn, is the result of multi-year, coherent planning; (ii) the increasing focus on EPC (Engineering, Procurement, Construction) and general contracting projects that, by their very nature, are able to promote the achievement of economies of scale; (iii) the Group's improved integrated offer capacity that will ensure the internalisation of marginal shares, to date sold to third parties within an industrial partnership logic, as the result of reduced vertical process integration.
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 skills consolidated in the plant engineering and project management sectors (NBI Impianti ed Energia, Sartori Tecnologie Industriali, TEQ).
As regards concessions, major projects will make it possible to guarantee a first, significant contribution to the Group's income statement in the form of dividends resulting from SPVs Astaldi holds investments in.
To this end, a series of actions will be carried out,

aimed at finalising the projects in progress to date in this sector at a Group level, mentioned previously, and at completing the process of transferring to ASTALDI CONCESSIONI projects still being performed by Astaldi S.p.A.

As regards the alternative strategic options, it should be noted that the reason behind the identification of said options is the strategic need/desire to bring out the value of an overall backlog which, to date, is still unbalanced as regards non-mature assets (insofar as still mostly under construction), but which offers some specific and significant characteristics. Indeed, it must be recalled that the concessions development policy adopted by the company, in line with the Group's strategic planning, has led over time to the identification of a reference model for investment assessment. Indeed, commercial activities in the concessions sector are focused on projects that make it able to employ, in Italy and abroad, the success model applied for this sector to date which is characterised by a risk/return ratio aided by the presence of public funding, as well as by a guaranteed minimum fee (in the form of availability charges, minimum guaranteed traffic, occupation rights, water rights, take or pay clauses) equal on average to 50% of forecast revenue. Moreover the Group's foreign presence is limited solely to countries that (i) are able to offer suitable socio-political and economic stability, (ii) can boast a stable legislative framework, (iii) can offer interesting development opportunities for the concessions sector. Therefore, the projects in progress have implicit characteristics that go to offset the risk factors associated with individual projects, making the overall backlog's risk/return ratio of guaranteed interest.

In light of said considerations, ASTALDI plans to assess a series of alternative strategic options in order to optimise its presence on the concessions market, through refinancing transactions, sale of assets, strategic partnerships and consolidation of financial partnerships. Therefore, dynamic management of the concession backlog has been adopted for some time, in terms of lifecycle, earnings and potential development. A complete analysis of the various opportunities offered by the international market shall be performed, weighing up the main pros and cons and, at the same time, efforts will be made to establish the optimal moment / best phase of the project lifecycle, so as to maximise the options the macroeconomic framework can offer, in the knowledge that maximisation of value for construction groups investing in concessions occurs by divesting within three years of the end of ramp-up.

Indeed, it is envisaged that the sustainability of growth targets will be guaranteed by the forecast cash flow from construction, as well as from the potential receipts from concession projects.

Requalification of invested capital, backed up by a selected backlog, will ensure more marked cash flow generation by the construction sector that will serve as effective support for the concessions sector.

Human Resources and Organisation

Human Resources and Organisation

In 2012 the Group boasted an average workforce of 9,963 employees (+8% compared to 2011), mainly posted abroad (approximately 85%), not only as a result of the predominant turnover generated outside Italy, but also as a result of the different types of contracts in progress in foreign markets where many activities are performed directly by the company and the use of subcontractors is limited.

The year's figures regarding the workforce, which are obviously affected – as far as workers and clerical staff are concerned – by the cyclical nature of projects, highlight the considerable increase in qualified, expatriated Italian staff (352 units – equal to 15% more than in 2011) and the ongoing investment – in Italy, but also abroad – in newly-graduated staff that has made it possible, especially in Italy, to maintain the trend of gradually lowering the average age of graduates (41 in 2012, compared to 42 in 2011 and 43 in 2010).

Management policies

2012 saw the consolidation and further development of policies adopted in previous years with regard to human resources management.
Specifically, a new policy regarding benefits for expatriated staff was defined with the aim of aligning the various traditional systems in current use by adopting disadvantage / consumption parameters that are homogenous while also being real and measurable.
As part of salary review procedures, external benchmark instruments were improved and the matrix organisational model adopted by the Group was optimised with a view to obtaining a vision of resources linked not only to development as regards the individual project but, more generally, to long-term professional growth within the Group.

Training

All-important speeding up of the design and implementation of a wide-reaching, structural, management training programmes was performed during 2012.
Following on from the projects carried out in 2011, focused on integration and development processes, the conceptual and organisational foundations were laid for the implementation of a structured programme, aimed at consolidating the technical and organisational skills of operating unit management and staff. Indeed, a comparative analysis was conducted with regard to perceived needs and skills looked on as critical at the current moment for the success of the Business Plan and, following on from this, a specific office was created within the Human Resources Division dedicated to management training.
Lastly, the working design phase was launched for a programme that will be fully implemented in 2013, but which in November saw the launch of a training programme focused on co-worker assessment.

Personnel information systems

2012 saw the launch of a project to extend the centralised information system for the management of foreign local personnel. The system was implemented in Algeria, Chile and Peru, making it possible at a central level to have a complete map of more than 1,500 operating resources in said countries and, at a local level, to computerise resource planning, organisation and assessment processes.

Quality, safety and environment

Following the definitive adoption by the parent ASTALDI S.p.A. of a matrix organisational model, 2012 was a year of further development of the integrated corporate management system.
Due to the three-year expiry dates, 2012 also saw complete renewal, on a voluntary basis, of certificates of conformity with ISO 9001, ISO 14001 and OHSAS 18001. The positive outcome of said activities, performed by the Certification Organisation, DNV *Det Norske Veritas*, and involving both head office and national and project facilities as regards foreign activities, allowed ASTALDI S.p.A. to maintain its certificates of conformity with international standards as regards Quality, Environmental and Safety systems.
Specifically, as regards the ongoing improvement of the Safety and Environment components of the corporate management system, significant optimisation was performed of two important processes – systematic analysis and reporting of near misses and definition of work permits in the event of interfering production – considered especially important in our area of business.
The commitment to hold an annual calibration session was also followed through and, for the third year running, saw the involvement of the Health, Safety and Environment Managers of Italian projects in training activities aimed at knowledge-sharing and homogenisation of the approach to said areas at a Group level.
This voluntary approach to the use of international regulatory models and standards to improve performance was also transferred to some important and significant Astaldi Group companies.
ASTALDI CONCESSIONI S.r.l., a company operating in the concessions and project financing sector, end-

ed 2012 with complete redefinition of its corporate Quality Management System for which the validity of the certificate of conformity with ISO 9001 requisites was confirmed subsequent to the positive outcome of maintenance checks performed by the Certification Organisation, DNV, *Det Norske Veritas*.
nBI S.r.l., a company operating in the plant engineering sector, also underwent three-yearly renewal of the certificate of conformity of the Quality Management System with ISO 9001 in 2012, conducted by the Certification Organisation, DNV, *Det Norske Veritas*. On this occasion the field of application was also extended and now includes "Design, construction of civil and industrial buildings; design, installation, maintenance and operation of technological plants".
Further confirmation of Astaldi Group's commitment with regard to Quality, Safety and the Environment can be seen from some important awards obtained during 2012, both from customers and by national organisations operating in this sector, in Italy and abroad. In this regard, mention must be made of:

- Italy – the award granted by ITALFERR S.p.A. to the projects involving Bologna Centrale HS station and Doubling of the Parma - La Spezia railway line along the section from Solignano station to Osteriazza railroad yard following the "*Cantiere Virtuoso 2011*" initiative related to the "*l'Unione fa la Sicurezza*" campaign;
- International – awards to the subsidiary Astaldi Construction Corporation, regarding Quality and Safety, granted by the US organisations, Florida Transportation Builders' Association, Inc. and Associated Builders and Contractors Inc. (ABC);
- International – award obtained for the Environment by the subsidiary Astaldi Arabia Ltd., as part of the Environmental Achievement Award granted to Technip by Satorp, for the Jubail Export Refinery Project, Conversion Units - 2A.

Lastly, it must be noted that in 2012 the company took part in the Carbon Disclosure Project (CDP), a specific programme that involves voluntary declaration of greenhouse gas emissions and of strategies to be adopted to reduce their impact at a climatic level.

Main risks and uncertainties

The risk management policies implemented by ASTALDI Group are based on a concept of "risk" taken as an integral part of the generation of value which, in itself, is to be taken as the sum of the current value of the business model and the value of future development opportunities. Hence, successful risk management is aimed at exploiting business opportunities by encouraging future growth and, at the same time, safeguarding the value created. Therefore, it is all-important to align risk management with the key targets looked on as critical for the company's success.
In this regard, the Corporate Risk Management Service assists the management in the decision-making process with a view to neutralising unwanted, unsustainable risk situations during the whole corporate business cycle and in relation to a variety of contractual formulas (traditional, general contracting, concessions and project financing).
The Risk Management logic model adopted within the company is three-dimensional, split according to the type of risk (operational, financial, strategic and compliance), level (corporate, country, contract) and project phase (development, performance, management).
A "focal" role is attributed to risks which, during planning, lead to definition of the so-called key risks of the Business Plan and general criticality management procedures.
The result is a model where risk management activities and responsibilities (identification, assessment, management and monitoring) are attributed to the organisation's various levels on the basis of the type of risk in question and the time phase during which said risk arises.
This model also involves the integration within decision-making mechanisms of uniform, structured identification, analysis and governance of corporate risks – including through the use of computer media – aimed at:

- supporting the decisions of the Group's top management/departments with an overall vision of the main risks the Group is exposed to;

- lending appropriate importance to the risk dimension with regard to the undertaking of business decisions that systematically take into account the volatility of forecast results;
- helping optimise existing risk management techniques and systems with the aim of improving the company's performance and business sustainability;
- helping make known the risk culture and consolidating departments' awareness of risk management issues.

During 2012, the Corporate Risk Management Service focused on the following:

- creation of a database of historic risks for optimal identification of the types of risks tackled in the past, mitigation measures taken and relative levels of success of said action, as well as for classification of the main risks-opportunities assessed and for consequent formulation of guidelines for the quantification and mitigation of the main risks/opportunities phenomena (SWOT analysis, risk back analysis);
- implementation of the risk management module in the computerised data collection system, Montecarlo simulations and reporting;
- integration of the risk dimension in the financial window and perfecting of the *Cashflow@risk* method;
- implementation of risk analysis at a contract, country and Group level and extension to the concessions sector in accordance with a methodological approach with ad hoc importance parameters for the sector.

Please find below a brief overview of the risks with greatest incidence among the Top Risks identified, split by category.

Financial risks

Liquidity and credit

This risk expresses the possibility that the Group may be unable to cover its financial obligations arising from contractual undertakings and, more generally, from its own financial liabilities, as well as the Group's exposure to potential losses arising from default as regards obligations undertaken by counterparties.

Financial structure and market (interest rate)

The current situation of the financial markets highlights critical phenomenon in terms of limitation of credit and fluctuation in the cost of money. The Group has adopted over the years a financial strategy aimed at re-positioning its debt structure in the medium/long-term, curbing variations in the cost of money through a cautious interest risk hedging policy.

Currency market (exchange rate)

The current situation of currency markets can bring to light some extremely volatile situations. The Group has undertaken to control said risk over the years through suitable hedging transactions.

Strategic risks

Country risk

More than 60% of the total amount of Astaldi Group revenue is from abroad. Therefore, the Group's major internationalisation exposes Astaldi to the obligation to assess the so-called country risk that consists in macro-economic and financial, regulatory and market, geopolitical and social risks, the occurrence of which could have a negative effect on both earnings and the protection of corporate assets. In order to mitigate said risks, the identification of new projects in foreign countries is accompanied by preliminary, in-depth identification and assessment of the risks (political, economic, financial and operating) linked to said countries. The result is that foreign activities performed by the Group are concentrated solely in countries (i) offering development opportunities for long-term infrastructure investment plans, (ii) that consider the works of interest for the Group as priorities in local investment policies, (iii) for which international insurance cover is guaranteed or in whose regard there are bilateral agreements between the Italian and local governments, (iv) with a definite, consolidated reference legislative framework. Subsequently, Astaldi keeps a close eye on development of the political, social and economic situation of the countries it operates in through to completion of the contracts, also drawing on periodic reports on the main project risks and relative trends drafted in accordance with the Corporate Risk Management Policy. Without prejudice to the above, should exceptional and unforeseeable events occur, the Group is able to implement well-defined procedures, in line with international procedures, with the aim of protecting the safety of its personnel and on-site assets, minimising the resulting operational and financial impact.

Conformity risks

Contractual/Legislative

In the sector the Group operates in, a large part of activities are performed on the basis of contracts which provide for a specific amount upon awarding. The greater charges and/or costs which the Group may encounter and/or incur while performing said contracts must be covered by the Group and can be recovered from the customer in accordance with legislation regulating the contract and/or agreed contractual terms and conditions. Consequently, the profit margins achieved on contracts of this type can vary with regard to the original estimates as a result of recoverability of the aforementioned greater charges and/or costs.

Operating risks

Procurement

The fluctuation, in some cases considerable, in the price of some raw materials can entail an increase in the costs of production which the Group tends to neutralise through diversified procurement policies, framework agreements with strategic suppliers, contractual price review clauses and the use of ad hoc action by local governments in order to offset the financial consequences for the reference sector.

Corporate governance

The governance model adopted by ASTALDI S.p.A. is in keeping with the principles contained in the "Self-Regulation Code for listed companies" – drawn up by Borsa Italiana in October 1999 and subsequently amended and added to –, with the recommendations formulated by CONSOB in this regard and, more generally, with international best practice.
As regards the information requested by Article 123-bis of the Finance Consolidation Act, please refer to the "Corporate Governance and Shareholding Structure Report" drafted in compliance with current legislation and published together with this report. The "Corporate Governance and Shareholding Structure Report" is made available for consultation on the Group's website (www.astaldi.com), in compliance with the terms and procedures provided for by law.

Remuneration report

As regards information related to the remuneration of Company Directors, Statutory Auditors and key management personnel, please refer in full to the Remuneration Report drafted by the Board of Directors of Astaldi S.p.A. pursuant to Article 123-ter of the Finance Consolidation Act. Said document is also made available on the Group's website at www.astaldi.com, Governance section, in compliance with the terms and procedures provided for by law.

Other information

Information on transactions with related parties

As regards transactions with related parties during 2012, please refer to the Notes to the Consolidated and Separate Financial Statements at 31 December 2012. It is considered appropriate herein to state that said relations form part of the group's ordinary operations and are regulated at market conditions. It must also be noted that no "significant" transactions were performed during the year pursuant to relevant legislation and relative procedures adopted by the company. As regards relations among Group companies, it must be specified that these are regulated at market conditions, taking into account the quality of goods and/or services provided. Moreover, said relations do not feature any interests classed as significant of other related parties of Astaldi S.p.A. For more details, please refer to the Corporate Governance and Shareholding Structure Report.

Treasury shares

In relation to the Astaldi share buy-back plan implemented during the year, 363,257 shares were gradually acquired during 2012 while 365,978 shares were sold. Treasury shares on hand at 31 December 2012 amounted to 608,187 with a nominal value of Euro 2.

Parent company shares held by subsidiaries

No parent shares were held by subsidiaries at the draft date of this report.

Management and coordination activities (pursuant to Article 2497 et seq. of the Italian Civil Code)

Astaldi S.p.A. is not subject to "management and coordination" by any of its shareholders insofar as the company's Board of Directors is fully and independently responsible for all the most appropriate decisions related to management of the company's activities.

Astaldi S.p.A. shares held by Company Directors, Statutory Auditors and key management personnel at 31 December 2012

For information in this regard, please refer to the section herein dealing with the Remuneration Report.

Research and development

The Group did not incur any costs for research and development during the year.

Atypical or unusual transactions

No atypical or unusual transactions were performed during the year.

Conclusions

Dear Shareholders,
The consolidated financial statements show a profit of Euro 74 million, net of amortisation, depreciation, provisions and consolidation adjustments.

On behalf of the Board of Directors
The Chairman
(Paolo Astaldi)

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Statement as per Article 36 of CONSOB Regulation No. 16191/07 ("Market Regulation")

Astaldi S.p.A. hereby declares that its internal procedures are in line with the provisions as per Article 36, letters a), b) and c) of the Market Regulation ("Conditions for listing of shares of companies controlling companies set up and regulated by laws of non-EU states"), issued in order to implement Article 62, subsection 3-bis of Italian Legislative Decree No. 58/1998.

Specifically, Astaldi S.p.A. makes it known that:

1. the parent, Astaldi S.p.A., has ongoing access to the articles of association and composition of the company bodies of all non-EU subsidiaries of importance as per Article 36, paragraph 2 of the Issuers Regulation, with highlighting of the company offices held;

2. the parent Astaldi S.p.A. makes available to the public, inter alia, the accounts of all non-EU subsidiaries of importance as per Article 36, subsection 2 of the Market Regulation formulated for the purpose of drafting the consolidated financial statements, including at least the statement of financial position and income statement;

3. the administrative-accounting and reporting procedures currently in use by Astaldi Group are suitable for transmitting to the parent company management and auditors at regular intervals, the income statement and statement of financial position figures of the non-EU subsidiaries of importance as per Article 36, subsection 2 of the Market Regulation, needed to draft the consolidated financial statements;

As regards checking by the parent of the information provided to the central auditors, needed to perform auditing of the parent's annual and interim accounts, it is felt that the current procedures used to communicate with the auditors, implemented at various levels of the corporate auditing chain throughout the whole year, are effective in this regard.

The scope of application, regarding to the fiscal year 2013, concerns 7 subsidiaries based in 4 countries not belonging to the European Union, which are of importance as per subsection 2 of the aforementioned Article 36.

Consolidated financial statements

Consolidated income statement

(thousands of euro)	Notes	2012	2011
Operating Performance			
Revenue	1	2,325,299	2,265,284
of which with related parties		*238,111*	*210,863*
Other operating revenue	2	131,598	94,975
of which with related parties		*5,453*	*3,326*
Total revenue		2,456,897	2,360,259
Purchase costs	3	(487,584)	(458,640)
Service costs	4	(1,340,552)	(1,349,308)
of which with related parties		*(161,114)*	*(149,612)*
Personnel expenses	5	(305,439)	(262,492)
Amortisation, depreciation and impairment losses	6	(52,616)	(51,568)
Other operating costs	7	(60,456)	(38,409)
of which with related parties		*(290)*	*(1,432)*
Total costs		(2,246,648)	(2,160,418)
(Capitalisation of internal construction costs)	8	1,565	850
Operating profit		211,813	200,691
Financial income	9	78,550	44,772
of which with related parties		*2,195*	*1,301*
Financial charges	10	(163,681)	(120,444)
of which with related parties		*(627)*	*(5)*
Effect of equity accounting	11	3,146	401
Total Financial Area and Investments		(81,985)	(75,271)
Pre-Tax Profit from Continued Operations		129,829	125,420
Tax expense	12	(55,879)	(53,496)
Profit for the year		73,949	71,924
Profit attributable to owners of the parent		74,126	71,195
Profit (loss) attributable to non-controlling interests		(177)	729
Basic earnings per share	13	0,76	0,73
Diluted earnings per share		0,75	0,73

Consolidated statement of comprehensive income

(thousands of euro)	Notes	2012	2011
Profit for the year		73,949	71,924
Change in Subsidiaries' hedging reserve		(8,656)	(696)
Change in Associates' hedging reserve		(5,220)	(10,210)
Change in Subsidiaries' Translation Reserve		(2,382)	1,601
Change in Associates' Translation Reserve		1,322	(2,236)
Loss of other Group components	25	(14.937)	(11.540)
Change in third party hedging Reserve		(449)	1,021
Change in third party Translation Reserve		103	(590)
Profit (loss) of other third party components		(345)	431
Total income		58,667	60,815
of which attributable to owners of the parent		59,189	59,655
of which attributable to non-controlling interests		(522)	1,160

Consolidated statement of financial position

(thousands of euro)	Notes	31/12/12	31/12/11
Non-current assets			
Property, plant and machinery	14	221,094	192,278
Investment property	15	1,105	1,141
Intangible assets	16	107,523	44,132
Investments	17	257,441	195,964
of which:			
Equity-accounted investees		104,414	94,188
Non-current financial assets	18	193,448	159,671
of which with related parties		49,926	20,606
Other non-current assets	19	39,874	28,413
Deferred tax assets	12	8,589	3,361
Total Non-current assets		829,074	624,961
Current assets			
Inventories	20	84,343	93,369
Receivables from customers	21	1,058,039	1,010,416
of which with related parties		*41,954*	*62,753*
Trade receivables	22	835,077	820,963
of which with related parties		*30,435*	*32,325*
Current financial assets	18	17,653	6,248
Tax assets	23	143,067	116,981
Other current assets	19	381,022	308,420
of which with related parties		*27,948*	*24,791*
Cash and cash equivalents	24	400,215	456,210
Total current assets		2,919,417	2,812,608
Total assets		3,748,491	3,437,569

(thousands of euro)	Notes	31/12/12	31/12/11
EQUITY AND LIABILITIES			
Equity			
Share capital	25	196,850	196,850
Treasury shares		(1,216)	(1,222)
Reserves:			
Legal reserve		23,930	20,797
Extraordinary reserve		218,262	175,968
Retained earnings		48,682	40,493
Other reserves		(921)	(1,709)
Other comprehensive income		(52,088)	(37,151)
Total share capital and reserves		433,499	394,027
Profit for the year		74,126	71,195
Total Equity attributable to owners of the parent		507,625	465,222
Profit (loss) attributable to non-controlling interests		(177)	729
Other comprehensive income items attributable to non-controlling interests		(63)	282
Consolidation Reserve attributable to non-controlling interests		47,170	4,046
Equity attributable to non-controlling interests		46,930	5,057
Total equity		554,555	470,278
Non-current liabilities			
Non-current financial liabilities	26	734,920	672,612
of which with related parties		*1,749*	*1,645*
Other non-current liabilities	27	13,721	13,716
Employee benefits	28	8,760	7,926
Deferred tax liabilities	12	4,188	1,273
Total non-current liabilities		761,588	695,528
Current liabilities			
Payables to customers	21	479,397	472,120
of which with related parties		*103,130*	*56,480*
Trade payables	29	1,128,798	1,118,769
of which with related parties		*142,218*	*116,637*
Current financial liabilities	26	537,661	453,026
Tax liabilities	30	93,387	73,142
Provisions for current risks and charges	31	28,578	29,159
Other current liabilities	27	164,527	125,547
of which with related parties		*1,120*	*327*
Total current liabilities		2,432,348	2,271,763
Total liabilities		3,193,936	2,967,291
Total equity and liabilities		3,748,491	3,437,569

Consolidated statement of changes in equity

Changes in equity at 31 December 2012 attributable to owners of the parent

(thousands of euro)	Share capital	Legal reserve	Extraordinary reserve
Balance at 01 January 2012 IFRS	195,628	20,797	175,968
Profit from continued operations 2012	0	0	0
Cash flow hedge for the year	0	0	0
Translationof foreign operations for the year	0	0	0
COMPREHENSIVE INCOME (EXPENSE)	0	0	0
Treasury shares	5	0	(20)
Dividends	0	0	0
Provision as per Art. 27	0	0	0
Transactions with non-controlling interests	0	0	0
Changes in Consolidation scope	0	0	0
Allocation of profit from continued operations 2011	0	3,133	42,314
Other changes	0	0	0
Stock grant allocation reserve	0	0	0
Balance at 31/12/2012 IFRS	**195,634	23,930	**218,262

* The effect of other comprehensive income produced a hedging reserve at 31/12/2012 totalling Euro (45,676) and a translation reserve totalling Euro (6,412)
** The amount stated in the items is shown net of total investment in treasury shares totalling Euro 3,019 thousand of which Euro 1,216 thousand corresponding to the nominal value of the shares, recognised as a reduction of share capital, and Euro 1,803 thousand recognised as a reduction of the Extraordinary Reserve.

Changes in equity at 31 December 2011 attributable to owners of the parent

(thousands of euro)	Share capital	Legal reserve	Extraordinary reserve
Balance at 01 January 2011 IFRS	195,206	18,453	146,046
Profit from continued operations 2011	0	0	0
Cash flow hedge for the year	0	0	0
Translationof foreign operations for the year	0	0	0
COMPREHENSIVE INCOME (EXPENSE)	0	0	0
Treasury shares	422	0	723
Dividends	0	0	0
Provision as per Art. 27	0	0	0
Transactions with non-controlling interests	0	0	0
Changes in Consolidation scope	0	0	0
Allocation of profit from continued operations 2010	0	2,344	29,198
Other changes	0	0	1
Stock grant allocation reserve	0	0	0
Balance at 31/12/2011 IFRS	**195,628	20,797	**175,968

* The effect of other comprehensive income produced a hedging reserve at 31/12/2011 totalling Euro (31,799) thousand and a translation reserve totalling Euro (5,352) thousand
** The amount stated in the items is shown net of total investment in treasury shares totalling Euro 3,005 thousand of which Euro 1,222 thousand corresponding to the nominal value of the shares, recognised as a reduction of share capital, and Euro 1,783 thousand recognised as a reduction of the Extraordinary Reserve.

Other comprehensive income	Other reserves	Retained earnings	Profit for the year	Total Equity attributable to owners of the parent	Non-controlling interests	Total Equity
(37,151)	(1,709)	40,493	71,195	465,222	5,057	470,278
0	0	0	74,126	74,126	(177)	73,949
(13,877)	0	0	0	(13,877)	(449)	(14,326)
(1,060)	0	0	0	(1,060)	103	(957)
(14,937)	0	0	74,126	59,189	(523)	58,666
0	74	0	0	59	0	59
0	0	0	(16,630)	(16,630)	(766)	(17,396)
0	0	0	(940)	(940)	0	(940)
0	0	11	0	11	0	11
0	0	0	0	0	43,162	43,162
0	0	8,178	(53,625)	0	0	0
0	(279)	0	0	(279)	0	(279)
0	993	0	0	993	0	993
*(52,088)	(921)	48,682	74,126	507,625	46,930	554,555

Other comprehensive income	Other reserves	Retained earnings	Profit for the year	Total Equity attributable to owners of the parent	Non-controlling Interests	Total Equity
(25,610)	256	27,581	63,056	424,988	18,241	443,229
0	0	0	71,195	71,195	729	71,924
(10,906)	0	0	0	(10,906)	1,021	(9,885)
(635)	0	0	0	(635)	(590)	(1,225)
(11,541)	0	0	71,195	59,654	1,160	60,814
0	(1,263)	0	0	(118)	0	(118)
0	0	0	(14,645)	(14,645)	(944)	(15,589)
0	0	0	(704)	(704)	0	(704)
0	0	(3,252)	0	(3,252)	0	(3,252)
0	0	0	0	0	(13,400)	(13,400)
0	0	16,164	(47,707)	0	0	0
0	(1,896)	0	0	(1,895)	0	(1,895)
0	1,194	0	0	1,194	0	1,194
*(37,151)	(1,709)	40,493	71,195	465,222	5,057	470,278

Consolidated statement of cash flows

(thousands of euro)	2012	2011
A - Cash flow from operating activities:		
Profit for the year attributable to owners of the parent and non-controlling interests	73,949	71,924
Adjustments to reconcile profit with the cash flow from (used in) operating activities:		
Deferred tax	4,799	4,868
Amortisation, depreciation and impairment losses	52,616	51,568
Provision for risks and charges	1,427	7,960
Post-employment benefits and defined benefit plans	1,568	757
Costs for employee incentive plans	993	1,034
Losses on disposals of non-current assets	7,916	4,229
Effects of equity accounting	(3,146)	(401)
Gains on disposals of non-current assets	(6,438)	(2,527)
Sub-total	*59,735*	*67,488*
Changes in operating assets and liabilities (working capital):		
Trade receivables	(14,113)	(169,507)
of which with related parties	*1,890*	*(5,325)*
Inventories and receivables from customers	(80,830)	(164,284)
of which with related parties	*20,800*	*(16,018)*
Trade payables	10,029	196,423
of which with related parties	*25,581*	*(130)*
Provision for risks and charges	(2,606)	(578)
Payables to customers	56,755	133,631
of which with related parties	*46,650*	*46,916*
Other operating assets	(115,378)	(17,193)
of which with related parties	*(3,157)*	*3,540*
Other operating liabilities	56,352	17,791
of which with related parties	*793*	*(138)*
Payments of post-employment benefits and defined benefit plans	(735)	(1,291)
Sub-total	*(90,526)*	*(5,008)*
Cash flow from operating activities	43,158	134,404

(thousands of euro)	2012	2011
B - Cash flow used in investing activities:		
- Construction		
Purchases of investment property		
Investment in intangible assets	(22,575)	(8,249)
Investment in property, plant and equipment	(70,286)	(39,293)
Sale (Purchase) of other investments net of cash acquired, coverage of losses of unconsolidated companies and other changes of the consolidation scope	(191)	18
Receipts from the sale of property, plant and equipment, intangible assets and investment property	(1,478)	(1,702)
Change in subsidiary financing activity	(8,058)	434
of which with related parties	*(8,058)*	*434*
Sub-total cash flow used in construction investing activities	*(102,588)*	*(48,792)*
- Concessions		
Net investment in assets under construction	(7,245)	
Investment in intangible assets	(51,327)	(39,402)
Sale (Purchase) of other investments net of cash acquired, coverage of losses of unconsolidated companies and other changes of the consolidation scope	(63,737)	(122,292)
Change in subsidiary financing activities	(28,384)	(452)
of which with related parties	*(28,384)*	*(452)*
Change in receivables rights from concessions	(10,774)	(41,080)
Sub-total cash flow used in concession investing activities	*(161,467)*	*(203,225)*
Cash flows used in investing activities	(264,055)	(252,018)
C - Cash flow from financing activities:		
Dividends paid	16,630	(14,645)
Non-current borrowing (repayment) net of commissions	62,307	61,990
of which with related parties	*104*	*0*
Net change in current financial debt (including leases)	84,636	115,716
Sale (purchase) securities/bonds and treasury shares	2,034	2,601
Change in consolidation scope and other changes	32,555	7,096
Cash flows from financing activities	164,902	158,566
NET DECREASE IN CASH AND CASH EQUIVALENTS	(55,995)	40,951
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	456,210	415,259
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	400,215	456,210
Additional information to the statement of cash flows		
Income tax paid	49,949	62,762
Net financial charges paid in the year	39,422	43,536

Notes to the consolidated financial statements

General information

The Astaldi Group has been active for over 90 years in Italy and abroad in the sector of the design and construction of major civil engineering works, and is one of the most important corporate groups operating in the construction sector on an international level; it is a leader in Italy as general contractor and a sponsor of project finance initiatives.
The Group operates through the Parent Astaldi S.p.A., a public company with registered offices in Rome, Via Giulio Vincenzo Bona 65, listed on the STAR division of the Milan Stock Exchange since June 2002.
The duration of the Parent is currently set up to 31 December 2100.
On the date of the drawing up of the financial statements, Astaldi S.p.A. was not subject to the management and coordination of any of its shareholders since the Parent's Board of Directors makes, in full and complete independence and autonomy, any and the most appropriate decisions with regard to managing the Parent's activity. These consolidated financial statements were approved by the Board of Directors of the Parent at the meeting of 13 March 2013.

Form, contents and segment reporting

The consolidated financial statements of the Astaldi Group at 31 December 2012 have been drawn up in compliance with International Financial Reporting Standards - IFRS issued by the International Accounting Standards Board (IASB), and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), recognised in the European Union pursuant to EC Regulation no. 1606/2002 in force at the end of the year.
Reference has likewise been made to CONSOB regulations implementing para. 3, Art. 9 of Legislative Decree no. 38/2005.
The 2012 consolidated financial statements include the following statements:

1. Consolidated income statement;
2. Consolidated statement of comprehensive income;
3. Consolidated statement of financial position;
4. Consolidated statement of cash flows;
5. Consolidated statement of changes in equity;
6. Notes to the consolidated financial statements.

It should be pointed out that the Group decided to present the Statement of comprehensive income in two separate statements as allowed by IAS 1.81. Therefore, the income statement includes both a statement showing the profit (loss) items for the year (consolidated income statement) and a statement which starts from the profit (loss) for the period and algebraically adds "other comprehensive income" (consolidated statement of comprehensive income). In this respect, it should be pointed out that for the Astaldi Group the other items of the statement of comprehensive income include only the hedging reserve and the translation reserve. It should likewise be highlighted that including these reserves in the statement of comprehensive income does not alter their nature as deferred items, and therefore not for items referring to the year, pursuant to the provisions in IAS 39 and IAS 21.

It should likewise be highlighted that the income statement is prepared based on a classification of each individual item by nature. This classification reflects the management reporting methods used in the Group and is therefore considered more representative compared to presentation of items according to their destination, providing more relevant indications with respect to their specific segment.

As far as the statement of financial position is concerned, it was decided to enter items by separating assets and liabilities into current and non-current assets and liabilities, in accordance with the provisions of paragraph 60 and following of IAS 1.

The statement of cash flows shows cash flow for the year, broken down into operating, investing and financing activities; cash flows from operating activities are recognised using the indirect method. It should likewise be observed that investing activities are distinguished between those regarding construction and those regarding concessions.

The statement of changes in equity was prepared in compliance with IAS 1, obviously taking into account comprehensive income.

Finally, with regard to segment reporting, the so-called management approach was applied, meaning that the elements that top management uses for taking its strategic and operational decisions are considered. The operating segments subject to disclosure referred in particular to the various geographical areas where the Group works, and were determined on the basis of the same accounting standards used for drawing up the consolidated financial statements. Refer to note 34 for the presentation of the models of the segment reporting.

It is observed that some comparative items in the financial statements at 31 December 2011 have, for a better and more correct comparative indication, been restated, without however modifying the overall equity at 31 December 2011 and the profit for 2011.

Specifically, this involved:

- Separate indication of the current and non-current quota of derivatives, reclassifying the debt for derivatives at 2011 rates totalling Euro 26,263 thousand, originally recognised under current tax liabilities. This amount in the comparative for 2011 is shown at Euro 16,698 thousand under non-current financial liabilities and with Euro 9,566 thousand as the debt under current tax liabilities;
- Classification of the equity items referring to treasury shares handed over to employees as part of the stock grant plan in such a way as to include: in the Stock Grant Reserve, the amount of the treasury shares assigned to employees, but not handed over, calculated on the basis of actuarial valuations, and (ii) in the Treasury Share Negotiation Reserve the progressive effects (surplus/deficit) accruing from the buy-back plan. Up to the year 2011, the single item Stock Grant and Buy-back Reserve included the effects of the plan as accrued progressively, consisting of the amount of the costs recorded on the basis of actuarial valuations and the result of buy-back activity.

Basis of preparation

The consolidated financial statements were prepared on the basis of the historical cost principle, except for derivatives, which were measured at fair value. In this regard, it should be pointed out that since no fair value hedging transactions were performed, there are no financial instruments having their cost adjustment in relation to changes in the fair value attributable to the hedged risk.

All the amounts are shown in thousands of Euro un-

less otherwise stated. Therefore, in some statements, the total amounts could slightly deviate from the sum of the single addenda that compose the amount due to round-offs.
The consolidated financial statements, moreover, were drawn up on the assumption of the Group's ability to continue as a going concern.

Accounting standards

The most significant accounting standards adopted for drafting the consolidated financial statements at 31 December 2012 are shown below.

Consolidation scope and consolidation standards

The consolidated financial statements of the Group include the financial statements of the Parent Astaldi S.p.A. and of the Italian and foreign companies under direct or indirect control of Astaldi, including joint control, and have been prepared for consolidation purposes in accordance with the IFRS adopted by the Astaldi Group. At the end of these notes there is a list of the companies included in the consolidation scope with the corresponding direct or indirect interests of the Group together with other significant information. There follows a list of companies in the consolidation scope at 31 December 2012, reporting the changes with respect to 2011.

Construction - Italy

Name	Method	Area	%
Euroast S.r.l. in liquid.	Full	Italy	100.00
Garbi Linea 5 S.c.a.r.l.	Full	Italy	100.00
Italstrade IS S.r.l.	Full	Italy	100.00
Messina Stadio S.c.r.l. in liquid.	Full	Italy	100.00
Ospedale del Mare S.C.r.l.	Full	Italy	100.00
P.F.P. S.c.p.A.	Full	Italy	99.99
AR.GI S.c.p.A.	Full	Italy	99.99
CO.MERI S.p.A.	Full	Italy	99.99
Portovesme S.c.r.l. in liquid.	Full	Italy	99.98
Toledo S.c.r.l.	Full	Italy	90.39
Susa Dora Quattro S.c.r.l. in liquid.	Full	Italy	90.00
S. Filippo S.c.r.l. in liquid.	Full	Italy	80.00
Forum S.c.r.l. in liquid.	Full	Italy	79.99
Bussentina S.c.r.l. in liquid.	Full	Italy	78.80
AS. M. S.c.r.l.	Full	Italy	75.91
Mormanno S.c.r.l. in liquid.	Full	Italy	74.99
S.P.T. S.C.r.l.	Full	Italy	74.00
CO.ME.NA. S.c.r.l. in liquid.	Full	Italy	70.43
Scuola Carabinieri S.C.r.l.	Full	Italy	61.40
Quattro Venti S.c.r.l. in liquid.	Full	Italy	60.00
Sirjo Scpa	Full	Italy	60.00
C.O.MES. in liquid. S.C.r.l.	Full	Italy	55.00
Infraflegrea Progetto S.p.A.	Full	Italy	51.00
M.O.MES S.c.r.l.	Proportionate	Italy	55.00
CO.SAT S.c.r.l.	Proportionate	Italy	50.00
Metro Blu S.c.r.l.	Proportionate	Italy	50.00
Avrasya Metro Grubu Srl	Proportionate	Italy	42.00
Total Construction Italy			27

Construction - Foreign

Name	Method	Area	%
Astaldi Bulgaria LTD	Full	Europe	100.00
Astaldi International Ltd.	Full	Europe	100.00
Astur Construction and Trade A.S.	Full	Europe	99.98
ASTALROM S.A.	Full	Europe	99.61
Romairport S.r.l.	Full	Europe	99.26
Astaldi-Max Bogl-CCCF JV S.r.l.	Full	Europe	66.00
Italstrade CCCF JV Romis S.r.l.	Full	Europe	51.00
Romstrade S.r.l.	Full	Europe	51.00
Ic Içtas - Astaldi Insaat A.S.	Proportionate	Europe	50.00
Ica Astaldi -Ic Ictas WHSD Insaat AS	Proportionate	Europe	50.00
Astaldi Canada Inc.	Full	America	100.00
Astaldi Construction Corporation	Full	America	100.00
Astaldi de Venezuela C.A.	Full	America	99,80
Consorcio Rio Pallca	Full	America	60.00
Constructora Astaldi Cachapoal Limitada	Full	America	99,90
T.E.Q. Construction Enterprise Inc.	Full	America	100.00
Consorcio Rio Mantaro	Proportionate	America	50.00
Consorcio Rio Urubamba	Proportionate	America	40.00
Astaldi Algerie E.u.r.l.	Full	Africa	100.00
Astaldi International Inc.	Full	Africa	100.00
Astaldi-Astaldi International J.V.	Full	Africa	100.00
G.R.S.H.	Full	Africa	100.00
Redo-Association Momentanée	Full	Africa	100.00
Seac S.p.a.r.l. in liquid.	Full	Africa	100.00
Astaldi Arabia Ltd.	Full	Asia	100.00
Astaldi-Ozcar JV	Proportionate	Asia	51.00
Total Construction Foreign			26

Concessions

Name	Method	Area	%
Astaldi Concessioni S.r.l.	Full	Italy	100.00
A.I.2 S.r.l.	Full	Italy	71.75
V.S.F.P. S.p.A.	Proportionate	Italy	34.50
Mondial Milas - Bodrum A.S.	Full	Europe	92.85
Ankara etlik Hastante A.S.	Proportionate	Europe	51.00
Inversiones Assimco Limitada	Full	America	100.00
Cachapoal Inversiones Limitada	Full	America	100.00
Valle Aconcagua S.A.	Full	America	55.00
Total Concessions			8

Maintenance and plant

Name	Method	Area	%
nBI Srl	Full	Italy	100.00
3E System S.r.l	Full	Italy	100.00
Consorzio Stabile Busi	Full	Italy	95.00
Tione 2008 Scrl	Full	Italy	76.00
Bielle Impianti S.c.r.l.	Full	Italy	75.00
CO.VA S.c.r.l.	Full	Italy	60.00
Sartori Tecnologie Industriali S.r.l.	Full	Italy	100.00
CONA Impianti S.c.r.l.	Proportionate	Italy	50.00
Metro Brescia S.r.l.	Proportionate	Italy	50.00
nBI Elektrik Elektromekanik Ve	Full	Europe	100.00
Total Maintenance and plant			10

The following table shows the changes of the consolidation scope compared to the previous year:

Consolidation scope at 31/12/2011
Consolidated companies no. 58

New companies /Acquisitions 2012

no.	Name	method
1	3E System S.r.l*	Full
2	Consorzio Stabile Busi*	Full
3	Tione 2008 Scrl*	Full
4	Bielle Plant S.c.r.l.*	Full
5	CO.VA S.c.r.l.	Full
6	Sirjo Scpa	Full
7	A.I.2 S.r.l.	Full
8	Valle Aconcagua S.A.	Full
9	Astaldi Canada Inc.	Full
10	nBI Elektrik Elektromekanik Tesisat Insaat Sanayi Ve	Full
11	T.E.Q. Construction Enterprise Inc.**	Full
12	CONA Plant S.c.r.l.*	Proportionate
13	Metro Blu S.c.r.l.	Proportionate
14	Ankara etlik Hastante A.S.	Proportionate

Liquidations 2012

no.	Name	method
1	Italstrade Somet JV Rometro S.r.l.	Full

Consolidation scope at 31/12/2012
Consolidated companies no. 71

* Acquired at the end of July 2012 in the context of the purchase of the business unit BUSI IMPIANTI

** Acquired on 31 October 2012

For more details on acquisitions made in the year, see the section below on business combinations, mentioned in the premises to the Notes.
It is also pointed out that for the Company Astaldi-Ozcar JV, after the agreements made by the shareholders at the end of September 2012, the rules for company governance were revised. In particular the shareholders agreed on the need to regulate JV activities by contract, with reference to strategic management and financial issues, basing their decisions on the necessary unanimous consent. On the basis of this act and starting from 30 September 2012 the Company is classified among jointly controlled entities, pursuant to the provisions of IAS 31, and consequently the relative financial effects on the Group are recorded by proportionate consolidation.
Furthermore, applying IAS 27, this case is considered as a loss of control over the company, though without any actual change in the percentage investment held in that company, but only due to the effect of the application of the new joint venture agreements. For purposes of verifying, pursuant to the aforesaid standard, the fair value of the assets and liabilities corresponding to the residual shareholding after the loss of control, it is pointed out that the carrying amounts shown in the company's financial statements are considered as corresponding to the relative fair value, without indicating some differences. This is because the company: (i) has been set up recently; (ii) has a purpose limited to undertaking works for doubling the BidBid – Sur motorway section in the Sultanate of Oman and (iii) in this regard has recently acquired machinery necessary for undertaking these works.
For consolidation, the financial statements approved by the shareholders at the general meetings were used, or in their absence, the draft statements prepared by the Boards of Directors. The reporting dates of the consolidated entities coincide with that of the Parent except for the subsidiary Astaldi de Venezuela C.A. which closes its financial year at 30 November 2012. In this regard, the consolidation of this company was applied taking into account the provisions of IAS 27 for these cases. The financial statements included in the consolidation have been drafted in accordance with the accounting standards adopted by the Parent, while making, when necessary, any suitable adjustments in order to adjust the measurement of specific items already determined in accordance with different standards. Specifically, the companies in which Astaldi has a controlling interest have been fully consolidated. Such controlling interest consists in the direct or indirect holding of shares with voting rights, or the

powers to determine the Company's financial and management choices, obtaining the relevant benefits regardless of shareholder composition.
Investments in companies where control is exercised jointly with third parties are consolidated on a proportionate basis in accordance with the provisions of IAS 31. Subsidiaries are consolidated fully and jointly controlled entities are consolidated on a proportionate basis starting from the date of acquisition of controlling interest, and cease to be consolidated as from the date on which the controlling interest is transferred outside the Group.
All intragroup balances and transactions, including possible unrealised profit and loss deriving from relations between Group Companies, are completely eliminated.
Shareholdings in companies where considerable influence is exercised, generally involving an investment percentage between 20% and 50%, are measured with the equity method. In the event of application of the equity method, the carrynig amount of the investment is aligned with equity, adjusted where necessary to reflect the application of IFRSs, and includes goodwill (net of impairment losses) as identified at the moment of purchase, as well as the effects of adjustments required by standards regarding the drafting of consolidated financial statements. Specifically, any profit and loss deriving from transactions between the Group and the associate is eliminated in proportion to the investment in the associate.
With regard to investments in associates, any impairment losses exceeding the carrying amount are recognised into the provision for risks on investments solely to the extent to which the associate has undertaken legal or implicit obligations, or made payments on behalf of the Company.

Translation of items and financial statements into foreign currency

The consolidated financial statements of the Astaldi Group are drafted in Euro, which is the Parent's presentation and operating currency.
The balances included in each Group Company's financial statements have been recognised in the currency of the company's main economic environment (operating currency). The items expressed in a currency other than the operating currency, whether monetary (cash and cash equivalents, assets and liabilities payable or receivable with pre-set or determinable sums of money) or non-monetary (inventories, work in progress, advances to suppliers of goods and/or services, goodwill, intangible assets etc.) are initially recognised at the exchange rate in force on the transaction date. The monetary items are subsequently translated into the operating currency on the basis of the exchange rate on the reporting date, and the resulting differences are recognised in the income statement. With regard to the latter it should be pointed out that the exchange rate differences are classified on the income statement, on the basis of the type of equity item that has generated them.
The non-monetary items are kept at the translation rate at the transaction date, except in the end of an ongoing unfavourable trend in the reference exchange rate. The exchange rate differences relating to non-monetary items are recognised (income statement or equity) in the same way as changes in the amounts of these items.
The rules for translating financial statements expressed in foreign currency into the presentation currency are as follows:

- The assets and liabilities recognised in financial statements are translated at the exchange rate on the reporting date;
- Costs and revenue, income and charges recognised in the financial statements are translated at the average exchange rate for the year, or at the exchange rate on the transaction date should this differ significantly from the average rate;

- Equity items, excluding profit for the year, are translated at historical exchange rates;
- The "translation reserve" includes both the translation differences generated by translation of income statement items at a different exchange rate from the year-end rate, and those generated by translation of opening equity balances at a different exchange rate from the year-end rate.

There follow the main exchange rates used for the translation into Euro of the income statement and statement of financial position amounts of companies with operating currencies other than the Euro:

Currency	2012		2011	
	Exact	Average	Exact	Average
Dinar - Algeria	103.384	99.815	97.466	101.503
New Lev - Bulgaria	1.956	1.956	1.956	1.956
Dollar - Canada	1.314	1.285	1.322	1.376
Peso - Chile	631.729	625.073	671.997	672.468
Kroner - Denmark	7.461	7.444	7.434	7.451
Dirham – Arab Emirates	4.846	4.722	4.752	5.112
Dirham - Morocco	11.142	11.099	11.113	11.261
Rial - Oman	0.508	0.495	0.498	0.536
Nuevo Sol - Peru	3.368	3.392	3.487	3.834
Pound - UK	0.816	0.811	0.835	0.868
New Leu - Romania	4.445	4.458	4.323	4.239
Dollar - US	1.319	1.286	1.294	1.392
Lira - Turkey	2.355	2.315	2.443	2.335
Bolivar - Venezuela	5.666	5.521	5.557	5.977

These exchange rates show the amount of foreign currency required to purchase 1 Euro.
In case of economies showing hyper-inflation under the definition set forth in IAS 29, the measurement provided in this standard shall apply.

Property, plant and equipment

Property, plant and equipment are measured at purchase or production cost, net of accrued depreciation and any impairment losses. The cost includes all expenses directly incurred in order to prepare the assets for use, as well as any charges for dismantling and removal needed to restore the site to its original conditions.

Charges incurred for routine and/or cyclical maintenance are charged directly to the income statement in the financial year when incurred. Costs related to extension, renovation or the improvement of facilities owned or used by third parties are capitalised exclusively within the limits in which they can meet the requirements for separate classification as an asset or part of an asset. Financial charges incurred are capitalised when the conditions set forth in IAS 23 are met. The carrying amount of an asset is adjusted by systematic depreciation, calculated in relation to the residual possibility of its use based on its useful life. Depreciation is applied when the asset becomes available for use. The useful life estimated by the Group for the various categories of assets is as follows:

	Years
Buildings	20-33
Plant and machinery	5-10
Equipment	3-5
Other assets	5-8

Land, including land pertaining to buildings, is not depreciated.
Should the asset subject to depreciation be composed of distinctly identifiable elements, whose useful life differs significantly from that of the other components forming the asset, depreciation is calculated separately for each of the components forming the asset, applying the component approach policy.
Profits and losses deriving from the sale of assets or groups of assets are calculated by comparing the fair value, net of sales costs, with the relevant carrying amount.

Leased property, plant and equipment

Property, plant and equipment owned through finance leases, which basically transfer all the risks and benefits of ownership to the Group, are recognised in the financial statements at the effective date of the lease as Group assets at their current amount or, if lower, at the current amount of the minimum payments due for the lease, including the sum to be paid in the financial year for exercising the purchase option. The corresponding liabilities vis-à-vis the lessor are included under financial payables.
If there is no reasonable certainty that ownership of the asset shall be acquired upon expiry of the lease, the finance leased assets are depreciated over a period equal to the duration of the lease or the useful life of such asset, whichever is shorter.
Leases in which the lessor largely maintains all the risks and benefits of ownership of the assets are classified as operating leases. The charges referring to operating leases are recognised in the income statement in the financial years of the duration of the lease.

Intangible assets

Intangible assets are non-monetary items having no physical consistency, and clearly identifiable and suited to generating future economic benefits for the company. These items are recorded in the financial statements at purchase and/or production cost, including expenses that may be directly attributed during the preparation phase to bring them into operation, net of accrued amortisation (with the exception of assets with an indefinite useful life) and any impairment losses. Amortisation is calculated when the asset is available for use, and is divided systematically in relation to the residual possibility of its use, which is based on its useful life. A rate is applied which takes into account its actual use during the financial year the intangible asset is recognised for the first time.
Industrial patent rights and rights for the use of intellectual works are recorded at cost net of amortisation and impairment losses accrued over time.
Amortisation is calculated starting from the financial year in which the rights for which ownership has been acquired make the asset available for use, and takes into account the useful life (2-5 years).
Licenses and similar rights are recognised at cost net of amortisation and impairment losses accrued over time. Amortisation is calculated starting from the financial year in which the purchased right is available for use and takes into account the useful life.
Rights on infrastructures under concession, on the other hand, are amortised over the duration of the concession, with criteria reflecting the estimate of how the economic benefits will accrue to the Company. To this end, amortisation is calculated taking into account, among other things, the dynamics, when significant, of the fees receivable on the basis of estimated traffic over the duration of the concession (revenue-based method). Amortisation starts from the time when concession rights start to produce economic benefits.
Goodwill, if related to business combination transactions, is allocated to each cash-generating unit identified and recognised under intangible assets. It represents the positive difference between the cost incurred

for the acquisition of a business or a business unit and the acquired share in relation to the current amount of the assets and liabilities forming the capital of that business or business unit. Potential purchased assets and liabilities (including respective non-controlling interests) identified are recognised at their current amount (fair value) at the purchase date. The negative difference, if any, is recognised in the income statement at the time of purchase. After its initial identification, goodwill is not amortised but is tested for impairment.
Annually, or more often if specific events or changed circumstances indicate that goodwill may have been impaired, it is subjected to checking to indicate any impairment in accordance with IAS 36 (Impairment of assets).

Business combinations

At the time of the first application of IFRS-EU, the Group opted not to apply IFRS 3 (Business combinations) retrospectively to the acquisitions made before 1 January 2004.
The business combinations previous to 1 January 2010 and completed within that financial year are recognised in accordance with the provisions of IFRS 3 (2004). In particular, these combinations are recognised using the purchase method, where the acquisition cost equals fair value on the transfer date of the assets, of the liabilities incurred or undertaken, plus the costs directly attributable to the acquisition. This cost is allocated by entering the assets, liabilities and contingent liabilities identifiable for the entity acquired to the relative fair value. Any surplus of acquisition costs compared to fair value of the share in net assets attributable to owners of the parent is recorded as goodwill; if the difference is negative, it is taken to profit or loss. When the fair value of the assets, liabilities and contingent liabilities can only be calculated on a provisional basis, the business combination is recognised by using these provisional amounts. The amount of equity attributable to non-controlling interests is determined proportionally to the non-controlling share held in net assets. In business combinations undertaken in several phases, at the time of acquisition of the controlling share, the adjustments at fair value for the net assets previously owned by the purchaser are shown under equity. Any adjustments deriving from the completion of the valuation process are detected within twelve months of the acquisition date.
Business combinations after 1 January 2010 are recognised in accordance with the provisions of IFRS 3 (2008). In particular, these combinations are recognised using the purchase method, where the acquisition cost equals fair value on the transfer date of the assets, of the liabilities incurred or undertaken, plus the costs directly attributable to the acquisition, plus any capital instruments issued by the purchaser. The costs directly attributable to the acquisition are taken to profit or loss. The acquisition cost is allocated by entering the assets, liabilities and contingent liabilities identifiable for the acquired entity at fair value on the acquisition date. Any surplus between the amount of the assets transferred, and the amount of any non-controlling interests, compared to the net amount of assets and liabilities identifiable in the acquisition, measured at fair value, is recognised as goodwill; or, if the balance is negative, in the income statement. The amount of non-controlling interests is determined proportionally to the non-controlling share held in net assets identifiable in the acquisition, or their fair value on the acquisition date.
When the fair value of the assets, liabilities and contingent liabilities can only be calculated on a provisional basis, the business combination is recognised by using these provisional amounts. Any adjustments deriving from the completion of the valuation process are detected within twelve months of the acquisition date, with adjustment of corresponding figures.
In business combinations undertaken in several phases, at the time of acquisition of the controlling share, the net assets previously owned by the purchaser are adjusted at fair value, and any differences (positive or negative) are shown in the income statement.

Temporary allocation of purchase price of the assets acquired and the liabilities undertaken by the Busi Impianti business unit

At the end of July 2012, the definitive deed of purchase was signed for the business unit BUSI IMPIANTI, already managed on a lease basis by NBI, a wholly-owned subsidiary of ASTALDI S.p.A. The deed of purchase consolidates the effects of a transaction started in September of last year with the purpose of: (i) strengthening the ASTALDI GROUP in a sector (plant, facility management) complementary to its current activities, but also (ii) to guarantee major industrial and commercial synergies for the group, and bring top level professional skills. The specific skills of BUSI IMPIANTI in the plant and maintenance sector, together with the volumes of business and the business management capacities of ASTALDI have already completed the range and the know-how available in the Group, thus reinforcing its capacity to offer integrated solutions.
The current amount of assets and liabilities acquired has been identified on the basis of an estimate undertaken by an independent expert. The final result of these valuations involved a reduction of Euro 3,173 thousand in the carrying amount of assets acquired.
The following table, for the purposes of the process of Purchase Price Allocation (PPA), summarises the fair values of the assets acquired and the liabilities undertaken at the time of purchase of the business unit:

Assets	(thousands of euro)
Property, plant and machinery	102
Intangible assets	73
Investments	383
Receivables from customers	10,991
Trade receivables	18,233
Other assets	3,935
Cash and cash equivalents	982
Total assets	34,699
Liabilities	
Employee benefits	197
Trade payables	15,524
Current tax liabilities	864
Provisions for risks and charges	797
Other liabilities	15,555
Total Liabilities	32,937
Net Assets acquired	1,762
Non-controlling interests	66
Cost of business combination	13,330
Goodwill	(11,634)

Considering the possible developments in the reference market and the current and expected orders, the difference between the cost of combination and the fair value of the assets and liabilities acquired has been provisionally recognised under "goodwill" under the assumption, which has been confirmed, that the amount can be recovered pursuant to IFRS 3 (application of IAS 36).
The Group intends to avail itself of the 12-month period provided by IFRS 3 for the final definition of PPA, and in any case, although this option has been used, no significant differences are expected from the final allocation of the fair values to the assets and liabilities acquired.
It should also be pointed out, pursuant to the information provided under IFRS 3 App.B64 (k) that in this case, goodwill paid on a monetary basis with the purchase of the business unit and directly recognised in the financial statements of NBI, is fiscally relevant under the current system in Italy.
The Italian tax system provides for the deduction at the time of income tax returns of the goodwill over a minimum of 18 financial years, and consequently, as provided for under IAS.12 par. 21 b, the deferred taxation due to the difference between the carrying amount of goodwill (subject to impairment) and the relative tax value (amortised off the books) was recognised in 2012.
With reference to the identification of non-controlling interests in the investees acquired with the business unit, it is pointed out that these have been determined with the same criteria used for the determination of the fair value of the net assets attributable to owners of the parent.
There follows a table showing the amount of liquid assets used for the purchase:

	(thousands of euro)
Cost of business combination	13,330
Deduction of liquid assets acquired	(982)
Deduction of payables to the seller	(13,330)
Liquid assets net of the assets acquired and utilised (received) for the purchase	(982)

It is furthermore pointed out that pursuant to IFRS 3 the impact on the consolidated income statement of the acquisition of the company business unit is substantially in line with what would have occurred if conducted under the lease started in September 2011.

Provisional allocation of the purchase price for the assets acquired and the liabilities undertaken with regard to the company T.E.Q. Construction Enterprise Inc.

On 31 October 2012, to consolidate its recent entry onto the Canadian market, the Astaldi Group, through Astaldi Canada Inc., purchased from Groupe Stel Inc. the entire share capital of the company T.E.Q. Construction Enterprise Inc.
T.E.Q. is a company registered under Canadian law, and since the 1970s it has operated in the construction and project management sector; its annual sales are approximately 50 million Canadian dollars.
The transaction, in line with the commercial development policies usually adopted, by which entry in new markets also takes place through partnerships and/or acquisitions of local partners, will enable the Astaldi Group to have an operational presence equipped to take immediate advantage of the major opportunities available on the market.
The following table, for the purposes of the Purchase Price Allocation (PPA) process, summarises the fair values of the assets acquired and the liabilities undertaken at the time of purchase of the Company translated at the Euro/Canadian Dollar exchange rate of 31/10/2012 equalling 1.3005.

Assets	(thousands of euro)
Property, plant and machinery	151
Trade receivables	14,705
Other assets	1,582
Cash and cash equivalents	1,741
Total assets	18,180

Liabilities	
Trade payables	15,936
Other liabilities	2,243
Total Liabilities	18,180

Net Assets acquired	0
Non-controlling interests	0
Cost of business combination	3,111
Goodwill	(3,111)

It is pointed out that the purchase price of 2 million CAD is subject to adjustments if certain income targets are achieved in the coming years.
The potential amounts (contingent consideration) totalling an overall maximum of another 2 million CAD, to be calculated with reference to the targets defined on EBITDA figures resulting from the financial statements of the subsidiary for each of the years between the effective date of the agreement and the 31 July 2015 "Final Period", have been calculated at the fair value on the purchase date and included in the cost of business combination in accordance with IFRS 3.
Considering the possible developments in the reference market and the current and expected orders, the difference between the cost of combination and the fair value of the assets and liabilities acquired has been provisionally recognised under "goodwill" under the assumption, which has been confirmed, that the amount can be recovered pursuant to IFRS 3 (application of IAS 36).
The Group intends to avail itself of the 12-month period provided by IFRS 3 for the final definition of PPA, also in the light of the fact that the cost of the business combination is in any case subject to the occurrence of the events referred to in the previous sections, and in any case, although this option has been used, no significant differences are expected from the final allocation of the fair values to the assets and liabilities acquired.
It should also be pointed out, pursuant to the information provided under IFRS 3 App.B64 (k) that in this case, goodwill is only recognised in the Group's consolidated financial statements and is not fiscally relevant in Italy.
There follows a table showing the amount of liquid assets used for the purchase:

	(thousands of euro)
Cost of business combination	3,111
Deduction of liquid assets acquired	(1,741)
Deduction of payables to the seller	(1,903)
Liquid assets net of the assets acquired and utilised (received) for the purchase	(533)

The following table shows the main income statement figures of the Company recorded starting from the purchase date up to the end of the year:

	(thousands of euro)
Revenue	19,359
Operating costs	(18,865)
Operating profit	494
Financial income	3
Pre-tax profit	497
Taxes	(125)
Profit	372

It is furthermore pointed out that pursuant to IFRS 3, the revenue from the company in question that would have been recorded if the purchase date had occurred at the beginning of the relevant financial year, would have been Euro 43,153 thousand and the profit Euro 1,294 thousand.

Investment property

Investment property is recognised as an asset when it is held for the purpose of receiving rent or appreciation of the invested capital, provided that the cost of the asset can be reliably established and the relevant economic future benefits can be used by the company.
Investment property is measured at purchase or production cost, increased by any additional costs, net of accrued depreciation and any impairment losses.
The useful life of the property is between 20 and 33 years.
Investment property is eliminated from the financial statements when transferred or when the investment is unusable in the long-term and no future economic benefits are expected from its transfer.

Impairment losses on intangible assets and property, plant and equipment

Assets with an indefinite useful life are not subject to amortisation or depreciation, but are subjected to an impairment test, at least once a year. Such test checks the recoverability of the amount recognised in the financial statements. For assets subject to amortisation and depreciation, the presence of any indicators leading to the possibility of impairment is assessed; consequently the realisable amount of the asset is estimated. Such amount is defined as the greater between the fair value net of costs to sell and the asset's value in use, with any surplus recognised in the income statement.
Should the prerequisites for the previously performed impairment cease to exist, such impairment loss is reversed within the limits of the carrying amount of the asset had such impairment loss not been recognised. Any reversal of impairment loss is taken to profit or loss. Conversely, impairment losses on goodwill or an intangible asset with an indefinite useful life are never reversed.
When the recoverable value of an individual asset cannot be estimated, the Group estimates the recoverable value of the cash generating unit to which it belongs.
It is pointed out that in 2012 the impairment procedures, conducted in accordance with IAS 36, did not lead to any need to apply impairment to property, plant and equipment, intangible assets and investments.

Agreements for concession activities

Agreements for concession activities, in which the authority granting the concession is an entity of the public sector and the concessionaire is an entity of the private sector, fall under the application of IFRIC 12 if the following conditions occur:

- The authority granting the concession controls or regulates the services that the concessionaire must provide with the infrastructure, to whom it must supply them and at what price;
- The authority granting the concession controls any remaining interest in the infrastructure at the expiry date of the agreement through its ownership or in another way.

In accordance with IFRIC 12, the right to use the infrastructure (asset under concession) to supply the service is not recorded under property, plant and equipment but as:

- A financial asset, when there is an unconditioned right of the concessionaire to receive a payment regardless of the actual use of the infrastructure;
- An intangible asset, when there is a right to charge the users for the use of the public service;
- As both an intangible asset and a financial asset (so-called "mixed method") when the concessionaire is paid for the construction of the infrastructure with both of the above forms. In this case the intangible asset is calculated as the difference between the fair value of the investment made and the amount of the financial asset obtained by the discounting of cash flows deriving from the minimum guaranteed amount.

For the measurement of the current amount of the minimum guaranteed amounts, it is pointed out that the discount rates applied by the Group for concession agreements incorporate both the time value component and the counterpart risk. The current amount measured in this way (fair value of minimum guaranteed amount) is then compared with the fair value of the construction service and, when higher, is entirely recorded at the current amount under financial assets and subsequently measured at amortised cost; when lower, the difference is recorded under intangible assets. The intangible asset is then amortised over the duration of the concession in accordance with the provisions of IAS 38. There follows a table summarising the concessions of the Astaldi Group in which IFRIC 12 is applied.

Concessions deriving from subsidiaries

Type of Concession: Car Parks

Investee holding the concession	Authority granting the concession	Purpose of concession	Expiry of concession
Astaldi Concessioni S.r.l.	Municipality of Turin (Porta Palazzo Car Park)	Design, construction and management of a multi-storey car park	Year: 2076
	Municipality of Turin (Corso Stati Uniti Car Park)	Design, construction and management of a multi-storey car park	Year: 2079
	Municipality of Bologna (Piazza VIII Agosto Car Park)	Design, construction and management of a multi-storey car park.	Year: 2058
	Municipality of Bologna (ex – Manifattura Tabacchi Car Park)	Design, construction and management of a multi-storey car park.	Year: 2040
	Municipality of Verona (Cittadella Car Park)	Design, construction and management of a multi-storey car park.	Year: 2048

Type of Concession: Airports

Group Company holding the concession	Authority granting the concession	Purpose of concession	Expiry of concession
Mondial Milas-Bodrum A.S.	DHMI	Design, construction and management of the new international terminal at the Bodrum Airport (Turkey)	Year: 2015

Concessions from jointly-controlled entities

Type of concession: Healthcare

Investee holding the concession	Authority granting the concession	Purpose of concession	Expiry of concession
Veneta Finanziaria Finanza di Progetto S.p.A.	ULSS 12 Veneziana	Design, construction and management of non-core services of the Nuovo Ospedale in Mestre	Year: 2032
Ankara Etlik Hastane Saglik Hizmetleri Isletme Yatirim A.S.	Turkish Ministry of Health	Design, construction and management of non-healthcare and commercial services at the new Etlik hospital complex. The facility will include six separate hospitals, providing a total of over 3,500 beds.	Year: 2041

Concessions deriving from associaties

Type of Concession: Hospitals

Investee holding the concession	Authority granting the concession	Purpose of concession	Expiry of concession
S.A.T. S.p.A.	ASL 1,2,3,4 Tuscany	Design, construction and management of the non-core services of the 4 new hospitals of Apuane, Lucca, Pistoia and Prato (*)	Year: 2033

Type of Concession: Underground

Group company holding the concession	Authority granting the concession	Purpose of concession	Expiry of concession
M 4 S.p.A.	Municipality of Milan	Design, performance of civil and technological works and management of the new line 4 of the Milan Underground, in the section San Cristoforo – Linate. The new line will be 15.2 km long, with 15 stations	Year: 2042
M 5 S.p.A.	Municipality of Milan	Design, performance of civil and technological works and management of the new line 5 of the Milan Underground, in the section Bignami - Garibaldi. The new line will be 4.9 km long, with 9 stations	Year: 2040
M 5 Lilla S.p.A.	Municipality of Milan	Design, performance of civil and technological works and management of the Milan Underground line in the section Garibaldi - San Siro which will be 7 km long with 10 stations	Year: 2040

Type of Concession: Motorways

Group company holding the concession	Authority granting the concession	Purpose of concession	Expiry of concession
Otoyol Yatirim Ve Isletme Anonim Sirketi	KGM	Design, construction and management of the motorway between Gebze and Izmir (Turkey). The work is the most important project in the motorway sector ever conducted in the country, and involves the construction of 431 km of new motorway and a suspension bridge about 3 km long over the Marmara Sea.	Year: 2034

Investments

The investments in companies other than subsidiaries, associates and joint ventures, for which the consolidation scope should be referred to (generally with share of less than 20%) are classified, at the time of purchase, under "investments" classifiable in the category of financial instruments available for sale as defined in IAS 39, are initially recognised at cost recorded on the settlement date, as representative of fair value, inclusive of directly assigned transaction costs.
After initial accounting entry, these investments are measured at fair value, if this can be determined, with recording of the effects in the statement of comprehensive income and therefore in a specific equity reserve. At the time of disposal or the recording of impairment, the profits and losses accrued in this reserve are reclassified in the income statement.
Impairment losses, if any, are reversed in other comprehensive income if the reasons for impairment have been eliminated.
If the fair value cannot be reliably determined, investments classified under financial instruments available for sale are measured at cost, adjusted for impairment.

Inventories

Inventories are recognised at cost or the net realisable value, whichever is lower. The amount of inventories is calculated, at the time of its recognition, at the weighted average cost, applied to homogenous categories of assets. The cost includes all charges related to purchase and transformation and all other costs incurred to bring inventories to the site where being used and in the conditions to be suitable for the production process.

Construction contracts

Contract work in progress is recognised in accordance with the percentage of completion method, calculated by applying the cost to cost criterion.
This measurement reflects the best estimate of works performed at the reporting date. Assumptions, underlying measurements, are periodically updated. Any income statement effects deriving therefrom are accounted for in the year in which such update is made.

Contract revenue includes:

The contract amounts agreed, changes in works, price reviews and incentives, to the extent to which these are likely to be reliable, with application of the conditions set forth in IAS 11 "construction contracts". In this regard they refer to:

- Specific legislation regarding public works and international legislation;
- Contract clauses;
- The status of negotiations with the customer and likelihood that these negotiations will have a positive result;
- When necessary due to the complexity of specific situations, technical-legal studies also conducted with external consultants, to confirm that the measurements made are reliable.

Contract costs include:

All costs that refer directly to the contract, costs that may be attributed to contract activity in general and that may be allocated to such contract, as well as any other costs that may be specifically charged to the customer on the basis of contract clauses.
Such costs moreover include:

- Pre-operating costs, i.e. the costs incurred during the initial phase of the contract prior to the start of construction activity (tender preparation costs, design costs, organisation and production start-up costs, construction site installation costs), as well as
- post-operating costs incurred after completion of the contract (site removal, return of equipment/machinery to base, insurance, etc.), and additionally
- Costs for services to be performed after the completion of works, remunerated in the contract referring to the project activity (for example, periodic maintenance, assistance and supervision during the first phase of operation of individual works).

It is likewise pointed out that contract costs include financial charges, as allowed by the amendment to IAS 11 in connection with the IAS 23, resulting from financing specifically referred to works carried out. Indeed, during the call for tenders, specific terms of payment are defined on the basis of legal conditions that require the Group to perform structured financing transactions on the contract's invested capital, the relative charges have an impact on the calculation of contract fees.
Should it be forecasted that completion of a contract may generate a loss, this shall be entirely recorded in the financial year when reasonably expected.
When the outcome of a long-term contract cannot be reasonably estimated, the amount of work in progress is calculated on the basis of costs incurred, assuming it is reasonably expected that such will be recovered without recognition of the margin.
When favourable or unfavourable events attributable to present situations at the reporting date occur after such date, the amounts recognised in the financial statements are adjusted to reflect the consequent income statement and statement of financial position effects.
Contract work in progress is presented net of any allowance for impairment and/or losses on contracts, as well as of any advances for the contract in progress.
In this regard, it is noted that invoiced amounts related to individual progress reports (Advances) reduce the gross contract amount, if the latter is higher, and any surplus is recognised under liabilities. On the other hand, invoiced advances are considered as financial transactions and are not relevant for the purpose of revenue recognition. Therefore, since advances represent simple financial events, these transactions are always recognised among liabilities insofar as received not as consideration for works carried out. However, such advances are progressively decreased, usually by virtue of contract agreements, to offset invoicing of the contract.
With reference to the allowance for losses on contracts, it is noted that if such allowance exceeds the contract amount recognised among assets, such excess is recorded under "Payables to customers".

Such analyses are carried out on a contract-by-contract basis: in the case the differential is positive (due to work in progress being greater than the amount of advances), such amount is classified among assets under "Receivables from customers"; on the other hand, in case this differential is negative, the amount is classified among liabilities, under "Payables to customers".

Receivables and financial assets

The Group classifies financial assets in the following categories:
- Assets at fair value through profit or loss;
- Receivables and loans;
- Held to maturity investments;
- Financial assets available for sale.

Classification depends on the reasons why the asset was acquired, the nature thereof and the valuation made by management at the purchase date.
All financial assets are initially measured at fair value, increased by additional charges in the case of assets other than those classified at fair value through profit or loss.
The Group determines the classification of its own financial assets after initial recognition and, if appropriate and allowed, reviews such classification at the end of each financial year. In this regard, it is noted that during 2012, as in the previous year, the categories adopted were receivables and loans and assets at fair value through profit or loss; the latter includes derivatives and some securities of a minor amount.

Financial assets at fair value through profit or loss

This category includes financial assets acquired for short-term trading or financial assets originally designated for this purpose by management. Assets held for trading include all assets purchased in order to be sold in the short term. Derivatives, including separated derivatives, are classified as held-for-trade financial instruments unless designated as effective hedging instruments. Gains or losses on assets held for trading are recognised in the income statement. Upon initial recognition, financial assets may be classified as financial assets at fair value through profit or loss, if the following conditions are met: (i) the designation eliminates or significantly reduces the inconsistency of recognition which would arise by measuring the assets or entering gains and losses generated by such assets in accordance with a different criterion; or (ii) the assets are part of a group of managed financial assets and their return is measured on the basis of their fair value, in accordance with a documented risk management strategy.

Receivables and loans

This category includes assets which are not derivatives and that are not quoted in an active market, from which fixed or calculable payments are expected. Such assets are measured at the amortised cost based on the effective interest rate method. Any impairment losses calculated through the impairment test are recognised in the income statement. These assets are classified as current assets, except for portions whose terms expire after more than 12 months, which are included within non-current assets.

Held to maturity investments

This category includes assets which are not derivatives, with a pre-set maturity and for which the Group has the intention and capacity to hold to maturity. Such assets are measured at the amortised cost based on the effective interest rate method. Assets with a contract maturity within the subsequent 12 months are included under current assets. Any impairment losses calculated through the impairment test are recognised in the income statement.

Financial assets available for sale

This category includes financial assets which are not derivatives and that have been designated as such or are not classified in any of the three previous categories. They are measured at fair value, with impairment losses shown against a specific equity reserve ("reserve for assets available for sale"). This reserve is recognised in the income statement only when the financial asset is effectively transferred, or if there is real evidence that it has undergone a significant impairment loss. Its classification as a current or non-current asset depends on the intentions of management and the real negotiability of the asset; items expected to be realised in the subsequent 12 months are recorded under current assets.

Impairment losses on financial assets

At the end of each financial year the Group verifies whether any financial asset or group of financial assets were impaired according to the following criteria.

Assets measured at amortised cost

If there is actual evidence that financing or a receivable recognised at amortised cost might be impaired, an impairment test is performed in order to determine the difference between the carrying amount of the asset and the current amount of estimated future cash flows (excluding losses on future bad debts not yet incurred) discounted by the initial actual rate of interest of the financial assets (i.e. the actual interest rate calculated at the date of initial recognition). The carrying amount of the asset will be reduced by application of an allowance. The amount of the loss will be recognised in the income statement.
In particular, with reference to trade receivables, impairment losses are recorded when there is evidence, largely based on the nature of the counterpart, that there is no possibility of collecting such receivables due under the original conditions. If, subsequently, the amount of impairment losses decreases, and such decrease can be objectively referred to an event occurred after the impairment recognition, the previously impaired amount may be reversed. Any subsequent

reversals of impairment losses are recognised in the income statement, to the extent in which the asset's carrying amount does not exceed the amortised cost at the date of reversal.

Financial assets available for sale

In the case of impairment losses on a financial asset available for sale, an amount corresponding to the difference between its cost (net of repayment of capital and amortisation) and its current fair value is deducted from equity and recognised in the income statement, net of any impairment loss previously recognised in the income statement.
Reversals of impairment losses relating to investments classified are available for sale are not recognised in the income statement. Reversals of impairment losses relating to debt instruments are recognised in the income statement if the increase in the instrument's fair value may be objectively attributed to an event which occurred after the impairment losses were recognised in the income statement.

Derivatives

Derivatives are usually considered as instruments suitable for hedging and effective in neutralising the risk of underlying assets or liabilities or Astaldi Group undertakings, except when they are classed as assets held for trading and measured at fair value through profit or loss.
In particular, the Group uses derivatives within the context of hedging strategies aimed at neutralising the risk of fluctuations of cash flows expected with regard to contractually defined or highly probable transactions (cash flow hedge). In particular, fair value fluctuations of derivatives designated as cash flow hedges and qualified as such are recognised, limited to the "effective" share only, in a specific reserve charged to the statement of comprehensive income ("hedging reserve"), which is then recognised in the income statement when the economic effects of the hedged item arise. The difference in fair value referable to the ineffective share is immediately recognised in the income statement for the year. If the derivative instrument is transferred or no longer qualifies as an effective hedge against the risk for which the transaction had been made, or the occurrence of the underlying transaction is no longer considered highly probable, the relative share of the "hedging reserve" is immediately reversed to the income statement. These derivatives are initially recognised at fair value at the stipulation date; subsequently, such amount is periodically adjusted. Derivative instruments are recognised as assets when the fair value is positive, and as liabilities when the fair value is negative. Possible gains or losses deriving from changes in the fair value of derivatives not suitable for hedge accounting are recognised directly in the income statement during the year. The effectiveness of hedging transactions is documented both at the start of the transaction and periodically (at least at every date of publication of financial statements or interim reports), and is measured by comparing the changes in the fair value of the hedging instrument with those of the hedged item, or, in the case of more complex instruments, through statistical analyses based on risk fluctuation.
It is pointed out that the Group does not stipulate derivative contracts for speculative purposes. However, not all derivative transactions carried out for risk hedging purposes are recognised according to the rules of hedge accounting.

Calculation of fair value

The fair value of instruments listed on public markets is calculated with reference to the bid prices at the reference date of the period in question. The fair value of non-listed instruments is measured with reference to financial valuation techniques. Specifically, the fair value of interest rate swaps is measured by discounting the expected cash flows, while the fair value of foreign exchange forwards is calculated on the basis of market exchange rates at the reference date, and the rate differentials between the currencies in question.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised from financial statements when:

- The rights to receive cash flows from the asset have expired;
- The right to receive cash flows from the asset is retained, but according to contractual obligations such cash flow has to be paid immediately and entirely to a third party;
- The Group transferred the right to receive cash flows from the asset and the Group: (a) has substantially transferred all risks and benefits deriving from ownership of the financial asset, or (b) has neither transferred nor kept all the risks and benefits deriving from the asset, but has transferred the control of the asset.

When the Group has transferred the rights to receive cash flows from an asset and has neither transferred nor kept all the risks and benefits or has not lost the control of the asset, the asset is recognised in the Group's financial statements to the extent of the Group's residual involvement in the asset itself. The residual involvement which, by way of example, is represented by a guarantee on the transferred asset, is measured at the initial carrying amount of the asset or the maximum amount of the consideration the Group may be required to pay, whichever is lower.

Financial liabilities are derecognised from the financial statements when the obligation underlying the liability expires, is cancelled, or discharged. In the cases where an existing financial liability is replaced by another liability from the same lender, under substantially different conditions, or the conditions of an existing liability are substantially changed, such replacement or change is considered as derecognition of the original liability and recognition of a new liability with the consequent entering in the income statement of any differences between carrying amounts.

Hierarchical levels for fair value measurement of financial instruments

With regard to the instruments measured at fair value recognised in equity, under IFRS 7 "Financial instruments: disclosures" such instruments must be classified on a hierarchy of levels reflecting the significance of the inputs used in calculating fair value.
The standard distinguishes the following levels for financial instruments measured at fair value:

a) Level 1 – when the prices are recorded on an active market;
b) Level 2 – when the amounts, different from the quoted prices in the previous point, can be observed directly (prices) or indirectly (derived from prices) on the market;
c) Level 3 – when the amounts are not based on observable market data.

No transfers between different levels of the hierarchy of fair value have ever occurred.

Cash and cash equivalents

These include cash, deposits or other amounts with banks or other financial institutions, available for current transactions, postal current accounts, and other equivalent securities, as well as investments with terms expiring within three months of the purchase date. Cash and cash equivalents are recognised at fair value, which normally corresponds to their nominal value.

Equity

Share capital

The share capital is the Parent's subscribed and paid up capital. Costs strictly related to share issues are classified as reducing the share capital when such costs are directly attributable to the capital transaction.

Treasury shares

Treasury shares are recognised as a reduction of equity. Specifically, the nominal value of treasury shares is recognised as a reduction of the issued share capital, while the excess of the purchase value compared to the nominal value is carried-over to reduce other reserves as resolved at the Shareholders' Meeting. Therefore, profits or losses relating to the purchase, sale, issue, or cancellation of treasury shares are not recognised in the income statement.

Retained earnings

This includes the profits or losses of the previous financial years for the part not distributed or allocated to reserves (in case of profit) or balanced (in case of loss).

Other reserves

These are reserves deriving from first application of international financial reporting standards and other equity reserves (such as stock grant reserve).

Other comprehensive income

The item includes the hedging reserve related to the fair value of hedging derivatives related to the effective component and the translation reserve.

Financial liabilities

Financial liabilities are initially recognised in the financial statements at fair value net of transaction costs, and are subsequently measured at their amortised cost.
Any difference between the sum received (net of transaction costs) and the nominal value of the payable is recognised in the income statement by applying the actual interest rate method.
Financial liabilities are classified as current liabilities unless the Group has the contractual right to fulfil its obligations at least more than 12 months after the reporting date.
It is noted that the Group has not designated any financial liability at fair value through profit or loss.

Trade payables and other payables

Trade payables, whose term of expiry falls within the normal commercial terms, are not discounted and are recognised at cost (identified by their nominal value).

Tax expense

Current taxes

Current taxes for the year and those of previous years are recognised at the amount expected to be paid to the tax authorities. Tax rates and tax laws used to calculate the amount are those substantially issued at the reporting date in the individual countries where the Group operates.

Deferred taxes

Deferred taxes are calculated by adopting the so-called liability method, applied to the temporary taxable or deductible differences between the amount of assets and liabilities recognised in the financial statements and the taxable amount.
Deferred tax liabilities are recognised against all temporary taxable differences, except when:

- Deferred tax liabilities derive from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and which at the moment of the transaction does not affect the profit for the year, calculated for the purpose of the financial statements, or the profit or loss calculated for tax purposes;
- Temporary taxable differences related to interests in subsidiaries, associates and joint ventures, the reversal of the temporary differences may be checked and it is likely that it will not occur in the future.

Deferred tax assets are recognised against all deduct-

ible temporary differences and for tax losses carried forward, to the extent to which sufficient future tax profits that can make its use applicable are likely, except when the deferred tax asset results from initial recognition of an asset or liability in a transaction that is not a business combination and that, at the moment of the transaction, does not affect the profit for the year, calculated for the purpose of financial statements, or the profit or loss calculated for tax purposes. The amount of deferred tax assets to be recognised in the financial statements is reassessed at each reporting date and reduced to the extent in which sufficient future tax profits are no longer likely, in order to allow all or part of the credit to be used. Deferred tax assets that are not recognised are reassessed on an annual basis at the reporting date, and are recognised to the extent to which it is likely that the tax profit is sufficient to allow the deferred tax assets to be recovered.
Deferred tax assets and liabilities are measured on the basis of tax rates expected to be applied for the period in which such assets will be realised or such liabilities will be discharged, considering the rates in force and those already substantially issued at the reporting date.
Deferred tax assets and liabilities are offset in the event of a legal right to offset current tax assets with current tax liabilities and when the deferred taxes refer to the same tax and the same tax authority.
Tax expense (deferred and current) directly related to equity items are recognised under equity and not in the income statement.

Employee benefits

Post-employment benefits

At 31 December 2006, post-employment benefits (TFR) of Italian companies were considered to be a defined benefit plan. The rules in this regard were changed by Law no. 296 27 December 2006 (2007 Finance Law) and subsequent decrees and regulations issued in the early months of 2007. Following these changes, and with particular reference to companies with more than 50 employees, this system is now considered to be a defined benefit plan exclusively for the amounts accrued up to 1 January 2007 (and not yet paid out at the reporting date), while after that date it is considered to be a defined contribution plan.
Post-employment benefits, recorded in the Group's statement of financial position, net of advances paid out, if any, therefore reflect: (i) for companies with over 50 employees, the residual obligation of the Group regarding benefits accrued to employees up to 31 December 2006 to be settled upon termination of employment; (ii) for the other companies, the progressive amount of benefits payable to employees and allocated over their period of employment, recorded on a time basis according to the employment services required to obtain such benefits.
In defined benefit plans, the valuation of amounts payable is based on actuarial calculations made by independent actuaries. Furthermore, for calculating actuarial profits and losses, the Group, in accordance with para. 95 of IAS 19, has chosen the corridor method.
Liabilities from benefits guaranteed to employees through defined benefit plans are recorded for the amount accrued at the end of the year, measured in accordance with IAS 19, and not yet paid out.

Cash-settled, share-based payments

The Parent has set up an incentives scheme for top management (CEO and general managers), linked to their achievement of specific financial targets and falling within the scope of IFRS 2. Specifically, the scheme offers the CEO the free disbursement of Astaldi shares marked by a lock up period lasting three years, while the others are assigned, free of charge, Astaldi shares, meaning the disbursement - again free of charge - of a package consisting of shares and cash. The scheme assignment cycle for all beneficiaries refers to the 2010-2012 three-year period. The beneficiaries will be entitled to what is specified above on every date of approval of the financial statements of the years indicated, and they must reach targets.

Provisions for risks and charges

The provisions for risks and charges are recognised when at the reporting date there is a current obligation (legal or implicit) resulting from a past event, the outflow of resources to settle the obligation are likely and a reliable estimate of the obligation can be made. The provisions are recognised at the amount representing the best estimate to settle the obligation or to transfer it to third parties at the reporting date. If the effect of discounting the cash outflow is significant, the amounts allocated are calculated by discounting the future expected financial flows at a pre-tax discount rate that reflects the current market valuation. When discounting is performed, the increase in the provision is recognised as a financial charge in the income statement.

Revenue other than contract work in progress

Revenue is measured at the fair value of the payment received, taking into account any discounts and reductions linked to quantities.
Revenue related to the sale of goods is recognised when the company has transferred the significant risks and benefits connected with ownership of the assets to the buyer, which in many cases coincides with transferring ownership or possession to the buyer, and the amount of the revenue may be reliably calculated.
Revenue from the supply of services rendered is recognised, when it can be reliably estimated, on the basis of the percentage-of-completion method.

Government grants

Government grants are recognised when there is reasonable certainty that such grants will be received and all the conditions relating thereto are satisfied. When the grant relates to cost items, it is deferred and systematically released over the years to the income statement in such proportion that it offsets the corresponding costs. In the case the grant is linked to an asset, the grant's fair value is recognised as a reduction of the asset. The grant is accrued among liabilities should the underlying asset not be in operation or should it be under construction, and the relative amount is not included in the carrying amount of the asset.

Financial charges

Interest is recognised on an accruals basis in accordance with the effective interest method by using the interest rate that makes all incoming and outgoing flows (including premiums, discounts, commissions, etc.) related to such transaction financially equivalent. Financial charges are capitalised in accordance with provisions set out by IAS 23.

Dividends

Dividends are recognised when the right arises from shareholders to receive the payment that normally corresponds to the dividend distribution approved at the Shareholders' Meeting. Distribution of dividends to the shareholders is recorded as a liability in the financial statements for the period in which the distribution thereof is approved at the Shareholders' Meeting, and reflected as an equity change.

Costs

Costs are recognised on an accruals basis and on the basis of the Group companies' ability to continue as a going concern.

Earnings per share

Basic earnings per share are calculated by dividing the share of the Group's profit attributable to ordinary shares by the weighted average of outstanding ordinary shares, excluding treasury shares.
Diluted earnings are calculated by adjusting the denominator of the ratio with the effect of the potential ordinary shares coming from the Stock Grant schemes.

Use of estimates

Preparing the financial statements and notes in compliance with IFRS requires the formulation of estimates and assumptions affecting the carrying amounts of assets and liabilities and the disclosure regarding potential assets and liabilities. In the light of the Banca d'Italia/CONSOB/Isvap Joint Document no. 2 of 6 February 2009 it should be pointed out that such estimates are based on the most recent information available to top management at the time of preparing these financial statements, the reliability of which is, therefore unprejudiced. Estimates are used, among other things, to record the allowance for impairment and provisions for contract revenue, amortisation and depreciation, impairment losses, employee benefits, taxes, other accruals and provisions. The final results may differ from these estimates. Estimates and assumptions are periodically reviewed and the effects of all changes are reflected in the income statement of the period when the change occurred.

Newly issued accounting standards and interpretations with EU approval

Standards and interpretations effective at 1 January 2012

There follows a summary of the new EU Regulations effective at 1 January 2012, and introducing changes to the existing standards and new interpretations.

EU regulations	Contents
Regulation (EU) 1205/2011 of the Commission of 22 November 2011, published in the Italian Official Gazette L 305 of 23 November 2011	Financial instruments: additional information–transfers of financial assets

The innovations have not involved significant changes in terms of measurement, identification and presentation of income statement and statement of financial position components.

Standards and interpretations approved during 2012 and not adopted by the Group on an early basis

EU regulation	Contents
Regulation (EU) 475/2012 of the Commission of 5 June 2012, published in Italian Official Gazette L 146 of 6 June 2012	Amendments to IAS 1 Presentation of items of other comprehensive income and to IAS 19 Employee benefits.

The amendments to IAS 1 are aimed at obtaining a clearer presentation of the growing number of items of other comprehensive income. This is to enable users of the financial statements to identify among the items of other comprehensive income the ones that might be reclassified subsequently in the income statement. The adoption of these amendments, applied to financial years starting after 1 July 2012, will not produce any effects with regard to the measurement of the financial statements items.
The amendments to IAS 19 involved the elimination of the option to defer the recognition of actuarial gains and losses with the corridor method, providing for their recognition among the items of comprehensive income. Furthermore, under these amendments the income statement must contain further distinctions between the items regarding employee benefits, as well as the introduction of additional new information. In accordance with the transition rules under para. 173 of IAS 19, the Group will apply this standard retrospectively starting from 1 January 2013, adjusting the opening balances of the statement of financial position at 1 January 2012 and the data of the 2012 statement of comprehensive income as if the changes to IAS 19 have always been applied. On the date of these consolidated financial statements, the Group has estimated that the adoption of the new standard starting on 1 January 2012 would have involved, on that date, a reduction of liabilities for employee benefits, and a corresponding rise in equity (Total other profits and losses) of Euro 276 thousand, while on the other hand the effect of the application of the new standard on consolidated equity at 31 December 2012 would have shown a reduction of Euro 607 thousand.

EU regulation	Contents
Regulation (EU) 1254/2012 of the Commission of 11 December 2012, published in Italian Official Gazette L 360 of 29 December 2012	Adoption of international accounting standards IFRS 10 - Consolidated financial statements, IFRS 11 - Joint arrangements, IFRS 12 - Disclosure of interests in other entities, amendments to IAS 27 – Separate financial statements and IAS 28 – Investments in associates and joint ventures.

The aim of IFRS 10 is to provide a single reference standard to follow for drawing up the consolidated financial statements, and involves checking as the basis for the consolidation of all types of entities. IFRS 10 replaces IAS 27 – *Consolidated and separate financial statements* and SIC 12 Interpretation – *Special purpose entities*.

IFRS 11 lays down the standards of accounting entries for jointly controlled entities and replaces IAS 31 *Interests in joint ventures* and SIC-13 *Jointly controlled – Non-monetary contributions by venturers*.

IFRS 12 combines, reinforces and replaces the disclosure requirements for subsidiaries, jointly controlled entities, associates and non-consolidated structured entities.

Following these new IFRSs, the IASB has also issued the amended IAS 27, regarding only the separate financial statements, and the amended IAS 28 in order to apply the provisions introduced by IFRS 11 on Joint Ventures.

The new standards will be applicable at the latest from the starting date of the first financial year beginning after 1 January 2014.

Also in relation to the decisions expected from the authorities and bodies having jurisdiction, the valuations have yet to be made on the income statement and statement of financial position impact on the consolidated accounts that could derive from the application of the new standards, above all with particular reference to IFRS 11.

EU regulation	Contents
Regulation (EU) 1255/2012 of the Commission of 11 December 2012, published in Italian Official Gazette L 360 of 29 December 2012	Amendments to IFRS 1 First-time adoption of International Financial Reporting Standards - Severe hyperinflation and removal of fixed dates for first-time adopters - to IAS 12 Income Tax – Deferred tax: recovery of underlying assets, to IFRS 13 Fair value measurements, and IFRIC 20 Stripping costs in the production phase of a surface mine.

The amendments to IFRS 1 – First-time adoption of International Financial Reporting Standards (IFRS) – aim to provide a guide to the presentation of the financial statements in accordance with the IFRS after a period of hyperinflation.

The amendments to IAS 12 – Income tax - require the measurement of deferred tax deriving from an asset depending on the way in which the carrying amount of this asset is recovered (by continuous use or by sale).

IFRS 13 establishes a single IFRS framework for fair value measurement and provides a complete guide on how to measure the fair value of financial and non-financial assets and liabilities. IFRS 13 is applied when another IFRS requests or allows fair value measurement or requests additional information on fair value measurement. The standard must be adopted prospectively from 1 January 2013.

The aim of IFRIC 20 is to provide orientation on the recognition of stripping costs.

The new Standards must be applied starting from the financial statements for years beginning from 1 January 2013.

The Company is assessing the possible impact deriving from the adoption of the new standards in terms of measurement, identification and presentation of the income statement and statement of financial position components.

EU regulation	Contents
Regulation (EU) 1256/2012 of the Commission of 13 December 2012, published in the Italian Official Gazette L 360 of 29 December 2012	Amendments to IFRS 7 Financial instruments: Disclosures — Offsetting financial assets and financial liabilities and to IAS 32 Financial instruments: Presentation — Offsetting financial assets and financial liabilities.

The Amendments to IFRS 7 aim to require additional quantitative disclosure in order to allow users to better compare and reconcile the information deriving from the application of the IFRSs and those deriving from the application of the US Generally Accepted Accounting Principles (GAAP). Furthermore, the IASB has amended IAS 32 in order to provide additional orientation to reduce incongruence in the practical application of the Standard.
The Amendments to IFRS 7 must be applied starting from the financial statements of the years starting from 1 January 2013, and further amendments to IAS 32 will be applied from the financial statements of the years starting from 1 January 2014.
In this regard, the Group is analysing the effects deriving from Amendments to IFRS 7 and IAS 32, but initial analysis shows that the impact will only be on a disclosure level.

Notes to the consolidated financial statements

1. Revenue: Euro 2,325,299 thousand (Euro 2,265,284 thousand)

Revenue from works in the year 2012 amounted to a total of Euro 2,325,299 thousand with an increase of approximately 3% compared to the previous year.
Details are provided in the following table:

(thousands of euro)	2012	2011	Change
Revenue from sales and services	879,025	292,875	586,150
Plant maintenance services	12,544	0	12,544
Concessions construction and management phase	95,740	91,186	4,553
Changes in contract work in progress	1,330,781	1,881,223	(550,441)
Final inventories of assets and plant under construction	7,209	0	7,209
Total	2,325,299	2,265,284	60,015

The item "Revenue from sales and services" shows the amounts of the works completed and accepted by the respective customers. The increase compared to last year is basically due in the domestic area to the final commissioning of the works for the New Exhibition Centre in Milan, which took place during 2012, and for the foreign sector to the completion of some contracts for water works in Central America. The item "Changes in contract work in progress" represents the amount of works undertaken in the year, but not yet completed. The decrease in the item, compared to the year 2011, reflects the entry in the item "Revenue from sales and services", thus referring to the final testing of the works for the New Exhibition Centre in Milan and the completion of some contracts for water works in Central America.
The item "Maintenance services", on the other hand, refers to activities undertaken in 2012 by the subsidiary NBI, the company operating in the sector of plant and facility management, complementary to the current activities of the Group, but also useful for guaranteeing its (i) relevant industrial and commercial synergies, and (ii) the supply of top level skills.
The item concession revenue includes:

- For Euro 65,603 thousand, construction services performed in the year, basically in the Turkish area, with particular reference to the construction of the Milas-Bodrum Airport (Euro 63,625 thousand) and the Etlik Hospital Complex in Ankara (Euro 1,285 thousand);
- A total of Euro 30,137 thousand, the amount accrued for infrastructure management services, basically pertaining to the management of the Mestre Hospital (Euro 18,088 thousand) and the management of the Milas-Bodrum Airport (Euro 11,480 thousand) started in May 2012 and with reference to a total management period set by contract at 4 years.

The item "Changes in contract work in progress" includes the increase in the carrying amount of the facility in progress in Chile (Relaves project), to be used for the treatment and recovery of the copper and molybdenum contained in the processing residue at the Codelco mines (Chilean National Copper Corporation).
Under the Relaves Project, the Chilean subsidiary Valle Aconcagua A.S., after the construction, will subsequently be entitled to manage the plant for 20 years.

Under the contract, Codelco will deliver the processing residues of the mines, agreeing to purchase the amounts of copper and molybdenum extracted, thus recovering the investment during the management period.
In the light of the above points, the Company believes that the contract terms, pursuant to IFRIC 4, constitute a lease, and has thus made the relevant accounting entries.
Revenue in terms of geographical breakdown is shown below:

(thousands of euro)	2012	%	2011	%	Change
Italy	913,932	39.30%	1,049,791	46.34%	(135,859)
Europe	788,689	33.92%	696,933	30.78%	91,756
America	355,078	15.28%	318,435	14.06%	36,643
Africa	188,904	8.12%	163,181	7.20%	25,723
Asia	78,696	3.38%	36,944	1.63%	41,752
Total	2,325,299	100.00%	2,265,284	100.00%	60,015

In connection with the geographical breakdown of revenue, we should observe a significant increase in the Central and Eastern European area due in particular to the Polish area (National Road NR-8, Line 2 of the Warsaw underground), the Russian area (Pulkovo International Airport in St. Petersburg) and the construction of the Milas-Bodrum Airport in Turkey.
The increase in the volume of revenue is also due to the American area, and thanks to the positive effect of the recent commercial entry into Canada by the Group, production was enhanced by new contracts in Peru (Huanza and Cerro de Aguila hydroelectric plant); there were also significant gains to the value of production in the area thanks to the railway contracts in Venezuela and road works in the United States.
The Asian area recorded an increase in production totalling Euro 41,752 thousand basically due to the effect of the construction of a motorway section in Oman and the growth of activities in Saudi Arabia (Railway works).
The African area likewise contributed to the increase in production (Euro 25,724 thousand), mainly due to works for the construction of the Saida - Moulay - Slissen railway in Algeria.
In the domestic market, on the other hand, production has been affected by the fall in new investments in public works and infrastructures. In any case, the positive continuation of works on railway contracts (Bologna Centrale High Speed Station, Line 5 of the Milan Underground), the Pedemontana Lombarda Motorway and the four Hospitals in Tuscany (Lucca, Massa, Pistoia, Prato) has somewhat mitigated the effects of the forecast reduction in production on the projects that still have a significant impact on the consolidated accounts, but are now nearing completion (Lots DG-21 and DG-22 of the Jonica National Road, Line C of the Rome Underground and the Turin Underground Railroad Link).
For further details on this item, see note 34 on Segment reporting pursuant to IFRS 8.

2. Other Revenue: Euro 131,598 thousand (Euro 94,975 thousand)

Other revenue, totalling Euro 131,598 thousand, comprises items not directly related to the Group's core business, but rather accessory to the core business and of a lasting nature.
Details are provided in the following table:

(thousands of euro)	2012	2011	Change
Revenue from sale of goods	23,400	37,984	(14,584)
Services to third parties	33,357	25,633	7,724
Services and activities to manage joint projects	6,893	6,933	(40)
Rent and lease receivable	4,949	4,507	442
Net gains from disposal of property, plant and equipment	6,968	3,183	3,785
Other	56,031	16,735	39,296
Total	131,598	94,975	36,623

This item recorded an overall increase of Euro 36,623 thousand, compared to the 2011 figures. This change, with reference to the specific item "Other", is mainly due to insurance indemnities totalling approximately Euro 10 million (domestic area and Turkey), and to gains accruing from the closure of complex contract and shareholding positions for an amount of approximately Euro 21,000 thousand, leading to the definition of receivables and payables with companies undergoing bankruptcy proceedings. In this context the Group has likewise incurred a corresponding charge, also in terms of amount, recorded in the item "other operating costs" (see table of changes in note 7 below).
On the other hand, we should point out the decrease in the item "Revenue from the sale of goods" above all due to lower volumes recorded in the Turkey area, compared to the year 2011, on some transactions for agreements with subcontractors regarding individual contracts.

3. Purchase costs: Euro 487,584 thousand (Euro 458,640 thousand)

The costs for the purchase of raw materials and consumables in 2012 totalled Euro 487,584 thousand with an increase of Euro 28,944 thousand compared to the previous year:

(thousands of euro)	2012	2011	Change
Purchase costs	470,882	479,538	(8,656)
Change in inventories of raw materials, supplies, consumables and goods	16.702	(20,898)	37,600
Total	487,584	458,640	28,944

The significant decrease in the item "change in inventories of raw materials, supplies, consumables and goods" is mainly due to the completion of Bodrum Airport in Turkey and the consequent use of inventories at 31 December 2011.

The geographical breakdown of purchase costs for raw materials and consumables is shown below:

(thousands of euro)	2012	%	2011	%	Change
Italy	130,508	26.77%	130,448	28.44%	60
Europe	237,628	48.74%	221,871	48.38%	15,757
America	64,249	13.18%	54,913	11.97%	9,336
Africa	37,714	7.73%	36,848	8.03%	866
Asia	17,485	3.58%	14,560	3.17%	2,925
Total	487,584	100.00%	458,640	100.00%	28,944

In relation to the geographical breakdown of this item, we can point out an overall increase in all the areas directly involved in higher production volumes recorded in the year, especially in Central and Eastern Europe and America.

4. Service costs: Euro 1,340,552 thousand (Euro 1,349,308 thousand)

Service costs amounted to a total of Euro 1,340,552 thousand and are generally in line compared to the previous year. Details are provided in the following table:

(thousands of euro)	2012	2011	Change
Consortium costs	158,681	147,451	11,230
Subcontracts and other services	912,094	956,498	(44,404)
Technical, administrative and legal consulting	92,585	89,275	3,310
Remuneration of directors and statutory auditors	3,520	3,001	519
Utilities	16,555	12,679	3,876
Travel and transfers	5,146	4,338	808
Insurance	32,672	23,955	8,717
Rentals and other costs	84,864	86,150	(1,286)
Rent and condominium expenses	9,400	6,657	2,743
Maintenance costs for leased assets	1,067	835	232
Other	23,968	18,469	5,499
Total	1,340,552	1,349,308	(8,756)

In the analysis of this item we can point out, in particular, the significant change in the item "Subcontracts and other services" down compared to the previous year by Euro 44,404 thousand.

The geographical breakdown of costs for subcontracts is shown below:

(thousands of euro)	2012	%	2011	%	Change
Italy	398,177	43.66%	491,350	51.37%	(93,173)
Europe	336,785	36.92%	318,257	33.27%	18,528
America	121,223	13.29%	108,877	11.38%	12,346
Africa	15,505	1.70%	18,157	1.90%	(2,652)
Asia	40,404	4.43%	19,857	2.08%	20,547
Total	912,094	100.00%	956,498	100.00%	(44,404)

The changes shown in the above figures substantially reflect the performance by geographical area of production for the year which shows, as stated in note 1, a significant increase in the initiatives in progress abroad and especially in Poland, Russia, Canada and Oman compared to a reduction in the domestic area.
On the other hand there has been an increase, in the domestic area, of consortium costs related to the execution of works, in association with other entities in the sector, regarding, in particular, the construction of the Pedemontana Lombarda Motorway with an effect partially mitigated by the lower revenue of the contract for the construction of Line C of the Rome Underground.
The increase in the residual item "Other" totalling Euro 5,499 thousand substantially refers to Algeria, Romania, Arabia and Peru, and mostly reflects the effect of higher costs incurred in the year, in relation to expropriation activities, maintenance and contract charges.

5. Personnel expenses: Euro 305,439 thousand (Euro 262,492 thousand)

Personnel expenses totalling Euro 305,439 thousand increased compared to the previous year by Euro 42,947 thousand, substantially due to work performed directly, thus without the usual subcontracting, in geographical areas where it is hard to find companies that can guarantee the quality standards of the Group.
Details are shown in the following table:

(thousands of euro)	2012	2011	Change
Wages and salaries	210,769	177,266	33,503
Social security charges	47,517	41,737	5,780
Other costs	44,583	41,696	2,887
Other post-employment benefits	1,577	759	818
Cost of share-based payments	993	1,034	(41)
Total	305,439	262,492	42,947

The other personnel expenses mainly refer to expenses incurred for the training of employees, costs for meals and lodging, and the allocation of the costs of post-employment benefits as a defined contribution plan as per IAS 19.
The allocation of post-employment benefits in the context of the "defined contribution plan" is included in the item "Other post-employment benefits".

The geographical breakdown of personnel expenses is shown below:

(thousands of euro)	2012	%	2011	%	Change
Italy	124,077	40,62%	109,408	41,68%	14,669
Europe	75,612	24,76%	58,305	22.21%	17,307
America	67,082	21,96%	59,771	22.77%	7,311
Africa	21,152	6.93%	22,102	8.42%	(950)
Asia	17,516	5.73%	12,906	4.92%	4,610
Total	305,439	100.00%	262,492	100.00%	42,947

In relation to the geographical breakdown of personnel expenses, we should point out significant increase in the foreign sector in relation to the higher production volume of contracts in progress in Poland, Russia, Oman and Peru.
With regard to the domestic area, the higher personnel expenses, compared to the year 2011 mainly refer to the recent commercial entry of the Group in the maintenance and plant sector, achieved only starting from the third quarter of 2011, through the lease of the business unit Busi Impianti S.p.A., subsequently acquired in 2012.

Average number of employees

The average number of employees by category is shown in the following table:

Composition of personnel	2012	2011	Change
Top management	207	173	34
Middle management	163	150	13
White collars	3,114	2,640	474
Workers	6,479	6,229	250
Total	9,963	9,192	771

Incentive schemes for top management

The item "Cost of share-based payments" includes the valuation of an incentive scheme for top management linked to their achievement of specific financial targets. The main features of the scheme are defined hereunder.
The scheme consists of assigning the Beneficiaries (CEO or General Managers) Astaldi shares free of charge, meaning disbursing – again free of charge – the corresponding value of the shares to the Beneficiaries in the manner and under the conditions specified in the regulations. The share assignment cycle refers to the 2010-2012 three-year period.
The CEO can be assigned a maximum number of 100,000 shares for each year of validity of the plan, and each General Manager can be assigned, free of charge, a maximum number of 34,000 or 38,000 shares, depending on the Beneficiary's choice with regard to the methods of delivery of the right to receive the benefit, for each year of validity of the plan.
The maximum number of shares that can be assigned as a whole to the Beneficiaries during each year will be

equal to 252,000, and they cannot exceed the number of 756,000 during the three-year period of validity of the scheme.
As an alternative, each General Manager will be entitled to receive, at his/her discretion, the following for each year of validity of the scheme when the conditions set out in the regulations take place:
a. A gross amount equal to the counter-value of 17,000 shares, measured at the average closing price of Astaldi's ordinary shares traded on the market during the last quarterly period prior to the date of assignment, and the physical delivery of a number of shares totalling 17,000; in any case, assignment of the "liquidity" cannot exceed 50% of the fixed and ordinary remuneration annually paid to the General Manager;
b. The physical delivery of shares equal to 34,000 multiplied by an inducement factor equal to 1.12 and therefore for a total amount of 38,000 shares.
Assignment of the shares or delivery of their counter-value every year is subordinate to the Company's achievement of the financial performance targets defined each year by the Board of Directors; in accordance with the regulations, the assignment date of the shares is the date of resolution with which the Board of Directors ascertains achievement of said targets and the occurrence of the required conditions and consequently provides for assigning the shares to the Beneficiaries. The achievement of the aforesaid targets is ascertained by the Board of Directors upon approval of the draft financial statements.
In connection with what has been described up to this point, the plan has taken into account the hypothesis of the physical delivery of shares resulting in a cost of Euro 993 thousand with an equity reserve.
For further information in this regard please refer to the Corporate Governance and Shareholding Structure report; actuarial assumptions with regard to the calculation for 2012 are, however, as follows:

- Dividend rate: 3.50%
- Volatility: 40%
- Probability of target achievement: 95%
- Risk free rate: 0.33%

6. Amortisation, depreciation and impairment losses: Euro 52,616 thousand (Euro 51,568 thousand)

Amortisation, depreciation and impairment losses totalling Euro 52,616 thousand increased in absolute terms compared to the previous year of Euro 1,048 thousand. Details are shown in the following table:

(thousands of euro)	2012	2011	Change
Amortisation of intangible assets	10,512	7,259	3,253
Depreciation of property, plant and equipment and investment property	41,506	44,309	(2,803)
Impairment losses	598	0	598
Total	52,616	51,568	1,048

This item includes as a residual value the depreciation of investment property; see note 15 for detailed information.
With regard to impairment losses on receivables, the amount calculated during the year takes into account their realisable value considering the nature of the counterpart.

7. Other operating costs: Euro 60,456 thousand (Euro 38,409 thousand)

Other operating costs totalling Euro 60,456 thousand show an increase of Euro 22,047 thousand compared to the previous year.
Details are shown in the following table:

(thousands of euro)	2012	2011	Change
Provisions for risks and charges	1,595	7,962	(6,367)
Prior year expense and inexistant assets	3,089	1,351	1,738
Tax charges	8,636	10,405	(1,769)
Other administrative and sundry costs	47,136	18,691	28,445
Total	60,456	38,409	22,047

Taking into account the effects connected with closure of complex contract positions recorded during the year totalling Euro 21,162 thousand, as previously mentioned in note 2, the item has not shown overall significant changes compared to the previous year.
The “Other administrative and sundry costs”, as well as the aforesaid aspect, regards cost for transactions with third parties, in particular for Algeria, and administrative expenses.

8. Capitalisation of internal construction costs: Euro 1,565 thousand (Euro 850 thousand)

The item includes capitalised costs incurred for the internal construction of assets, especially in the domestic area and Russia.

9. Financial income: Euro 78,550 thousand (Euro 44,772 thousand)

Financial income increased compared to the previous year by Euro 33,778 thousand and consists of the following:

(thousands of euro)	2012	2011	Change
Income from associates	686	966	(280)
Income from other investees	552	0	552
Bank interest income and fees	6,118	4,370	1,748
Sureties fees	2,049	2,150	(101)
Exchange rate gains	22,277	9,589	12,688
Income on derivatives	4,142	1,689	2,453
Interest income on financial receivables from concessions	9,836	6,530	3,306
Other financial income	32,890	19,478	13,412
Total	78,550	44,772	33,778

The change in this item is mainly due to the component "Other financial income" with an increase substantially due to the recording of default interest approved by the customer, mainly in Venezuela.
With regard to currency management, we can point out a substantial balance in the components. On a separate basis there are gains for the year totalling approximately Euro 22,000 thousand, offset in terms of the amount of exchange rate losses, shown below under financial charges.

10. Financial charges: Euro 163,681 thousand (Euro 120,444 thousand)

Financial charges increased compared to the previous year by Euro 43,237 thousand and consist of the following:

(thousands of euro)	2012	2011	Change
Sureties fees	23,038	22,849	189
Bank interest expense and fees	48,716	39,675	9,041
Exchange rate losses	22,063	17,746	4,317
Losses on derivatives	16,016	16,169	(153)
Financial charges on leases	585	322	263
Other financial charges	30,608	23,101	7,507
Total	141,026	119,862	21,164
Impairment losses on investments	43	8	35
Impairment losses on securities and receivables	22,612	574	22,038
Total	22,655	582	22,073
Total financial charges	163,681	120,444	43,237

The increase of this item is largely due (Euro 20,723 thousand) to the fair value measurement of default interest receivable on late payments especially in Venezuela (see note no. 9).
Other changes derive from:

- Higher interest payable (Euro 9,041 thousand) recorded due to growing production volumes and major investments made in the year;
- Increases of Euro 2,303 thousand due to forecast charges deriving from the conclusion of financial transactions on specific borrowing positions in relation to the definitive transfer, pursuant to the law and the contract, of the related risks and benefits to the respective counterparts;
- Increases in charges on exchange rates of Euro 4,317 thousand?, which, as stated in general above, are offset by the higher gains for the year deriving from foreign exchange management recorded under financial income.

11. Effects of equity accounting: Euro 3,146 thousand (Euro 401 thousand)

The share of the profit (loss) of equity-accounted investees regards a profit for the year totalling Euro 3,146 thousand compared to Euro 401 thousand recorded in 2011. The increase of Euro 2,745 thousand is basically due to the concessions sector and in particular to the management of the Chacayes hydroelectric plant.
See Annex 2 for information on equity-accounted investees.

12. Tax expense: Euro 55,879 thousand (Euro 53,496 thousand)

Overall taxes for the year totalled Euro 55,879 thousand. The tax rate for the year, including the impact of the IRAP regional tax, is equal to 43% substantially in line with that of previous year. Details are shown in the following table:

(thousands of euro)	2012	2011	Change
Current income tax(*)	41,857	39,094	864
Deferred income tax(*)	4,485	4,362	2,023
Current tax IRAP	7,421	7,976	(555)
Deferred tax IRAP	314	504	(190)
Substitute tax and other	1,801	1,560	241
Total	55,879	53,496	2,383

(*) Income tax refers to IRES for Italy and similar taxes for the foreign areas

There follows a breakdown of deferred tax assets totalling Euro 8,589 thousand and deferred tax liabilities totalling Euro 4,188 thousand.

(thousands of euro)	31/12/12 IRES	31/12/12 IRAP	31/12/11 IRES	31/12/11 IRAP
Statement of financial position				
a) Deferred tax assets deriving from:	31,827	1,769	26,543	2,024
- Taxed provisions for risks	8,393	380	10,819	562
- Taxed allowance for impairment – default interest	5,896	0	197	0
- Exchange rate differences	8,373	0	5,169	0
-Tax losses	99	0	0	0
- IFRIC 12	8,200	1,389	8,359	1,462
- Other minor items	866	0	1,999	0
b) Deferred tax liabilities deriving from:	(25,590)	(3,605)	(21,494)	(3,712)
- Buildings recognised at fair value in substitution of cost	(3,752)	(532)	(3,752)	(532)
- Provisions for deducted contract risks	(211)	0	(32)	0
- Default interest to be collected	(7,989)	0	(2,371)	0
- IFRIC 12	(18,132)	(3,073)	(18,180)	(3,180)
- Other + hedging reserve	4,494	0	2,841	0
c) Net deferred tax assets a) - b)	6,237	(1,836)	5,049	(1,688)
d) Deferred tax for the year recognised in profit or loss	4,486	313	4,362	504

Reconciliation, for income tax (IRES) purposes only, between the tax recognised in the accounts (current and deferred) and the theoretical tax resulting from the application of the current tax rate (27.5%) to the pre-tax profit is the following:

(thousands of euro)	2012	%	2011	%
Pre-tax profit	129,829		125,420	
Theoretical income tax	35,703	27.5%	34,491	27.5%
Net effect of permanent increases (decreases)	6,358	4.9%	5,850	4.7%
Net effect of deferred and current taxation of foreign entities and other adjustments	4,282	3,30%	3,115	2.5%
Substitute tax and other	1,801	1.39%	1,560	1.2%
IRAP (current and deferred)	7,735	5.96%	8,480	6.8%
Income tax recorded in the financial statements (current and deferred)	55,879	43,04%	53,496	42.7%

13. Earnings per share: Euro 0.76 (Euro 0.73)

Basic earnings per share are calculated as follows:

(thousands of euro)	2012	2011
Numerator		
Profit of Parent's ordinary shareholders	74,126	71,195
Denominator (in units)		
Weighted average number of shares (all ordinary)	98,424,900	98,424,900
Weighted average number of treasury shares	(611,640)	(668,467)
Weighted average number of shares to be used to calculate basic earnings per share	97,813,260	97,756,433
Basic earnings per share	0.7578	0.7283

In this respect, it can be pointed out that the stock grant scheme for key management personnel does not produce a significant dilution effect. Considering the effect of potential shares, already assigned to beneficiaries, and awaiting assignment for 2011, and those which could be assigned for 2012, the earnings obtained are Euro 0.7545.
It is likewise pointed out that in January 2013 the Company concluded a financial transaction with the equity-linked bond issue of Euro 130,000,000 placed with qualified Italian and foreign investors.
The bonds will become convertible, at a conversion price of Euro 7.3996, into ordinary shares of the Company, existing or newly issued, one year after the issue of the bonds and subordinate to the approval of the company's shareholders at their Extraordinary Meeting, to be held by 30 June 2013, of a share capital increase excluding the right of option.
The Company shall be entitled to settle any future conversion by payment or a combination of ordinary shares and cash.
For more information on the bond issue see the section below "Events after the reporting period".

14. Property, plant and machinery: Euro 221,094 thousand (Euro 192,278 thousand)

In 2012 property, plant and equipment increased by Euro 28,816 thousand mainly due to the combined effect of new investments totalling Euro 91,313 thousand partly offset by depreciation totalling Euro 41,470 thousand. The following table shows changes in the amount of property, plant and equipment:

(thousands of euro)	Land and Buildings	General and specific plant	Excavators, Loaders and Vehicles	Various equipment and machines	Assets under construction and payments on account	Total
Amount at 31/12/2011, net of depreciation (1)	43,418	70,516	33,016	29,203	16,126	192,278
Increases						
deriving from acquisitions	3,461	40,072	25,377	15,913	6,490	91,313
	46,879	110,587	58,393	45,116	22,616	283,591
Depreciation	(1,166)	(15,803)	(14,027)	(10,474)	0	(41,470)
Other disposals	0	(11,707)	(2,023)	(4,634)	51	(18,313)
Reclassification and transfers	9	5,588	1,327	(65)	(6,859)	0
Exchange rate differences	(38)	(716)	232	9	(34)	(547)
change in consolidation scope and other changes	33	(716)	(1,899)	215	199	(2,168)
Amount at 31.12.2012, net of depreciation (2)	45,717	87,234	42,004	30,167	15,972	221,094
(1) of which						
- Cost	51,649	139,942	119,801	86,880	16,126	414,398
- Accumulated depreciation	(8,231)	(69,426)	(86,785)	(57,677)	0	(222,120)
Net amount	43,418	70,516	33,016	29,203	16,126	192,278
(2) of which						
- Cost	55,097	160,469	133,022	90,082	15,972	454,642
- Accumulated depreciation	(9,380)	(73,235)	(91,018)	(59,915)	0	(233,548)
Net amount	45,717	87,234	42,004	30,167	15,972	221,094

The following most significant changes are pointed out:

- The increases of Euro 91,313 thousand mainly refer to investments made for projects in progress in Chile, Peru, Russia and Poland;
- Depreciation for the year totalling Euro 41,470 thousand;
- Disposals made in the year total Euro 18,313 thousand and mainly regard the disposal of assets for contracts completed in Arabia, Qatar and Turkey.

Property, plant and machinery includes a component of leased goods with a carrying amount of Euro 22,065 thousand as shown in the following table:

(thousands of euro)	Land and Buildings	Specific plant	Excavators, Loaders and Vehicles	Various equipment and machinery	Total
Amount at 31.12.2012, net of depreciation					
of which					
- Cost	1,196	18,234	5,888	3,102	28,420
- Accumulated depreciation	(14)	(3,892)	(1,465)	(983)	(6,355)
Net amount	1,182	14,342	4,423	2,119	22,065

15. Investment property: Euro 1,105 thousand (Euro 1,141 thousand)

The item investment property, totalling Euro 1,105 thousand, includes non-instrumental buildings and land measured at cost, and the amount decreased compared to the previous year in relation to the normal depreciation cycle as shown in the table below:

Amount at 31.12.2011, net of depreciation (1)	1,141
Depreciation	(36)
Amount at 31.12.2012, net of depreciation (2)	1,105
(1) of which	
- Cost	1,222
- Accumulated depreciation	(81)
Net amount	1,141
(2) of which	
- Cost	1,222
- Accumulated depreciation	(117)
Net amount	1,105

In relation to fair value measurement, it is noted that since the indicators were not remarkably reliable and due to the minor significance of the investment in question, it was not deemed necessary to list a precise measurement or a range of fair values.

16. Intangible assets: Euro 107,523 thousand (Euro 44,132 thousand)

Net intangible assets are shown in the following table:

(thousands of euro)	31/12/12	31/12/11	Change
Intangible assets - Rights on infrastructures in concession	84,143	39,989	44,154
Goodwill	14,745	0	14,745
Other intangible assets	8,635	4,143	4,492
Total	107,523	44,132	63,391

Intangible assets – Rights on infrastructures in concession: Euro 84,143 thousand (Euro 39,989 thousand)

The details of this item for the changes in the year are shown in the following table:

(thousands of euro)	31/12/11	Construction services performed	Amortisation	31/12/12
Airports - Mondial Milas-Bodrum A.S.	35,875	51,356	(7,038)	80,193
Car Parks - Corso Stati Uniti (TO)	263	0	(5)	258
Car Parks - Ex Manif. Tabacchi (BO)	3,824	0	(132)	3,692
Car Parks - Piazza VIII Agosto (BO)	27	0	(27)	0
Total	39,989	51,356	(7,202)	84,143

This item increased, compared to the end of the previous year, basically due to further investments made in the year for the completion of the Milas-Bodrum Airport in Turkey.
In this regard, it is pointed out that the Management of the company Mondial Milas Bodrum S.A. has drawn up a new Business Plan, taking into account the negotiations underway with the Authority granting the concession in order to formalise the extension of the concession period for another year, for which a positive outcome is not currently forecast. This aspect, as a specific impairment indicator, has involved the performance of the test in order to evaluate the realisable value of the investment, in accordance with IAS 36.
The realisable value of the investment has been identified on the basis of the value in use of the Cash Generating Unit, with reference to the concession for the management of the new international terminal at Bodrum Airport (Turkey), calculated by the discounted cash flow available for the shareholder (DCF). For the purposes of the application this method, the new Business Plan approved by the board of directors of the subsidiary for the current extension period of the concession, expiring in 2015, has been used.
The discount rate of expected cash flows (KE – cost of equity) adopted for estimating the realisable value of the CGU is 11%.
The result of the impairment test has not led to the identification of any impairment.

Intangible assets – Goodwill: Euro 14,745 thousand (Euro 0)

This item is shown in the following table:

Cash Generating Unit	31/12/12	31/12/11	Change
NBI Srl -"Plant and maintenance"	11,634	0	11,634
T.E.Q. Construction Enterprise Inc	3,111	0	3,111
Total	14,745	0	14,745

The goodwill recorded following the acquisition of the BUSI IMPIANTI business unit, as already commented in the section "business combinations" of these Notes, with reference to the plant and maintenance sectors, has been allocated *to the "Plant and maintenance" Cash Generating Unit*, which includes the assets of NBI and its investees. This combination represents the elementary reference unit in the group for which goodwill is monitored by management for operating purposes, and therefore to decide whether to record this item in the financial statements.
At the end of the year the impairment test was conducted on the carrying amount of the CGU by the comparison with the relative recoverable value.
In particular, the recoverable value of the CGU has been considered equal to the value in use calculated with the Discounted Cash Flow (DCF) method, taking into account the future financial flows expected by company management. For the purposes of the application of this method the financial plan approved by the board of directors of the subsidiary for the period 2013-2015 has been used.
The rate used for cash flow discounting is 8.1%.
The result of the impairment test has confirmed that the goodwill recorded under the CGU "plant and maintenance" can be fully recovered. Therefore, no impairment was recorded.
The goodwill recorded, as already commented in the section "business combinations" of these Notes, following the acquisition of *T.E.Q. Construction Enterprise Inc* has been allocated to the Cash Generating Unit referring to the subsidiary only. This is because it is considered that this unit will generate incoming financial flows deriving from the continuity of the relative company activities, largely independent from those of other Group activities.
At the end of the year the impairment test was conducted on the carrying amount of the CGU by the comparison with the relative recoverable value.
In particular the recoverable value of the CGU was considered equal to the relative fair value identified through the market method using multiples of comparable companies applied to 2012 operating profit, as stated in the IFRS Reporting Package approved by the board of directors of the investee.
The result of the impairment test on the goodwill recorded after the acquisition of T.E.Q. Construction Enterprise Inc. has not involved the need to undertake any impairment.

Other intangible assets: Euro 8,635 thousand (Euro 4,143 thousand)

The following table shows the changes of this item, with no leased assets being present.

(thousands of euro)	Intellectual property rights	Other Intangible assets	Assets under development and payments on account	Total
Amount at 31/12/2011, net of amortisation (1)	687	3,456	0	4,143
Increases				
- deriving from acquisitions	1,329	3,442	3,031	7,802
	2,016	6,898	3,031	11,945
Amortisation	(815)	(2,495)	0	(3,310)
Amount at 31.12.2012, net of amortisation (2)	1,201	4,403	3,031	8,635
(1) of which				
- Cost	2,220	11,720	0	13,940
- Accumulated amortisation	(1,533)	(8,264)	0	(9,797)
Net amount	687	3,456	0	4,143
(2) of which				
- Cost	3,149	11,645	3,031	17,825
- Accumulated amortisation	(1,948)	(7,242)	0	(9,190)
Net amount	1,201	4,403	3,031	8,635

Assets under development and payments on account contain the capitalised costs for design and initial construction for the start-up of the concession for Line 4 of the Milan Underground, temporarily assigned by the Municipality of Milan to the private shareholders of the JV, while awaiting the setting up and consequent substitution by the concessionaire Company to which these capitalised costs will be transferred.

17. Investments: Euro 257,441 thousand (Euro 195,964 thousand)

The amount of investments in associates and other companies net of the provision for risks on investments amounted to Euro 257,441 thousand with an increase compared to 31 December 2011 of Euro 61,477 thousand. The composition of this item is the following:

(thousands of euro)	31/12/12	31/12/11	Change
Investments measured at cost	153,027	101,776	51,251
Equity-accounted investees	104,414	94,188	10,226
Total	257,441	195,964	61,477

There follow the main changes causing the change in investments in associates and other companies:

Amountat 31.12.2011	195,964
Acquisitions and disposals of investments measured at cost	51,250
Acquisitions and disposals of equity-accounted investees	12,694
Profit of equity-accounted investees	3,531
Other comprehensive expense of equity-accounted investees	(4,200)
Dividends/coverage of losses for equity-accounted investees	(1,514)
Other changes	(284)
Amount at 31.12.2012	257,441

It is pointed out that the profit of equity-accounted investees have caused a cumulative effect on the profit for the year totalling Euro 3,146 thousand and on other comprehensive income totalling Euro (3,898) thousand; this valuation also takes into account the results shown in the provision for risks on investments, described in note 31 below.
The increase recorded in the item "Acquisitions and disposals in investments measured at cost" basically derives from the purchase of another investment in A4 Holding. The Astaldi Group has, in fact, increased its investment in A4 Holding S.p.A. from 9.12% to 14.96%; the increase derives from the exercise of the option on the Company shares put on sale by the Municipality of Padua and the Municipality of Vicenza. The Astaldi Group has likewise signed an agreement with other private shareholders of A4 Holding, the Company that holds the entire capital of the motorway concessionaire company of the Brescia-Padua Motorway (A4 – Serenissima motorway), aimed at concentrating the A4 Holding shares in one Single Purpose Vehicle. Upon completion of this transaction and as long as the conditions precedent stated in the aforesaid agreement are met, the SPV will control the absolute majority of A4 Holding, assisting it in the process of readjusting its activities and for further growth in the sector of motorway concessions.
At the reporting date, with impairment indicators, the realisable value of the A4 Holding was calculated.
In particular, the verification of the degree to which the impairment loss on A4 Holding, the holding company of a complex of legally independent entities which are its subsidiaries or investees, can be reversed, was calculated through the use of income statement and statement of financial position data of the holding and its individual subsidiaries or investees.
The equity value of the investees was thus estimated separately going upwards in the organisational chart, so that the carrying amount of the investments held by each group company can be replaced with the respective pro-quota equity value.
With regard to the measurement techniques used for the equity value of the individual investees, it is pointed out that the major asset of the A4 Group, represented by the Brescia-Padua motorway (equivalent to 80% of overall valuation), was estimated by discounting the expected cash flows in the business plan signed with the granting body ANAS S.p.A., showing forecasts of traffic, investments, costs and revenue for the duration of the motorway concession. Estimated cash flows were discounted at the rate of 8.87%, representing the WACC of the company in question.
Other minor assets were evaluated at fair value or value in use.
On the basis of the above, a pro-quota equity value of the investee was estimated as higher than the carrying amount of the investment recorded in the consolidated financial statements by Euro 151,012 thousand, and consequently no impairment loss was recorded.

The change in the item "Acquisitions and disposals of equity-accounted investees" is based on the following main factors:

- The acquisition, for Euro 7,000 thousand, of a further investment in the concessionaire company for Line 5 of the Milan Underground, Metro 5 S.p.A, as well as the payment of Euro 1,277 thousand to that company for a future capital increase;
- Capital injections, totalling Euro 4,649 thousand, made in relation to the SPV Otoyol Yatirim Ve Isletme A.S., an entity registered under Turkish law which will develop the concession for the new Gebze-Orhangazi-Izmir motorway in Turkey, as well as the acquisition of a further investment in the same company for Euro 2,737 thousand;
- The additional capital injections, totalling Euro 5,819 thousand, into the SPV S.A.T. S.p.A. which is developing the concession of the new hospital facilities in Prato, Pistoia, Massa and Lucca.
- Reimbursement by Pacific Hydro Chacayes of part of the capital injections made (Euro 9,703 thousand), following the refinancing of the project for the concession of the Chacayes hydroelectric plant (Chile), signed with a pool of Chilean and Brazilian banks in order to optimise the financial leverage of the initiative with considerable benefits expected for the return rate on the project.

Furthermore, it should be observed that during the year, considering the presence of impairment indicators, the recoverable value of the investment in the company Metro 5 S.p.A. was assessed.

In particular, the recoverable value of Metro 5 S.p.A. was considered to be equal to its value in use calculated through the Discounted Cash Flow (DCF) method, discounting the future financial flows expected by company management, at a rate of 7.34%, representing the WACC of the company in question. For the purposes of the application of this method, the financial plan of the "associate", for the duration of that company's concession (2013-2040) was used.

The result of the impairment test showed no need to undertake impairment of the carrying amount of the investment.

It should finally be pointed out that the carrying amounts of the investments, as in the previous year, are shown net of the payments still to be made on the quotas and/or shares subscribed.

For detailed information on the key financial data of equity-accounted investees, see Annex 2.

The information on the main aspects of the structure of the concessions held by associates are, on the other hand, shown in the section "agreements for concession services" stated in the premises of these Notes.

18. Financial assets

Non-current financial assets: Euro 193,448 thousand (Euro 159,671 thousand)

The following table shows the composition of non-current financial assets:

(thousands of euro)	31/12/12	31/12/11	Change
Rights to receivables arising from concessions	135,419	138,084	(2,665)
Non-current financial receivables	50,531	15,030	35,501
Other financial assets from investees	7,498	5,790	1,708
Other financial assets from non-controlling interests	0	767	(767)
Total	193,448	159,671	33,777

Rights to receivables arising from concessions include the non-current quota of the current value of the minimum payments guaranteed by the concession grantors regarding:

- The domestic area (Euro 104,390 thousand) specifically referring to the concession for the Ospedale dell'Angelo Hospital in Mestre and the management of the 5 Car Parks located in Bologna, Verona and Turin;
- Turkey (Euro 31,029 thousand) mainly regarding the concession of the Milas-Bodrum Airport.

The item "Non-current financial receivables" substantially refers to financial items paid to associates, expressing the Group investment strategy, especially in the concessions business.
The main changes in this item compared to the previous year are due to the following factors:

- Financing granted to the associate Otoyol Yatirim Ve Isletme A.S. for a total amount, inclusive of accrued interest at 31/12/2012, of Euro 35,277 thousand aimed at supporting the concession works;
- Decrease of Euro 9,940 thousand due to the partial repayment of the financing granted to the associate Pacific Hydro Chacayes following the events previously commented in note 17.

For detailed information on transactions with associates see the annex on related parties.

Current financial assets: Euro 17,653 thousand (Euro 6,248 thousand)

The following table shows the composition of non-current financial assets:

(thousands of euro)	31/12/12	31/12/11	Change
Rights to receivables arising from concessions	16,306	2,867	13,439
Securities in the portfolio	1,347	1,889	(542)
Derivatives	0	1,492	(1,492)
Total	17,653	6,248	11,405

Current financial assets increased compared to the previous year by Euro 11,405 thousand above all in relation to the flow of rights to receivables arising from concessions, and especially the amount due upon the completion of the Milas-Bodrum Airport.

19. Other Assets

Other Non-current assets: Euro 39,874 thousand (Euro 28,413 thousand)

The composition of this item is shown in the following table:

(thousands of euro)	31/12/12	31/12/11	Change
Indirect tax reimbursements	7,976	2,156	5,820
Direct tax reimbursements	5,305	1,394	3,911
Tax assets	13,281	3,550	9,731
Advances to suppliers and subcontractors	2,433	925	1,508
Caution deposits	6,507	3,798	2,709
Prepayments on insurance premiums	12,661	11,245	1,416
Prepayments for sureties fees	447	2,254	(1,807)
Other prepayments	3,804	6,524	(2,720)
Receivables from social security bodies	16	115	(99)
Other sundry receivables	725	2	723
Other Assets	26,593	24,863	1,730
Total	39,874	28,413	11,461

The change of this item is substantially due to the increase of tax assets mainly due to the following factors:

- Higher VAT credit reimbursements requested from the tax authorities, especially for the domestic area and mainly regarding investees that are completing their activities;
- Increase in the domestic area of receivables for direct taxation reimbursements due to the effects of Decree Law 201/2011 on IRES company tax reimbursement for the failure to deduct IRAP income tax for expenses for employees and related items.

Other Current assets: Euro 381,022 thousand (Euro 308,420 thousand)

Details are shown in the following table:

(thousands of euro)	31/12/12	31/12/11	Change
Receivables from associate	25,321	24,921	400
Receivables from other companies	138	369	(231)
Advances to suppliers and subcontractors	167,808	103,505	64,303
Receivables from third parties for supply of goods and services	126,364	116,833	9,531
Receivables from employees	2,403	2,327	76
Receivables from social security bodies	2,894	1,282	1,612
Prepayments on insurance premiums	4,202	4,346	(144)
Prepayments for sureties fees	2,890	1,770	1,120
Other prepayments	2,752	3,652	(900)
Other sundry receivables	46,250	49,415	(3,165)
Total	381,022	308,420	72,602

Other current assets increased compared to the previous year by Euro 72,602 thousand above all in relation to the change, mainly due to the Central and Eastern Europe area, of the item "advances to suppliers and subcontractors".
In particular, in the recently acquired contracts in Russia and Turkey, the higher production volumes achieved in the year have made it necessary to utilise subcontractors with an adequate quality standing. Also in relation to the practices followed in these areas, this has involved the outlay of higher contract advances for the works to be undertaken.
The item "Receivables from third parties for supply of goods and services" totalling Euro 126,364 thousand, up compared to the previous year by Euro 9,531 thousand, corresponding to what is indicated in the item other revenue, refers to individual components not directly referring to the production activities for the Company's works, but nevertheless accessory to the core business and continuing over time.
There follows the composition of this item by geographical area:

(thousands of euro)	31/12/12	%	31/12/11	%	Change
Italy	25,793	20.41%	24,301	20.80%	1,492
Europe	61,653	48.79%	53,442	45.74%	8,211
America	25,459	20.15%	18,949	16.22%	6,510
Africa	12,132	9.60%	19,384	16.59%	(7,252)
Asia	1,325	1.05%	757	0.65%	568
Total	126,364	100.00%	116,833	100.00%	9,531

The item other sundry receivables, substantially unchanged compared to the previous year, basically refers to the difference between the nominal value of the receivables factored before 31 December 2003, and the amounts collected.
For more details on receivables from associates, totalling Euro 25,321 thousand, see the annex on related parties.
It is pointed out that the recoverable value of receivables from third parties has been adjusted as shown below:

	31/12/11	Advances	Use		Other	31/12/12
(thousands of euro)			Income	Equity		
Allowance for impairment	(3,872)	(561)	33	0	2	(4,398)
Total	(3,872)	(561)	33	0	2	(4,398)

With reference to expired items see note 32 of these Notes.

20. Inventories: Euro 84,343 thousand (Euro 93,369 thousand)

This item has the following composition:

(thousands of euro)	31/12/12	31/12/11	Change
Raw materials, supplies and consumables	71,972	89,322	(17,350)
Work in progress and semi-finished products	7,245	0	7,245
Finished goods and products	1,854	1,839	15
Goods and materials in transit	3,272	2,208	1,064
Total	84,343	93,369	(9,026)

The item "Work in progress and semi-finished products" refers to the plant under construction for the treatment and recovery of copper and molybdenum contained in the processing residues of the Codelco mines in Chile (Relaves project) as already commented in note 1.
The following table shows the geographical breakdown of this item:

(thousands of euro)	31/12/12	%	31/12/11	%	Change
Italy	14,780	17.52%	8,118	8.69%	6,662
Europe	22,651	26.86%	46,303	49.59%	(23,652)
America	34,078	40.40%	27,385	29.33%	6,693
Africa	10,965	13.00%	9,033	9.67%	1,932
Asia	1,869	2.22%	2,530	2.71%	(661)
Total	84,343	100.00%	93,369	100.00%	(9,026)

With reference to the change for the year, see the previous comments in relation to the change of inventories in the income statement.

21. Receivables from customers: Euro 1,058,039 thousand (Euro 1,010,416 thousand)
Payables to customers: Euro 479,397 thousand (Euro 472,120 thousand)

These items are shown in the following table:

(thousands of euro)	31/12/12	31/12/11	Change
CURRENT ASSETS			
Contract work in progress	7,462,049	6,449,734	1,012,315
Allowance for impairment losses on contracts	(12,373)	(12,348)	(25)
Total contract work in progress	7.449.676	6.437.386	1.012.290
Payments on account from customers	(6.391.637)	(5.426.970)	(964.667)
Total receivables from Customers	1.058.039	1.010.416	47.623
CURRENT LIABILITIES			
Contract work in progress	1.256.318	815.475	440.843
Allowance for impairment losses on contracts	(7.602)	(9.635)	2.033
Total contract work in progress	1.248.716	805.840	442.876
Payments on account from customers	(1,430,773)	(960,147)	(470,626)
Sub-total	(182,057)	(154,307)	(27,750)
Contract advances	(297,340)	(317,813)	20,473
Total payables to Customers	(479,397)	(472,120)	(7,277)

Contract work in progress, considered separately in the amounts recognised under receivables from customers and those under payables to customers, has shown, for the foreign sector, an increase with particular reference to the higher production volumes recorded in the year in relation to works for the construction of the Saida - Moulay - Slissen Railway in Algeria and a motorway section in Oman.
Contract work in progress also increased on the domestic level, mainly in the sector of transport infrastructures (Lots DG-21 of the Jonica National Road, Bologna Centrale High Speed Station).
In the activities conducted abroad, we can likewise point out the decrease in contract work in progress in the American area, basically due to the completion of some contracts for waterworks in Chile and El Salvador, as well as in Venezuela.
Finally, we can point out the significant decrease in contract advances, above all in relation to railway works in progress in Algeria and for the previously mentioned works in El Salvador, partly mitigated by the contract advance received in the year for the construction works of the Gebze-Orhangazi-Izmir Motorway in Turkey.

22. Trade receivables: Euro 835,077 thousand (Euro 820,963 thousand)

Trade receivables increased compared to the previous year by approximately Euro 14,114 thousand and consist of the following:

(thousands of euro)	31/12/12	31/12/11	Change
Receivables from customers	838,285	803,860	34,425
Receivables from associates	30,692	31,832	(1,140)
Receivables from parents	74	5	69
Receivables from other investees	750	1,059	(309)
Allowance for impairment	(34,724)	(15,793)	(18,931)
Total	835,077	820,963	14,114

The following table below shows the geographical breakdown of this item:

(thousands of euro)	31/12/12	%	31/12/11	%	Change
Italy	402,108	48.15%	388,419	47.31%	13,689
Europe	115,046	13.78%	116,379	14.18%	(1,333)
America	264,895	31.72%	224,896	27.39%	39,999
Africa	44,496	5.33%	86,173	10.50%	(41,677)
Asia	8,532	1.02%	5,096	0.62%	3,436
Total	835,077	100.00%	820,963	100.00%	14,114

In relation to the geographical breakdown of trade receivables, we can point out an increase in the American area partly due to the Group's recent commercial entry in Canada, as well as contract work in progress in Peru, and the completion of certification by the customer of the works undertaken in Venezuela. With reference to this area, it should be observed that during the year there was a considerable reduction of inventories of contract work in progress while awaiting customer approval. On the other hand, there was a decrease due to the African area, with particular reference to the collection of receivables for the works undertaken in the Algerian railway contract.
The increase recorded in the domestic area is substantially due to the works on Line 5 of the Milan Underground. Again on the domestic level, with regard to the subsidiary Partenopea Finanza di Progetto S.p.A., we should point out the significant drop of Euro 55,012 thousand in receivables from the concession grantor especially with respect to amounts received following the signature of the final agreement on the arbitration decision regarding the construction of the new hospital in Naples ("Ospedale del Mare"). The allowance for impairment compared to the previous year and the changes are shown below:

(thousands of euro)	31/12/11	Allocations	Use Income	Equity	Other	31/12/12
Allowance for impairment	(11,034)	0	0	0	(247)	(11,281)
Allowance for impairment - default interest	(4,759)	(20,723)	0	2,039	0	(23,443)
Total	(15,793)	(20,723)	0	2,039	(247)	(34,724)

The increase in the allowance for impairment – default interest is, as already commented in note 10, attributable to the Venezuela area.

23. Tax assets: Euro 143,067 thousand (Euro 116,981 thousand)

This item has the following composition:

(thousands of euro)	31/12/12	31/12/11	Change
Receivables for indirect taxation	94,350	88,013	6,337
Receivables for direct taxation	48,915	29,166	19,749
Allowance for impairment	(198)	(198)	0
Total	143,067	116,981	26,086

The change of this item is substantially due to the increase in receivables for direct taxation, basically due to the higher taxes paid in Italy and abroad by the permanent organisations and the investees, as well as by advances paid in accordance with the law.

24. Cash and cash equivalents: Euro 400,215 thousand (Euro 456,210 thousand)

Cash and cash equivalents fell compared to 31 December 2011 by Euro 55,995 thousand and consist of the following:

(thousands of euro)	31/12/12	31/12/11	Change
Bank and post office deposits	399,689	454,843	(55,154)
Cash and cash equivalents	526	1,367	(841)
Total	400,215	456,210	(55,995)

In terms of geographical breakdown this item is as follows:

(thousands of euro)	31/12/12	31/12/11	Change
Italy	171,237	274,998	(103,761)
Europe	133,027	138,221	(5,194)
Asia	794	695	99
America	75,461	19,661	55,800
Africa	19,696	22,635	(2,939)
Total	400,215	456,210	(55,995)

The balance is basically lower due to the effect of the investments made in the year in the concessions sector, the purchase of machinery and for the payment of dividends. This is partially offset by the effect of the positive cash flow generated by operating performance.
For a more detailed analysis of the flows of cash and cash equivalents see the statement of cash flows in these Notes.

25. Equity: Euro 554,555 thousand (Euro 470,278 thousand) Share capital: Euro 196,850 thousand (Euro 196,850 thousand)

The share capital subscribed and fully paid-in, comprises 98,424,900 ordinary shares with a nominal value of Euro 2 and totals Euro 196,850 thousand.
On 31 December 2012, according to the Shareholders' Register and other information in this respect obligatory by law (pursuant to Art. 120 of Legislative Decree 58/98), the shareholders of Astaldi S.p.A. holding a share in excess of 2% are shown below:

DIRECT SHAREHOLDER	Number of shares	% investment
Fin.Ast S.r.l.	39,505,495	40.138%
Finetupar International S.A.	12,327,967	12.525%
Total Fin.Ast. S.r.l.	51,833,462	52.663%
Odin Forvaltning AS	4,828,885	4.906%
Pictet Asset Management Ltd	2,065,633	2.099%
Total holders of major investments	58,727,980	59.668%
Treasury shares	608,187	0.618%
Market	39,088,733	39.714%
Grand total	98,424,900	100.000%

On 31 December 2012 outstanding shares thus totalled 97,816,713 (97,813,992 shares in 2011) and recorded an increase, compared to the previous year, of 2,721 shares calculated as follows:

Outstanding shares in the year 2012	
01/01/2012	97,813,992
Withdrawals with buy-back	(363,257)
Entries with buy-back and for the stock grant scheme	365,978
31/12/2012	97,816,713

On the date of the these Financial Statements there were no shares subject to encumbrances or capital increases underway subject to option rights.
The shares of the Parent gradually delivered to employees under the stock grant scheme totalled 1,038,300 shares at the end of the year (1,038,300 at the end of 2011).

Treasury shares held by the Parent: Euro -1,216 thousand (Euro -1,222 thousand)

The treasury shares owned by the Parent at the end of the year totalled 608,187, equivalent to 0.618% of share capital (610,908 shares in 2011), with the nominal value totalling Euro 1,216 thousand being recognised in accordance with the international financial reporting standards as decrement of equity.

Equity reserves: Euro 237,865 thousand (Euro 198,398 thousand)

Equity reserves are shown in the following table:

(thousands of euro)	31/12/12	31/12/11	Change
Legal reserve	23,930	20,797	3,133
Extraordinary reserve	218,262	175,968	42,294
Retained earnings	48,682	40,493	8,189
Other reserves	(921)	(1,709)	788
Other comprehensive income	(52,088)	(37,151)	(14,937)
Total	237,865	198,398	39,467

- **Legal reserve**

The legal reserve increased by Euro 3,133 thousand in relation to the provision of Art. 2430 of the Italian Civil Code.

- **Extraordinary reserve**

The extraordinary reserve increased compared to the previous year by Euro 42,294 thousand. This results from: Euro 41,952 thousand as the remaining amount of the allocation of profit of the 2011 financial statements of the Parent; Euro (20) thousand as a result of buy-back transactions; Euro 362 thousand as the remaining amount of the allocation of the profits of the subsidiaries for 2011;

With regard to buy-back transactions, it should be pointed out that the total of the provision for treasury shares held in the portfolio reducing the extraordinary reserve pursuant to Art. 2357 ter of the Italian Civil Code totalled Euro 3,019 thousand and, pursuant to the relevant accounting standards, applying Euro 1,803 thousand to reduce the Extraordinary reserve and Euro 1,216 thousand to reduce the share capital, corresponding to the nominal value of treasury shares in the portfolio.

Retained earnings

Retained earnings amounting to Euro 48,682 thousand reflect the effects deriving from the consolidation of the shareholdings in the subsidiaries and jointly controlled entities, and from the application of equity accounting.

The item likewise includes the accounts from transactions regarding the acquisition of minority investments in entities that are already Group subsidiaries as governed by IAS 27.

- **Dividends paid**

In 2012 dividends totalling Euro 16,630,295.22 were paid (Euro 14,644,967.10 in 2011). The dividend approved aty the General Meeting of 24 April 2012 of Euro 0.17 per share (Euro 0.15 in 2011), was paid on 10 May 2012, ex-dividend date on 7 May 2012. The number of shares benefiting from the dividend is 97,825,266 (97,633,114 in 2011) on a total number of shares of 98,424,900 and net of the treasury share quota totalling 599,634; likewise, part of the profit for 2011, Euro 940 thousand, was allocated to the provision pursuant to Art. 27 of the Company's by-laws.

Other reserves

The composition of this item is shown in the following table:

(thousands of euro)	31/12/12	31/12/11	Change
Stock grant reserve	2,026	1,034	992
IFRS transition reserve	(13,373)	(13,373)	0
Reserve for first-time adoption of IFRIC 12	10,396	10,396	0
Treasury share negotiation reserve	2,205	2,131	74
Other	(2,175)	(1,897)	(278)
Total	(921)	(1,709)	788

Other reserves changed mainly due to stock grant reserve difference of Euro 992 thousand.
The stock grant reserve represents the amount of the shares assigned to employees, but not yet handed over, calculated in accordance with current regulations and the relative actuarial valuation.
The IFRS transition reserve represents: (i) The total amount of adjustments recorded under equity in the first financial statements drawn up in accordance with international financial reporting standards; (ii) The amount recorded following subsequent IFRS approvals with respect to first-time adoption; (iii) The amount of cumulative translation differences at the time of transition to IFRS, not recalculated following the exercise of the exemption stated in IFRS 1 par.13; (iv) The amount of the consolidation differences emerging from business combinations previous to the transition date to IFRS rules not recalculated following the exercise of the option stated in IFRS 1 par.13.
The reserve for first-time adoption of IFRIC 12, for service concession agreements, has been calculated at the first-time adoption of accounting interpretation "IFRIC 12", with specific reference to the specific identification, measurement and classification of single investments (Financial or intangible assets).
The treasury share negotiation reserve includes the progressive effects (gain/loss) from the buy-back scheme.
The other reserves include minor items deriving from equity accounting.

Other comprehensive income

Other comprehensive income comprises the effects of hedging reserve and the translation reserves of foreign companies. Changes are shown hereunder:

(thousands of euro)	Hedging reserve	Translation reserve	Total
Opening balance 01/01/2011	(20,894)	(4,716)	(25,610)
Changes in previous year	(10,906)	(636)	(11,540)
Balance 01/01/2012	(31,799)	(5,352)	(37,151)
Changes for the year	(13,876)	(1,060)	(14,936)
Balance 31/12/2012	(45,676)	(6,412)	(52,088)

The composition of the hedging reserve is shown below:

(thousands of euro)	31/12/12	31/12/11	Change
Hedging reserve Parent/Subsidiaries	34,486	21,969	12,517
Tax effect	(9,129)	(5,718)	(3,411)
Amount net of tax effect	25,357	16,251	9,106
Hedging reserve Associates	20,830	15,610	5,220
Total	46,187	31,861	14,326
Attributable to owners of the parent	45,676	31,799	13,876
Attributable to non-controlling interests	511	62	449

Equity attributable to non-controlling interests: Euro 46,930 thousand (Euro 5,057 thousand)

Equity attributable to non-controlling interests increased by Euro 41,873 thousand basically in relation to the changes of the consolidation scope occurring in 2012, and namely, Euro 36,792 thousand for the setting up of the Special Purpose Vehicle for the acquisition of the investments in A4 Holding, as set forth in the investment agreement already commented in note 17.

Share capital management

There follows the disclosure required by IAS 1 – para. 134.

A) Qualitative disclosure

By share capital, the Group means both capital injections by the shareholders, and the value generated by the Group itself in terms of results from performance (retained earnings and other reserves). On the other hand, the Group does not include in this definition the equity items identified after the valuation of cash flow hedge derivatives, since these will be offset in future years by the opposite revenue items, thus enabling the company to undertake this hedging.

The objectives identified by the Group regarding share capital management are the creation of value for shareholders as a whole, the safeguarding of the Group's ability to continue as a going concern and support to the growth of the Group itself. The Group thus intends to maintain an adequate level of capitalisation, in order to achieve both a satisfactory economic return for the shareholders and to guarantee economical access to external sources of funding. The Group constantly monitors the evolution of the level of debt in relation to equity and in particular the level of net debt and the generation of cash flow from the operating activities. In order to achieve the above goals, the Group pursues the constant improvement of the profitability of the business sectors where it operates.

To complete the qualitative disclosure, it is pointed out that the Group has respected the financial covenant levels required with reference to corporate "committed" borrowing with banks financing the Group. For further information see the subsequent paragraph of these notes entitled "Covenants and Negative Pledges".

B) Quantitative disclosure

There follows the quantitative analysis of the individual share capital items as defined in the previous paragraph.

(thousands of euro)	31/12/12	31/12/11
A – Overall financial debt	(626,005)	(482,701)
Total equity	554,555	470,278
Minus amounts accrued in assets for coverage of financial flows	(46,187)	(31,861)
B- Adjusted share capital	600,742	502,139
C - Payables/Share capital ratio (A/B)	1.04	0.96

26. Financial liabilities

Non-current financial liabilities: Euro 734,920 thousand (Euro 672,612 thousand)

Non-current financial liabilities show an overall increase totalling Euro 62,308 thousand and consist of the following:

(thousands of euro)	31/12/12	31/12/11	Change
Bank loans and borrowings (*)	719,431	662,135	57,296
Non-current share of loans (*)	3,797	4,033	(236)
Finance lease payables (*)	9,575	4,728	4,847
Financial payables to associates	2,117	1,716	401
Total	734,920	672,612	62,308

(*) Included in NFP for an amount of 706,007 (31 December 2011: 654,199)

The general increase shown in this item, compared to 2011, is related to the investments made in Italy and Turkey, in the concessions sector.

With regard to the latter, it should however be pointed out that the payable regarding concessions is by definition "*Non-Recourse*", also taking into account the rights to receivables guaranteed by the party granting the concession. It is also useful to recall the substantial orientation of the debt structure to the medium-long term that guarantees the financial resources necessary to cover the investments planned for the next five-year period.

It is likewise pointed out that the item also includes Euro 26,796 thousand (31 December 2011: Euro 16,698 thousand?) in hedging derivatives; in this regard see note 32.

Current tax liabilities: Euro 537,661 thousand (Euro 453,026 thousand)*

Current tax liabilities increased and consist of the following:

(thousands of euro)	31/12/12	31/12/11	Change
Bank loans and borrowings (*)	470,573	324,713	145,860
Current share of mortgage loans (*)	51,030	114,659	(63,629)
Loans and borrowings from other financial backers (*)	4,787	9,561	(4,774)
Finance lease payables (*)	11,271	4,093	7,178
Total	537,661	453,026	84,635

(*) Included in NFP for an amount of 527,614 (31 December 2011: 443,460)

We should observe that the increase in current payables refers above all to the domestic area and Turkey, and specifically pertaining partly to construction activities and partly to project financing activities. It is likewise pointed out that the item also includes Euro 10,047 thousand (2011: Euro 9,566 thousand) of hedging derivatives; in this regard see note 32.

Finance lease payables: Euro 20,846 thousand (Euro 8,821 thousand)

In the current year the Group has signed finance leases totalling Euro 21,872 thousand with an average duration of 12/60 months. The leases involve durable goods in the categories of specific and generic plant, excavators, mechanical loaders, formwork and sheet piles, buildings for industrial use, heavy lorries and cars; these leases contain a redemption clause.

Finance lease payables increased compared to the previous year by Euro 12,025 thousand, especially in Chile, Romania, Poland, an aspect related to the respective performance of industrial production in the areas indicated. This item has the following composition:

(thousands of euro)	31/12/2012 Instalments	31/12/2012 Current amount	31/12/2011 Instalments	31/12/2011 Current amount
Within 1 year	12,932	11,271	4,397	4,093
Over 1 year and within 5 years	8,811	8,874	4,945	4,728
Over 5 years	936	701	0	0
Total lease instalments	22,675	0	9,342	0
Financial charges	1,833	0	521	0
Current amount	20,846	20,846	8,821	8,821

There follows the covenants and negative pledges related to the borrowing by the Group and the net financial position pursuant to CONSOB Communication No. 6064293 of 28 July 2006.

Covenants and negative pledges

The levels of financial covenants operating on all the committed loans the Group has taken out with banks are listed below:

- Ratio between net financial position and equity attributable to owners of the parent: less than or equal to 1.60x at year end and 1.75x at half year end;
- Ratio between net financial position and gross operating profit: less than or equal to 3.50x at year end and 3.75x at half year end.

The non-compliance with the above ratios, if not recovered within a period specified in the agreements (the "cure period"), may involve the cancellation of the granting and therefore the request, by the financing banks, to accelerate repayments.
It is pointed out that there has been full compliance with these covenants, as already stated previously in the paragraph on "Share capital Management", in the reporting period.

The aforesaid covenants are applied to the following loans:

- Multi-Tranche Facility, for the sum of Euro 325 million, entered into on 18 July 2006, with a duration of 7 years, arranged by Mediocredito Centrale (Unicredito Group) and the Royal Bank of Scotland and subscribed by a pool of leading Italian banks: expiry April 2013. In this regard it is pointed out, as already stated in the notes to the 2011 financial statements, that a "Forward Start Facility" of Euro 325 million was agreed on 2 December 2011. This loan will be usable from April 2013, upon the expiry of the "Multi-Tranche Facility;
- Loan amounting to Euro 110 million, entered into on 16 July 2009 with Banca Popolare di Milano, acting as Lead arranger of a pool of banks, with a payback plan with final expiry in September 2017;
- Bilateral committed loan for the sum of USD 60 million, taken out in order to cover the misalignment between costs and revenue of the branches in Venezuela and El Salvador, with a duration of 18 months minus one day, entered into with BNP Paribas in August 2011 (and guaranteed by SACE for 70% of the amount): expiry February 2013.
- Bilateral committed loan for the sum of Euro 35 million, taken out in order to cover the misalignment between costs and revenue connected with Group operations abroad through its branches or joint ventures, with a duration of 18 months minus one day, entered into with Cariparma in January 2012 (and guaranteed by SACE for 70% of the amount): expiry July 2013.
- Committed loan of Euro 35 million to support investment in the sector of motorway concessions, issued by Centrobanca and ING Bank in June 2012, with a total duration of 5 years and two renewal options of one year each: current expiry June 2016;
- Committed loan of Euro 10 million to support investment in the sector of motorway concessions, issued by Centrobanca and ING Bank in February 2012: final expiry June 2016;
- Committed loan of Euro 60 million for the preparation of contracts and for the support of investments made in the foreign concessions sector, especially in Turkey. Signed in July 2012 with BBVA and Credit Agricole (guaranteed by SACE for 67% of the amount): expiry July 2017.
- Bilateral committed loan of Euro 10 million, agreed in June 2012 with BBVA: expiry December 2015.
- Bilateral committed revolving loan of Euro 50 million, issued by Efibanca on 14 July 2008: final expiry July 2016.

The above-mentioned financial covenants also apply to the following loans, entered into by Astaldi's subsidiaries in connection with specific operational projects:

- Bilateral committed loan of Euro 18.5 million, entered into on 4 June 2009 with GE Capital (formerly Interbanca S.p.A) for covering design and construction costs of the Verona car park, duration 19 years, expiry in June 2027. The loan to Astaldi Concessioni S.r.l. is supported by a mortgage on the land rights, transfer of receivables deriving from the minimum guaranteed level and transfer of insurance coverage on the minimum fee as well as a corporate guarantee of Astaldi S.p.A.
- Bilateral committed loan of Euro 12.3 million entered into in May 2008 with Efibanca to cover the design and construction costs of the Bologna car park, with duration: expiry May 2025. The loan to Astaldi Concessioni S.r.l. is covered by a mortgage land rights, transfer of receivables deriving from the minimum guaranteed level and transfer of insurance coverage on the minimum fee as well as a corporate guarantee of Astaldi S.p.A.
- The loan for USD 36 million, entered into on 5 August 2009 with Unicredit and MPS Capital Services as lending banks, to sustain investment in equity of "Chacayes Hydroelectric Project" in Chile. The beneficiary of the loan, with a duration of 7 years and final expiry on 8 August 2016, is Inversiones Assimco Limida; loan repayment is 100% guaranteed by Astaldi S.p.A. through a corporate guarantee and pledge issued on the shares (Astaldi investment) of the beneficiary company.
- Loan for Euro 80 million agreed in August 2011, between the special purpose vehicle Mondial AS, a subsidiary of Astaldi Concessioni, and the pool of banks consisting of HSBC and Turkiye Is Bankasi, to sustain investment in the concession in Turkey for the Bodrum Airport. Expiry July 2015; the loan is covered by a corporate guarantee of Astaldi S.p.A.

The same covenant levels are also applied to a committed loan facility for the issue of signature commitments (guarantees and sureties) of the original amount of Euro 175 million, agreed on 30 November 2006, duration 7 years, organised by Unicredito (formerly Mediocredito Centrale) and Royal Bank of Scotland and issued by a pool of banks: expiry November 2013.

In 2012, the following loans expired and were fully repaid:

- Bilateral committed revolving loan of Euro 10 million, issued by Cariparma on 13 December 2010.
- Bilateral committed revolving loan of Euro 30 million, issued by BayernLB Italia on 5 October 2007.

Among the main transactions carried out in 2012 we can observe:

- Committed loan to support investment in the motorway concessions sector, for Euro 10 million agreed with Centrobanca and ING Bank in February 2012: final expiry June 2016;
- Bilateral committed loan of Euro 10 million, agreed in June 2012 with BBVA: expiry December 2015.
- Committed loan of Euro 60 million, to prepare projects and for the support of investments made in the foreign concessions sector, especially in Turkey. Agreed in July 2012 with BBVA and Credit Agricole (guaranteed by SACE for 67% of the amount): expiry July 2017.

Furthermore, the Company has negotiated with the banks on the revision of the repayment plan for the following loans:

- Standby credit line organised in favour of the subsidiary Co.meri S.p.A., a Special Purpose Vehicle set up for the construction of Lot DG21 of Jonica national road (SS106); this line, granted by a pool of banks led by BNL-Gruppo BNP Paribas and guaranteed by Astaldi S.p.A., currently amounts to Euro 16 million with expiry February 2013.
- Part of the Euro 110 million loan agreed on 16 July 2009 with Banca Popolare di Milano, as leader of a pool of lending banks, has undergone restatement, postponing the repayment plan to September 2017.

It should be stressed that starting from 2013, new financial covenant levels will come into force, aligned with those of the Forward Start Facility agreed in December 2011.

The details are as follows.

- Ratio between net financial position and equity attributable to owners of the parent: less than or equal to 1.30x at year end and less than or equal to 1.45x at half year end;
- Ratio between net financial position and gross operating profit: less than or equal to 3.00x at year end and less than or equal to 3.30x at half year end.

In relation to the negative pledge clauses, it is pointed out that the Group, during the negotiation of the borrowing contracts, tends to align these commitments to those defined in the Forward Start Facility agreed in December 2011.
Under this borrowing contract the Group cannot provide its assets as collateral (mortgaging, pledges etc.) except in some specific cases.

In particular this agreement is not applied:

- To guarantees already existing at the time of signing of a new borrowing contract;
- To guarantees issued for borrowing dedicated to individual operating contracts in the form of traditional contracting, general contracting or project financing.

Among the events after the reporting period, it is pointed out that on 24 January 2013 Astaldi S.p.A. made an equity-linked bond issue reserved to qualified Italian and foreign investors. For more details on the operation see the section “Events after the reporting period” in these Notes.

The following table shows net financial debt with details on the main items as required by CONSOB DEM/6064293 communication of 28 July 2006.

(thousands of euro)			31/12/12	31/12/11
A	Cash and cash equivalents		400,215	456,210
B	Securities held for trading		1,347	1,889
C	Available funds	(A+B)	401,562	458,099
-	Short-term financial receivables		3,393	879
-	Current share of rights to receivables arising from concessions		16,306	2,867
D	Current financial receivables		19,700	3,746
E	Current bank loans and borrowings		(460,526)	(315,148)
F	Current share of non-current debt		(51,030)	(114,659)
G	Other current financial payables		(16,059)	(13,654)
H	Current financial debt	(E+F+G)	(527,614)	(443,460)
I	Net current financial debt	(H+D+C)	(106,353)	18,385
J	Non-current bank loans and borrowings		(696,432)	(649,471)
K	Other non-current payables		(9,575)	(4,728)
L	Non-current financial debt	(K+J)	(706,007)	(654,199)
M	Net financial debt	(L+I)	(812,359)	(635,814)
-	Non-current financial receivables		50,935	15,030
-	*of which with related parties*		*43,252*	*14,868*
-	Non-current share of rights to receivables arising from concessions		135,419	138,084
N	Non-current financial receivables		186,354	153,114
O	Total financial debt	(M+N)	(626,005)	(482,701)

Total financial debt takes into account not only the net financial debt (letter M in the table) calculated in accordance with the CESR Recommendation of 10/02/2005, but also non-current financial receivables from associates set up for project financing activities and rights to receivables arising from concessions.
It should likewise be pointed out that the Parent has treasury shares in its portfolio totalling Euro 3,019 thousand which determine a net financial debt, illustrated in the directors' report, for an amount totalling Euro 622,986 thousand. It is likewise pointed out that the net financial debt, also in comparative terms, does not contain the amount of the derivatives used in hedging activities since by their very nature they do not represent financial amounts.

27. Other liabilities

Other Non-current liabilities: Euro 13,721 thousand (Euro 13,716 thousand)

Other non-current liabilities, totalling Euro 13,721 thousand, did not show any particular changes compared to the previous year and mainly regard payables to Simest S.p.A. for the acquisition of the non-controlling interests of the subsidiary Inversiones Assimco Limitada.

Other Current liabilities: Euro 164,527 thousand (Euro 125,547 thousand)

Other current liabilities totalled Euro 164,527 thousand and consist of the following:

(thousands of euro)	31/12/12	31/12/11	Change
Payables to associates	1,386	362	1,024
Payables to other entities	33	33	0
Payables to personnel	18,533	19,921	(1,388)
Payables to social security bodies	10,766	8,631	2,135
Accrued expenses and deferred income	3,815	2,582	1,233
Other	129,994	94,018	35,976
Total	164,527	125,547	38,980

This item increased compared to the previous year, basically in relation to the item "Other", in particular for the domestic area. The increase is mainly due (Euro 13,330 thousand) to the payables to the bankruptcy receivers of "Busi Impianti" for the acquisition of the business unit, with more details being shown in the section "Business combinations" in the premises of these Notes.
With reference to the composition of item "Other", this mainly shows the effects of the consolidation of the various operating entities of the Group with reference to the amount of the existing relations with various jointly controlled entities (approximately Euro 80,000 thousand), both in the domestic and the foreign sector.
In any case, more details on the relations with the Group companies are shown in the annex on related parties.
It should likewise be pointed out that payables to associates, for share capital to be paid in and not yet called up by the individual boards of directors, have been reclassified, as in the previous year, as a direct reduction of the respective carrying amounts of the investments.

28. Employee benefits: Euro 8,760 thousand (Euro 7,926 thousand)

This item concerns post-employment benefits and the changes were as follows:

(thousands of euro)	Amount at 31/12/2011	Increases	Area change	Decreases	Amount at 31/12/12
Post-employment benefits	7,926	1,577	989	(1,732)	8,760

The liabilities recognised in the financial statements are as follows:

(thousands of euro)	31/12/12	31/12/11	Change
Current amount of the obligation	9,367	7,650	1,717
Non-recognised actuarial Loss/(gain)	(607)	276	(883)
Liabilities recorded in the Financial Statements	8,760	7,926	834

(thousands of euro)	Actuarial amount of the obligation
Opening balance	7,926
Costs for supply of services	1,300
Cost for interest	268
Non-recognised actuarial Loss/(gain)	9
Benefits Paid	(1,732)
Change in consolidation scope	989
Closing balance	8,760

The cost for liabilities is as follows:

(thousands of euro)	31/12/12	31/12/11	Change
Social security costs for current employment	1,300	300	1,000
Net interest payable (receivable)	268	458	(190)
Net actuarial Loss (gain)	9	1	8
Total	1,577	759	818

For further clarification of such amounts, the main actuarial assumptions are as follows:

- Annual discounting rate: 2.40%
- Annual inflation rate: 2%
- Annual rate of wage increase:
  - Top management 2.50%;
  - Middle management/White collars/Workers: 1%.

It is pointed out that for the year 2012, for compliance with IAS 19 on the identification of the discount rate used in actuarial valuations, the current rate for trends on the listed bond issues by private companies, being the main reference point for IAS 19 for the calculation of the discount rate; this basket corresponds to the simple average yield at the date of actuarial valuation of bonds denominated in Euro (or other currencies involved in the plan) with issuer rating of at least A (Standard & Poor) or Aa1 (Moody), i.e. with rating levels respecting the definition of "high quality" required by IAS 19, also ensures the sufficient broadness of this basket, taking into account the specific aims for the use of the rate set by the standard.

The change of the parameter used derives from the recognition of the gradual worsening of average ratings of bond issuers, involving a general reduction in size of the high rating bond market, both for public issuers (sovereign debt, public institutions etc.) and for companies.
However, the use of a basket of securities with AA rating for identifying the discount rate would have involved a wholly insignificant effect, with a reduction in the profit for 2012 of approximately Euro 37.7 thousand; actuarial gains and losses not recognised in the accounts due to the effect of the application of the corridor method, on the other hand, would have involved a decrease of Euro 17.5 thousand.

29. Trade payables: Euro 1,128,798 thousand (Euro 1,118,769 thousand)

This item has the following composition:

(thousands of euro)	31/12/12	31/12/11	Change
Payables to suppliers	985,346	1,001,328	(15,982)
Payables to associates	142,242	116,208	26,034
Payables to parents	0	2	(2)
Payables to other investees	1,210	1,231	(21)
Total	1,128,798	1,118,769	10,029

The slight increase of this item by Euro 10,029 thousand (1% compared to the previous year), reflects the significant improvement of the trade payables situation, in particular towards suppliers, compared to previous years, above all considering the increase recorded in production volumes.
In particular payables to suppliers have fallen by Euro 15,981 thousand. The item comprises a significant increase (approximately Euro 91,000 thousand), due to work in progress in Russia, and in the North American market, in relation to the recent acquisition of the subsidiary T.E.Q. in Canada, and finally in Peru. We should point out a slowdown in the growth rate of the payables item in Italy, Romania, Turkey and other minor areas, for an amount totalling approximately Euro 107,000.

30. Tax liabilities: Euro 93,387 thousand (Euro 73,142 thousand)

Tax liabilities increased by Euro 20,245 thousand compared to the previous year and consist of the following:

(thousands of euro)	31/12/12	31/12/11	Change
Payables for indirect taxation	37,414	34,161	3,253
Payables for direct taxation	50,773	33,445	17,328
Tax liabilities for tax withholding applied	5,200	5,536	(336)
Total	93,387	73,142	20,245

The increase of this item is due in particular to the item "Payables for direct taxation " and is related to the higher production volumes for contract work in progress in Poland, Russia, and Turkey.

31. Provisions for risks and charges: Euro 28,578 thousand (Euro 29,159 thousand)

Provisions for risks and charges consist of the following:

(thousands of euro)	Provisions for contract obligations	Provisions for investment risks	Provision for potential losses	Provision as per Art. 27 of Company by-laws	Total
Balance at 31/12/2011	24,113	2,555	1,100	1,391	29,159
Accruals	5,354	0	1,200	0	6,554
Uses	(7,665)	0	(600)	(528)	(8,793)
Allocation of 2011 profit	0	0	0	939	939
Other	666	53	0	0	719
Balance at 31/12/2012	22,468	2,608	1,700	1,802	28,578

- Provisions for contract obligations mainly include the prudent provision for charges relating to works that have already been performed, but for which the final phase of the respective contracts has not yet been defined, as well as activities related to work in progress;
- Provisions for investment risks reflect the deficit, attributable to the owners of the parent, compared to the carrying amount of investments and, in particular, also include the changes of the profits or losses of companies measured at equity with negative carrying amount;
- The provision for legal commitments includes the accrual of charges measured through a precise analysis of each individual case, carried out with the help of external consultants and based on both objective and evaluation elements.
- The provision as per Art. 27 of the company's bylaws was used for donation purposes and increased through the allocation of profits in accordance with specific resolutions.

The Group is a party to penal and tax legal proceedings and lawsuits connected with the regular company activities. Based on information currently available, and taking account of existing provisions for risks, it is deemed that these proceedings and legal actions will not have any negative impact on the consolidated financial statements since the possibility of loss of the proceedings is deemed to be remote.
On 17 October 2011, Major Taxpayers' Office of the Lazio Regional Directorate sent a Notice of Assessment for items pertaining to the financial year 2006 in the Preliminary Assessment Report served on 3 June 2010, following the general VAT, IRES and IRAP audit, started with access on 23 December 2009, concerning the financial year 2007, with the extension to the financial year 2006 as regards certain cases.
On the whole, the office found and challenged Astaldi S.p.A. with a few relevant observations, including: application of Art. 165 of the Consolidated Tax Act on the subject of tax credit for taxes paid abroad (years from 2006 to 2007); the claimed tax relevance of the higher value of the amounts liquidated through the progress reports on long-term contracts compared to the assessment of the works in progress carried out according to the cost to cost methodology, as required by IAS 11 (year 2007); in addition to other observations of minor relevance. The total amount of the higher taxes (IRES and IRAP) notified is approximately Euro 20 million, in addition to penalties and interest.
For the year 2006, the Office, confirming the Company's correct behaviour for the calculation of credit for tax paid

abroad, previously certified for the years 2004 and 2005, only reported minor violations in the afore-mentioned Notice. In this respect, it should be pointed out that the assessment was concluded in February 2012 with the agreement to pay Euro 683 thousand including higher tax, penalties and interest.
With regard to the claims for tax liability for the year 2007, it is pointed out that in October 2012 the Tax Authorities notified an assessment by which, besides again confirming the work by the Company in the calculation of tax credits for taxes paid abroad, consolidating what had already been formulated for the years 2004, 2005 and 2006, they have decided not to demand the tax liability for the higher value of the amounts paid with respect to the valuation of contract work in progress on long-term contracts with the cost to cost method (in line with the recent Circular 7/E of 28 February 2011), making demands only for some minor aspects. The Company responded to the assessment for the year 2007 by paying the requested amount of Euro 56,000.00 (inclusive of penalties and interest). After the definition of the year 2007, due to the effect of the recalculation of the domestic tax and foreign tax surplus to be shown in the subsequent years, calculated in accordance with Art. 165 of the Consolidated Tax Act, the Tax Authorities, after targeted access carried out in November 2012, issued a Preliminary Assessment Report by which they only recalculated the tax credit for taxes paid abroad for the year 2008.
The Company availed itself of the option of full acquiescence to the Preliminary Assessment Report, pursuant to Art. 5-bis of Legislative Decree 218/1997, making a payment of Euro 3,344 thousand inclusive of penalties and interest.
After the conclusion of the aforesaid procedures and to complete the information, it should be pointed out that as of now Parent has defined all the issues arising in the above-mentioned acts for the years from 2004 to 2008.
It is likewise pointed out that on 3 November 2010, the Group company COMERI S.p.A. received a Preliminary Assessment Report from the Italian Tax Police, Rome Unit, following a general check made for the purposes of direct and indirect taxation.
In the year 2012 there were no further developments, thus confirming what was already stated in this regard with reference to the Financial Statements for the previous year 2011.
For complete information, we can recall that the above-mentioned Preliminary Assessment Report contains an objection concerning taxation of the agreement signed between the Company and ANAS S.p.A. on 3 May 2010, regarding the definition of the technical reserves included in the construction site accounts up to 31.12.2008, some of which were erroneously considered by the Tax Police to be higher fees rather than penalties for compensation of damage, and thus fully subject to 20% VAT.
In relation to this matter, it was shown that the company COMERI S.p.A. had previously registered the out-of-court settlement in question with the Tax Authorities on 15 June 2010; on this occasion the authorities requested and accepted the payment of the proportional registration tax on the aforesaid reserves, thus conclusively confirming the tax treatment for these amounts for the purposes of indirect taxation, considering them to be compensatory and thus excluded from VAT taxation.
On the basis of the aforesaid, and through the presentation of detailed observations on the circumstances involved, the company COMERI S.p.A. presented an application to the Tax Authorities on 30.12.2010 requesting them not to proceed in this respect with the issue of a notice of assessment on the Preliminary Assessment Report issued by the Tax Police, since otherwise this would give rise to double taxation of an individual taxable item.
Up to now there has been no response to this application, while the Tax Authorities have not issued any notice of assessment. Therefore, also with the support of the consultants, the risk of assessment is considered remote.
To complete the information provided regarding provisions for risks and charges, there follows a summary of the provisions recognised in the financial statements with indication of their nature and specific category.

(thousands of euro)		31/12/12	31/12/11	note
Allowances to directly decrease assets		51,702	32,220	
Allowance for impairment losses on investments	Investments	8	8	17
Allowance for impairment losses on contracts	Receivables from customers	12,374	12,348	21
Allowance for impairment	Trade receivables	11,281	11,035	22
Allowance for impairment - default interest	Trade receivables	23,443	4,759	22
Allowance for impairment losses on other assets	Other current assets	4,398	3,872	19
Allowance for impairment - default interest to tax authorities	Tax assets	198	198	23
Provisions recognised under liabilities				
Provisions for risks and charges		36,180	38,794	31
of which:				
b) For investment risks	provisions for risks and charges (investments)	2,608	2,555	31
c) For contract losses	provisions for risks and charges	21,305	24,113	31
d) For contract losses	payments on account	7,602	9,635	
e) Other provisions for risks and charges	provisions for risks and charges	4,665	2,491	31
Total provisions/allowances		87,882	71,014	

32. Information on risk management, financial instruments and guarantees

Financial Risk Management

The Astaldi Group operates in an international context where transactions are performed in various currencies; moreover, in order to support and develop its own business activities, it funds itself with external sources of financing in Euro and foreign currencies.

The Astaldi Group is therefore exposed to the following financial risks:

- Market risk: exposure of the Group to fluctuations in interest rates and exchange rates between the Euro and the other currencies in which it operates;
- Liquidity risk: the possibility that the Astaldi Group might not be able to meet its financial commitments deriving from contracts and, more generally, from its short-term financial commitments;
- Credit risk: exposure of the Group to potential loss deriving from the failure to fulfil commitments undertaken by counterparts.

The various types of risk are monitored in such a way as to evaluate in advance their potential negative effects, and take suitable mitigating actions. The optimisation and reduction of risk levels is pursued by an adequate organisational structure, the adopting of rules and procedures, the implementation of targeted commercial and purchasing policies, and the use of insurance policies and hedging derivatives.
In order to maintain corporate value, the Astaldi Group has drawn up guidelines for controlling its exposure to market risks and entrusted the definition of policies and strategies to be adopted to manage the same through

derivatives and monitoring of hedged positions, to a Financial Risks Committee.
With respect to these policies, the Astaldi Group mainly uses cash flow hedging to cover exposure to fluctuations in cash flows especially due to risks identified and associated with assets or liabilities, or for a planned transaction highly likely to have an effect on the income statement.
There follows the hedging derivatives transactions at 31 December 2012, with a distinction between hedge accounting, representing most of the Astaldi Group's transactions, and non-hedge accounting transactions shown for each type of financial instrument with fair value, notional value and the changes in the respective reserves and the income statement. For transactions in currencies other than the Euro, the corresponding amounts are calculated at the exchange rate at the end of the year. The measurement of these instruments is conducted on the basis of specific pricing models and market data recorded at the end of the financial year.
All the derivatives transactions at 31 December 2012 are in compliance with the so-called level 2 of fair value.[11] In this respect, it should be pointed out that compared to the previous year, there have not been any changes in the measurement model.

Interest rate risk

Group exposure to the risk of changes in interest rates is mainly related to floating interest financial debt; changes in interest rates affect the market value of financial assets and liabilities of the company and the level of net financial charges.
The Astaldi Group, also taking into account contract obligations, duly assesses exposure to the risk of changes in interest rates and manages these risks by the use of non-speculative derivatives, in order to pursue a Cash Flow Hedge strategy. The Group's hedging policy, governed by a specific interest rate risk management policy, involved the definition of an ideal mix between fixed rate and floating rate borrowing (mainly Euribor) in the borrowing structure in order to reduce borrowing costs and their volatility; the Group therefore carries out hedging transactions through simple derivatives ("plain vanilla"), on a cash flow hedge basis, in order to convert the floating rate into a fixed rate (Interest Rate Swap[12]), or to allow a limited interest rate fluctuation within a predefined range (Collar[13]), and in any event guaranteeing a maximum risk exposure level (Cap). These instruments are generally at zero cost.
At 31 December 2012, the notional value of derivatives hedging on the interest rate risk totalled Euro 732 million of which 206 million on a forward basis, mainly to hedge the Forward Start Facility, totalling Euro 325 million, agreed in December 2011, and due to come into force in April 2013, upon the expiry and to replace the current credit line for the same amount. The percentage of fixed rate hedging of gross debt, net of the aforesaid FSF hedging, is approximately 45%.
The following tables show the aforementioned transactions, all designed to hedge financial flows, split into cash flow hedges and transactions for which the Group decided not to apply hedge accounting as a result of the charges and problems linked to the application of hedge accounting to the characteristics of the hedged items.

(thousands of euro)

Type of derivative	Hedged item	Notional remainder 31.12.2012	Fair Value 2012	Fair Value 2011
IRS	Medium/long-term debt	674,222	(34,391)	(22,329)
OPTIONS	Medium/long-term debt	52,500	(727)	(1,007)
Total		726,722	(35,118)	(23,335)

With reference to the aforesaid Hedge Accounting, the change in amounts had an impact above all on equity attributable to owners of the parent, leading to a final amount of the hedging reserve of Euro 34.5 million, together with the related effect for deferred tax of Euro 9.1 million.
There follows the changes of the hedging reserve in 2012:

Hedging reserve - interest rate risk	31/12/12	31/12/11
Opening reserve	(23,098)	(21,634)
Impact on hedging reserve net of release to income statement	(11,409)	(1,464)
Final reserve	(34,507)	(23,098)
Ineffectiveness	(283)	(378)

It is noted that the figure for ineffectiveness also includes the time value of hedges performed via options for which hedge accounting is applied.
With regard to transactions for which hedge accounting has not been applied, the changes in the amount of these financial instruments were recognised directly in the income statement.

(thousands of euro)

Type of derivative	Hedged item	Notional Remainder 31.12.2012	Fair Value 2012	Fair Value 2011
IRS	Medium/long-term debt	5,400	(484)	(557)
OPTIONS	Medium/long-term debt	0	0	(6)
Total		5,400	(484)	(563)

Sensitivity analysis

The potential effects of a hypothetical increase or decrease in interest rates on the Group's Income Statement and Statement of financial position are shown hereunder in terms of higher or lower interest expense payable over the entire remaining duration of floating rate financial payables.
The analysis was carried out based on market curves at 31/12/2012 and considers a parallel rate shock by 1% upwards (shock up) and 0.30% downwards (shock down) on interest rates.

[11] Pursuant to IFRS 7, Astaldi Group must classify fair value measurements with the classification of fair value reflecting the significance of the data used in measurement, with the following levels:
Level 1: listed prices (non-adjusted in an active market for identical financial instruments)
Level 2: input data other than quoted prices observable for the assets or the liabilities, either directly (as prices) or indirectly (derived from prices)
Level 3: data for assets or liabilities not based on observable market data.

[12] An Interest Rate Swap contract is an agreement by which the two parties periodically exchange payment flows based on a given notional capital, for a given period of time. The contract does not involve the exchange of capital, and the interest is paid subsequently. The reference capital for calculating the interest may remain constant for the duration of the contract, or vary (amortising swap).

[13] An Interest Rate Collar contract consists of the purchase/sale of a Cap option and the simultaneous sale/purchase of a Floor option, with different strikes of the two options. The contract allows for the limitation of fluctuation risk of the market reference rate on a specific band (or corridor), between a maximum rate level (cap) and a minimum level (floor). This insurance has a purchase cost equal to the difference between the premium collected from the sale of the Floor and the one paid for the purchase of the Cap.

(thousands of euro)	Income statement		Equity	
Interest rate risk sensitivity analysis	Shock up 31-Dec-12	Shock down 31-Dec-12	Shock up 31-Dec-12	Shock down 31-Dec-12
Financial liabilities				
- cash flow	(12,439)	3,732	0	0
Derivative hedging instruments				
- cash flow	3,791	(777)	0	0
Total	(8,648)	2,955	0	0
- fair value	200	(111)	17,545	(4,567)

With reference to 31/12/2012 the analysis shows how, considering a hypothetical 1% increase in interest rates, as a consequence of hedging through derivatives (approximately Euro 3.8 million), financial charges would increase by Euro 8.6 million; in this hypothetical scenario the fair value of hedging recognised in the income statement, compared to the effective amount recorded at 31/12/2012, would show an increase of Euro 0.2 million, while the equity reserve would show a negative effect of approximately Euro 17.5 million.
Similarly, as shown in the table, a shock down of 0.30% in interest rates would lead to a decrease in financial charges of approximately 3 million Euro.

Currency risk

With reference to the currency risk, the Astaldi Group performs cash flow hedges for specific foreign orders, in order to mitigate the effect of exchange rate fluctuations on the related costs or revenue in terms of foreign currency.
The Group policy is aimed at hedging a percentage of exposure to currency risk, depending on the characteristics of the business and the particular volatility of certain currencies, for the entire duration of the works regarding specific contracts, and when this is not possible, for a period of 12 months.
Also in this case hedging is performed by the use of forward plain vanilla derivatives[14], cost zero cylinders[15] and cross currency interest rate swaps.[16]
In those cases where, in connection with specific foreign currencies especially those of emerging countries, financial markets do not allow for mitigation of the currency risk through derivatives, the Astaldi Group tends to protect the imbalance between trade receivables and payables in local currency through financial debt in the same currency (the so-called "natural hedge").
At 31 December 2012 the notional value of existing currency risk hedges amounted to a total counter-value of Euro 54 million.

(thousands of euro) Description	Notional	Fair Value	Income statement	Hedging Reserve
Purchase Euro/PLN	16,200	(219)	(241)	22
Purchase Euro/USD	37,896	(10)	(10)	0
Total	54,096	(229)	(251)	22

A breakdown of the changes in the hedging reserve during 2012 due to hedges on exchange rates is shown below:

(thousands of euro)

Hedging reserve - currency risk	31/12/12	31/12/11
Opening reserve	1,130	0
Impact on hedging reserve net of release to income statement	(1,108)	1,130
Closing reserve	22	1,130
Ineffectiveness	(10)	(116)

Liquidity risk

The main factors determining the Group's liquidity risk are, on one hand, the financial resources generated by or used in Group operating and investing activities, and on the other, the characteristics of debt maturity and use of cash, as well as contingent cash terms of financial markets.
The Astaldi Group aims to maintain a sufficient cash margin to allow for coverage of financial requirements with the availability of committed and uncommitted credit lines.
Cash flows, the need for financing and the liquidity held by Group companies are monitored in an ongoing manner and managed by the Group with the aim of guaranteeing effective and efficient management of financial resources.
The following table shows the timeframe of the Group's financial liabilities:

(thousands of euro)

Analysis of maturities at 31 December 2011	Use	On sight	2013	2014	2015	2016	2017	Beyond
Short-term borrowings	(464,526)	366,149	27,283	0	0	0	0	0
Medium/long-term borrowings	(779,370)	0	128,509	150,234	113,742	343,083	35,318	79,577
Total	(1,243,895)	366,149	155,792	150,234	113,742	343,083	35,318	79,577
Derivatives								
- derivatives on interest rate risk		0	10,439	9,370	7,197	4,360	2,324	4,534
- derivatives on currency risk		0	228	0	0	0	0	0
Total			10,667	9,370	7,197	4,360	2,324	4,534
EXPOSURE AT 31.12.2012		366,149	166,459	159,604	120,939	347,443	37,643	84,111

Note: The figures for floating rate financial liabilities shown in the table coincide with the nominal value of these liabilities, net of reclassification for measurement of borrowings at amortised cost and at fair value of interest rate derivatives.

[14] Forward rate agreements are term contracts in which two parties agree on the exchange rate to apply to a certain amount for a certain period of future time. The rate is established so that when the contract is signed neither of the parties show a gain or loss. This initial value is equal to the Forward market rate for the corresponding period.

[15] This is a transaction for two derivatives contracts, and there are no initial costs for the investor.

[16] The cross currency swap (CCS) is a contract by which two parties agree to mutually exchange an initial capital, periodical interest flows and a final capital, expressed in two different currencies.

The Astaldi Group has adopted a series of policies and processes aimed at making the most of management of sources of financing, reducing the liquidity risk, such as, in particular:

- Orientation towards centralised management of collection and payment flows (cash management systems) where deemed advantageous in compliance with the various civil, currency and tax laws of the countries where the Group operates and in keeping with the rules for managing the financial flows of individual contracts;
- Maintenance of a suitable level of available liquidity;
- Existence of an investment portfolio with a corresponding liquid market and whose securities are available for trading in order to cope with liquidity needs;
- Diversification of instruments for obtaining financial resources and ongoing focus on financial markets;
- Obtainment of appropriate bank credit facilities (committed and uncommitted);
- Monitoring of future liquidity conditions in relation to corporate planning.

Credit risk

The credit risk represents the exposure of the Group to potential default risks of a counterpart.
The Group's credit risk is limited by the solvency characteristics of the customers served. The portfolio of credit items maturing is constantly monitored by the appropriate departments.
The type of Group customers is basically government and public bodies, by their very nature solvent.
Therefore, the credit risk, represented by the possible default of customers, is considered to have slight significance, also considering the insurance coverage that can be set up by policies with insurance companies.
We should likewise point out that for some countries, collection times may go beyond the usual terms. At 31 December 2012 the percentage of overdue trade receivables was 26% of which 17% for those overdue by over 12 months. However, the analysis of credit risk exposure according to maturity is not very significant, since the receivables are measured in relation to the other items of working capital and in particular the payables to subcontractors and suppliers typical in the sector, the due dates of which, in the management of operational leverage, tend to be aligned to the collection time by customers (back to back).

Guarantees and sureties

Personal guarantees

The overall amount of the guarantees provided is Euro 2,619,987 thousand and refers to the following items:

- Sureties for opening credit lines with the purpose of ensuring the regular cash flow of the individual contracts, issued in the interest of subsidiaries and other investees, set up for this purpose under the laws in force, for a total amount of Euro 122,314 thousand;
- Sureties for works, issued for various purposes by banks and insurance companies in the interest of the Group, in favour of the bodies contracting the works, on the Group's own account and that of other subsidiaries, associates and other investees, for a total amount of Euro 2,449,906 thousand;
- Other sureties issued for various purposes for a total amount of Euro 47,767 thousand.

Third party sureties in favour of the Group

The item amounting to Euro 270,377 thousand regards guarantees issued by banks and insurance companies in the interest of Italian and foreign suppliers and sub-contractors, in relation to contract obligations undertaken by the latter with the Group.

33. Information on transactions with related parties and fees payable to Directors, Statutory Auditors, General Managers and other key management personnel

In accordance with IAS 24 as well as CONSOB communication no. 6064293 of 28 July 2006, Annex 2 to these Notes shows the totals of existing transactions and balances resulting from financial and commercial relations with related parties. In this regard, it is noted that the relevant transactions were carried out at market conditions. Moreover, it is specified that relations with consortia and consortium companies (special purpose vehicles), taking into account the specific sector the Group operates in, are to be related to receivables due from third parties – recognised among Trade Receivables (note 22) – not summarised in the annex regarding transactions with related parties.

Information regarding fees due to Directors, Statutory Auditors, General Managers and other key management personnel of the Parent is shown in the table below in accordance with the provisions of the remuneration report as per Art. 123-ter of the Consolidated Finance Act.

(thousands of euro)

Category	Fixed fees	Fees for committee meetings	Variable non- equity fees (bonuses and other incentives)	Non-monetary benefits	Other fees	Total	Fair value of equity benefits
Directors	4,155	26	143	46	17	4,388	464
Statutory Auditors	120	0	0	0	0	120	0
General managers	1,205	0	313	30	17	1,566	529
Key management personnel	1,747	0	585	32	18	2,382	0

34. Segment reporting

The operating segments subject to segment disclosure were determined in accordance with reporting used by the top management as an information set for their decisions. This reporting is specifically based on the various geographical areas in which the Group operates, and it is determined by using the same accounting standards used to draw up the consolidated financial statements.
The following tables show segment reporting as per IFRS 8.

Segment reporting 2012

(thousands of euro)	Italy	Europe	America	Africa	Asia	Other assets	Adjustments and cancellations	Consolidated total
Revenue	1,212,108	865,942	356,940	179,058	64,420	10,151	(363,320)	2,325,299
Operating profit (loss)	103,018	52,384	28,573	62,685	(21,900)	(12,725)	(222)	211,813
Net financial charges								(85,131)
Share of profit (loss) of equity-accounted investees								3,146
Profit/(loss) before tax and non-controlling interests								129,829
Tax expense								(55,879)
Profit for the year								74,126
Assets or liabilities								
Segment assets	2,073,650	1,383,816	1,050,817	301,371	88,987	1,390,123	(2,540,273)	3,748,491
of which investments						889,539	(632,098)	257,441
Segment liabilities	(1,558,783)	(1,355,306)	(945,380)	(263,945)	(111,132)	(1,035,178)	2,075,788	(3,193,936)
Other segment reporting								
Property, plant and equipment	9,482	53,826	72,666	16,479	10,517	58,752	(628)	221,094
Intangible assets	14,717	80,415	11	-	101	9,168	3,111	107,523
Depreciation of property, plant and equipment	2,431	9,901	12,519	5,187	2,902	8,205	325	41,470
Provisions		-	-	-	-	1,427	-	1,427

Segment reporting 2011

(thousands of euro)	Italy	Europe	America	Africa	Asia	Other assets	Adjust-ments and elimi-nations	Consol-idated total
Revenue	1,486,936	769,640	315,277	162,161	36,944	(38)	(505,636)	2,265,284
Operating profit (loss)	147,278	6,293	47,886	38,245	(31,003)	(10,451)	2,443	200,691
Net financial charges								(75,672)
Share of profit (loss) of equity-accounted investees								401
Profit/(loss) before tax and non-controlling interests								125,420
Tax expense								(53,496)
Profit for the year								71,195
Assets or liabilities								
Segment assets	1,895,821	1,028,932	1,037,773	362,739	84,161	1,229,180	(2,201,037)	3,437,569
of which investments						582,020	(386,055)	195,964
Segment liabilities	(1,594,894)	(1,025,664)	(918,626)	(347,550)	(149,529)	(923,751)	1,992,723	(2,967,291)
Other segment reporting								
Property, plant and equipment	8,605	43,122	44,603	15,182	19,547	61,690	(470)	192,278
Intangible assets	7,598	36,060	8	-	69	397	-	44,132
Depreciation of property, plant and equipment	2,936	9,165	12,214	6,715	4,071	9,536	(364)	44,273
Provisions		-	-	-	-	7,960	-	7,960

35. Other information

Non-recurring significant events and transactions

The Astaldi Group's financial position and results of operations were not affected in the year 2012 by non-recurring significant events and transactions as defined in CONSOB Communication no. DEM/6064293.

Positions or transactions deriving from atypical or unusual transactions

In 2012 the Astaldi Group did not undertake any atypical or unusual transactions as defined in CONSOB Communication no. DEM/6064293.

Authorisation of publication

The publication of the Financial Statements was authorised by the Board of Directors of the Parent on 13 March 2013.
At that meeting the Board likewise submitted for the approval by the Shareholders at their Meeting on 23 April the proposed payment of a dividend of 0.17 Euro per share (ex-dividend date on 3 June 2013, record date 5 June 2013, settlement on 6 June 2013).

Events after the reporting period

There follows information on the events after the reporting period. In January, the Parent concluded a borrowing transaction with an equity-linked bond issue ("Euro 130,000,000 4.50% Equity-Linked Bonds due 2019"), placed with qualified Italian and foreign investors. This transaction, highly successful on the market, involved the issue of the securities and payment of the subscription price. The bonds, with a unit value totalling Euro 100,000, were issued for a total amount of Euro 130,000,000, have a duration of 6 years (expiry 31 January 2019) with half-year coupon with a fixed annual rate of 4.50%, payable on 31 January and 31 July of each year. The bonds may be converted into ordinary shares of the Parent, existing or newly issued, after one year has elapsed from the issue and subordinate to approval by the Parent's shareholders at their extraordinary meeting, to be held by 30 June 2013, of an increase in capital without option rights. The conversion price of the bonds has been set at Euro 7.3996, incorporating a conversion premium of 35% with respect to weighted average price for the volume of Astaldi shares traded on the Italian stock exchange in the time from the launching of the transaction and the pricing of Euro 5.4812. The Parent will be able to settle any conversion by cash payment or by a combination of ordinary shares and cash (cash settlement option). The bonds will be traded on the Luxembourg Stock Exchange and on the Euro MTF non-regulated market.
In February, Astaldi Group was awarded the contract for the modernisation and extension of the John Paul II International Airport of Kraków-Balice in Poland, with a value of Euro 72 million. The project involves the extension and the rebuilding of the international passenger terminal, the construction of external plant and links with the multi-storey car park and the railway station, as well as the construction and modernisation of the internal transport system. The new facility will cover an area of 26,000 m2, with a volume of 424,000 m3 and, at the end of the works, the airport will serve 8,000,000 passengers per year, guaranteeing a "C" class service level by IATA standards. The works will be undertaken in operational phases, in order to allow the regular operation of

the existing terminal that will be incorporated from the architectural and plant aspects in the new building. The planned duration of the works is 2 years, with start-up from next spring. The entity commissioning the works is MiĐdzynarodowy Port Lotniczy im. Jana Pawła II Kraków-Balice Sp. z o.o., the Company with a public stake for the development and the management of the entire facility.
From the operational point of view, in the first part of 2013, two important milestones have been achieved in Italy. In February, the operational section Zara-Bignami of the Milan Underground Line 5 was inaugurated, with the start of the management phase by the concessionaire company Metro 5 S.p.A., an investee of the Astaldi Group. In March, the Brescia Underground was also opened to the public.
Abroad, in February the Venezuelan government decided to devalue the *bolivar fuerte*. For some time, the country has serious economic and socio-political difficulties, further exacerbated by the illness of President Hugo Chávez, who died in March 2013. The February 2013 devaluation, an event widely forecast by the Astaldi Group and the main analysts on the Venezuelan market, is a "competitive" devaluation aimed at relaunching the local economy. This devaluation has led to a fall in the VEF/USD exchange rate from 4.3 to the current 6.3.
All of this will have a negative impact on the country with regard to inflation, which was already serious due to the parallel (unofficial) exchange rate.
With regard to Astaldi Group, the devaluation is not an unexpected event, taking into account that in approximately 40 years of operations in the area, the Group has already witnessed a dozen similar operations ("competitive devaluations"). The resulting experience and the in-depth knowledge of the situation have thus enabled us to develop a local business model that has also taken into account these phenomena in accounting of profit margins, and has led us to focus the resources in the area solely on infrastructure projects that are priorities for the country (construction of railways within strategic projects, also developed under bilateral government agreements between Italy and Venezuela). Therefore, the Group plans to further limit activities in Venezuela from the early months of 2013, partly compensated by the opening up of new countries (Chile and Peru) with the consequent streamlining of the overall risk profile in the Latin America area.
With regard to the financial effects deriving from the recent devaluation, it should be pointed out that while the projects in Venezuela have been acquired by an Italian consortium in which Astaldi holds 33.3%, the operating performance and financial effects have been spread by the attribution to each shareholder of separate sections of railway.
The economic valuation of projects pertaining to the Astaldi Group, which as mentioned uses the cost to cost method (normalisation of contract margins), has always taken into account the risk coefficients and the operating and financial procedures likely to mitigate as far as possible any effects of devaluation. This aspect is further supported by the hedging of assets in local currency with similar debit positions, as well as the fact that a significant part of the contract amounts is denominated and paid in euro (approximately 50%) and that the overall margin is in euro.

Fees payable to the auditing firm KPMG and their network pursuant to Art. 149-duodecies of the Issuers Regulation

There follow the fees payable in the year 2012 to KPMG on the basis of their auditing engagement for the financial years 2011-2019, assigned by a shareholders' resolution made at their meeting of 18 April 2011:

Euro/000

(thousands of euro)

Type	Amount
Auditing services of which:	1,032
- For the Parent Astaldi S.p.A.	512
- For subsidiaries	521
Other services (*)	208
Total fees (**)	1,240
(*) Of which to the Parent Astaldi S.p.A.	512
(**) Including expenses of CONSOB membership (for legally-required auditing services) and expenses	63

On behalf of the Board of Directors
The Chairman
Paolo Astaldi

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Annexes to the consolidated financial statements

Astaldi Group's companies at 31 December 2012 (annex 1)

A) Companies consolidated on a full basis

Company name	Registered Office
A.I.2 Società a responsabilità limitata	Via G.V. Bona, 65 - Rome - Italy
AR.GI S.c.p.A.	Via G.V. Bona, 65 - Rome - Italy
AS. M. S.c.r.l.	Via Raffaele Morghen, 36 - Naples - Italy
Astaldi Algerie - E.u.r.l.	25 Citè Mohamed Hadj Ahmed Hydra wilaya d'Alger - Algiers - Algeria
Astaldi Arabia Ltd.	P.O. Box 58139 - Riyadh - Saudi Arabia
Astaldi Bulgaria LTD	67 Tsanko Tserkovski Str., Entrance V, 4 floor - Sofia - Bulgaria
Astaldi Canada Inc	4001 Rue Saint-Antoine O Montréal- Québec- Canada
Astaldi Concessioni S.r.l.	Via G.V. Bona, 65 - Rome - Italy
Astaldi Construction Corporation	8220 State Road 85 Davie - Florida - U.S.A.
Astaldi de Venezuela C.A.	C.C. C.T. 1ra Etapa Piso 6 Of. 620 - Caracas - Venezuela
Astaldi International Inc.	Bank of Liberia Building P.O. Box 660 - Monrovia - Liberia
Astaldi International Ltd.	34-36 Gray's Inn Road - London - United Kingdom
Astaldi-Astaldi International J.V.	R. Armando Tivane, 466 - Matola Maputo - Mozambique
Astaldi-Max Bogl-CCCF JV S.r.l.	Str.Carol Davilla n°70 - Bucharest - Romania
ASTALROM S.A.	Varianta Nord, 1 - Calarasi - Romania
Astur Construction and Trade A.S.	Aydinpinar Cad. Kucukmehmetler Koyu - Ankara - Turkey
Bielle Impianti S.c.a.r.l.	Viale Lincoln 84/A - Bologna - Italy
Bussentina S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
C.O.MES. In liquidation S.C.r.l.	Via G.V.Bona, 65 - Rome - Italy
Cachapoal Inversiones Limitada	Avenida Apoquindo 3846, oficinas 1101 y 1102 - Santiago - Chile
CO.ME.NA. S.c.r.l. in liquidation	Via Cappella Vecchia, 8 - Naples - Italy
CO.MERI S.p.A.	Via G.V. Bona, 65 - Rome - Italy
CO.VA. Società a Responsabilità Limitata (S.c.r.l.)	Via del Tappezziere, 4 - Bologna - Italy

Share Capital	Nominal Value	Operating Currency	% Interest	Direct Interest %	Indirect Interest %	Companies with inderect interest
EUR	100,000,000	EUR	71.75%	0.00%	71.75%	Astaldi Concessioni S.r.l.
EUR	35,000,000	EUR	99.99%	99.99%	0.00%	
EUR	10,000	EUR	75.91%	75.91%	0.00%	
DZD	50,000,000	DZD	100.00%	100.00%	0.00%	
SAR	5,000,000	USD	100.00%	60.00%	40.00%	Astaldi International Ltd.
BGN	5,000	BGN	100.00%	100.00%	0.00%	
CAD	20,000	CAD	100.00%	100.00%	0.00%	
EUR	83,000,000	EUR	100.00%	100.00%	0.00%	
USD	66,005,000	USD	100.00%	100.00%	0.00%	
VEB	110,300,000	EUR	99.80%	99.80%	0.00%	
USD	3,000,000	EUR	100.00%	100.00%	0.00%	
GBP	2,000,000	GBP	100.00%	100.00%	0.00%	
USD	10,000	EUR	100.00%	100.00%	0.00%	
EUR	10,000	EUR	66.00%	66.00%	0.00%	
RON	3,809,898	RON	99.61%	99.61%	0.00%	
TRY	3,000,000	EUR	99.98%	89.97%	10.01%	Astaldi Arabia Ltd
EUR	100,000	EUR	75.00%	0.00%	75.00%	nBI Srl,
EUR	25,500	EUR	78.80%	78.80%	0.00%	
EUR	20,000	EUR	55.00%	55.00%	0.00%	
USD	63,712,990	USD	100.00%	0.00%	100.00%	Inversiones Assimco Limitada
EUR	20,658	EUR	70.43%	70.43%	0.00%	
EUR	35,000,000	EUR	99.99%	99.99%	0.00%	
EUR	10,000	EUR	60.00%	0.00%	60.00%	nBI Srl

Company name	Registered Office
Consorcio Rio Pallca	Avenida Camino Real 390, Torre Central Officina 810, San Isidro - Lima - Peru
Consorzio Stabile Busi	Via del Tappezziere, 4 - Bologna - Italy
Constructora Astaldi Cachapoal Limitada	Avenida El Condor 844, Oficina 401, Ciudad Empresarial, Huechuraba - Santiago - Chile
Euroast S.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
Forum S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
Garbi Linea 5 S.c.a.r.l.	Via G.V. Bona, 65 - Rome - Italy
Groupement de Raccordement de la Station d'El Hamma (G.R.S.H.)	25 Rue Mohamed Hadj Ahmed Hydra - Algiers - Algeria
Infraflegrea Progetto S.p.A.	Via privata D. Giustino, 3/A - Naples - Italy
Inversiones Assimco Limitada	Avenida Apoquindo 3846, oficinas 1101 y 1102 - Santiago - Chile
Italstrade CCCF JV Romis S.r.l.	Piata Pache Protopopescu, 9 - Bucharest - Romania
Italstrade IS S.r.l.	Via G.V. Bona, 65 - Rome - Italy
Messina Stadio S.c.r.l. in liquidation	Via Adige, 19 - Milan - Italy
Mondial Milas - Bodrum Havalimani Uluslararasi Terminal Isletmeciligi Ve Yatirim A.S.	Kizkulesi Sokak, 38/4, Gaziosmanpasa, Cankaya - Ankara - Turkey
Mormanno S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
nBI Elektrik Elektromekanik Tesisat Insaat Sanayi Ve Ticaret L.S.	Inonu Caddesi Devres Han No.50 Kat.1 Gumussuyu Beyoglu - Istanbul - Turkey
nBI S.r.l.	Via G.V. Bona, 65 - Rome - Italy
Ospedale del Mare S.C.r.l.	Via G.V. Bona, 65 - Rome - Italy
Partenopea Finanza di Progetto S.c.p.A.	Via della Metamorfosi s.n.c. - Naples - Italy
Portovesme S.c.r.l. in liquidation	Via Adige, 19 - Milan - Italy
Quattro Venti S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
Redo-Association Momentanée	Av. De la Justice, 1257 - Kinshasa - Dem. Rep. of the Congo
Romairport S.r.l.	Via G.V. Bona, 65 - Rome - Italy
Romstrade S.r.l.	Piata Pache Protopopescu, 9 - Bucharest - Romania
S. Filippo S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
S.P.T. - Società Passante Torino S.C.r.l.	Via G.V. Bona, 65 - Rome - Italy
Sartori Tecnologie Industriali S.r.l.	Via Bettolo, 17 - Brindisi - Italy
Scuola Carabinieri S.C.r.l.	Via G.V. Bona, 65 - Rome - Italy
Seac S.p.a.r.l. in liquidation	Avenue des Fleurs - Kinshasa/Gombe - Dem. Rep. of the Congo
SIRJO Società Consortile per Azioni	Via G.V. Bona, 65 - Rome - Italy
Susa Dora Quattro S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
T.E.Q. Construction Enterprise Inc.	4001 Saint Antoine Quest - Montreal - Quebec - Canada
Tione 2008 Scrl	Via del Tappezziere, 4 - Bologna - Italy
Toledo S.c.r.l.	Via Morghen, 36 - Naples - Italy
Valle Aconcagua S.A.	Calle Badajoz 130, Oficina 1501, Comuna La Condes, Santiago - Chile
3E System Srl	Via del Tappezziere, 4 - Bologna - Italy

Share Capital	Nominal Value	Operating Currency	% Interest	Direct Interest %	Indirect Interest %	Companies with inderect interest
PEN	0	USD	60.00%	60.00%	0.00%	
EUR	100,000	EUR	95.00%	0.00%	95.00%	nBI Srl, 3E System S.r.l.
CLP	10,000,000	CLP	99.90%	99.90%	0.00%	
EUR	15,300	EUR	100.00%	100.00%	0.00%	
EUR	51,000	EUR	79.99%	79.99%	0.00%	
EUR	10,000	EUR	100.00%	100.00%	0.00%	
DZD	0	EUR	100.00%	72.00%	28.00%	Astaldi Algerie Eurl
EUR	500,000	EUR	51.00%	51.00%	0.00%	
USD	40,633,000	USD	100.00%	0.00%	100.00%	Astaldi Concessioni S.r.l.
LEI	5,400,000,000	EUR	51.00%	51.00%	0.00%	
EUR	232,200	EUR	100.00%	100.00%	0.00%	
EUR	45,900	EUR	100.00%	100.00%	0.00%	
TRY	37,518,000	EUR	92.85%	0.00%	92.85%	Astaldi Concessioni S.r.l.
EUR	10,200	EUR	74.99%	74.99%	0.00%	
TRY	200,000	TRY	100.00%	0.00%	100.00%	nBI S.r.l - Astur Construction and Trade A.S.
EUR	1,000,000	EUR	100.00%	100.00%	0.00%	
EUR	50,000	EUR	100.00%	100.00%	0.00%	
EUR	9,300,000	EUR	99.99%	99.99%	0.00%	
EUR	25,500	EUR	99.98%	99.98%	0.00%	
EUR	51,000	EUR	60.00%	60.00%	0.00%	
ZRZ	50,000	EUR	100.00%	75.00%	25.00%	Astaldi International Ltd.
EUR	500,000	EUR	99.26%	99.26%	0.00%	
LEI	10,000,000,000	EUR	51.00%	51.00%	0.00%	
EUR	10,200	EUR	80.00%	80.00%	0.00%	
EUR	50,000	EUR	74.00%	74.00%	0.00%	
EUR	1,000,000	EUR	100.00%	100.00%	0.00%	
EUR	50,000	EUR	61.40%	61.40%	0.00%	
ZRZ	200,000,000	EUR	100.00%	100.00%	0.00%	
EUR	30,000,000	EUR	60.00%	60.00%	0.00%	
EUR	51,000	EUR	90.00%	90.00%	0.00%	
CAD	323	CAD	100.00%	0.00%	100.00%	Astaldi Canada Inc.
EUR	100,000	EUR	76.00%	0.00%	80.00%	Consorzio Stabile Busi
EUR	50,000	EUR	90.39%	90.39%	0.00%	
CLP	5,000,000,000	CLP	55.00%	0.00%	55.00%	Astaldi Concessioni S.r.l.
EUR	50,000	EUR	100.00%	0.00%	100.00%	nBI Srl

B) Companies consolidated on a proportionate basis

Company name	Registered office
Ankara Etlik Hastane Salik Hizmetleri Isletme Yatirim A.s.	Ilkbahar Mahallesi Turan Gunes Bulvari 15. Cad.No. 11 Yildiz Cankaya - Ankara - Turkey
Astaldi - Ozkar JV	Al Masriq Building, office 45 - 4 floor Azaibah - Muscat - Sultanate of Oman
Avrasya Metro Grubu Srl	Via S. Michele, 35 - Agliana (PT) - Italy
CO.SAT Società Consortile a responsabilità limitata	Via G.V. Bona, 65 - Rome - Italy
Cona Impianti Scarl	Viale Lincoln, 84/A - Bologna - Italy
Consorcio Rio Mantaro	Calle Las Palmeras n. 326, Camacho, Distrito de la Molina - Lima - Peru
Consorcio Rio Urubamba	Av. Paseo de la Republica 4675, Surquillo - Lima - Peru
IC Ictas-Astaldi Insaat A.S.	Konur Sokak n. 58/207, Kizilay - Ankara - Turkey
ICA Astaldi-IC Ictas WHSD Insaat A.S.	Konur Sokak n. 58/208, Kizilay - Ankara - Turkey
M.O.MES S.c.r.l.	Via G.V. Bona, 65 - Rome - Italy
Metro Blu S.c.r.l.	Via Adige, 19 - Milano - Italy
Metro Brescia S.r.l. (MB-S.r.l.)	Via Leonida Magnolini, 3 - Brescia - Italy
Veneta Sanitaria Finanza di Progetto S.p.A. - V.S.F.P. S.p.A.	Via Paccagnella, 11 - Mestre (VE) - Italy

C) Equity - accounted interest

Company name	Registered Office
Adduttore Ponte Barca S.c.r.l. in liquidation	Via di Pietralata, 140 - Rome - Italy
Autostrada Nogara Mare Adriatico Scpa	Via Flavio Gioia, 71 Verona - Italy
Avola S.c.r.l. in liquidation	Via Adige, 19 - Milan - Italy
Biomedica Scrl	Via delle Violette, 12 Z.I. - Modugno (BA) - Italy
Blufi 1 S.c.rl. In liquidation	Zona Industriale - Agrigento - Italy
C.F.M. S.c.r.l. in liquidation	Via privata D. Giustino , 3/A - Naples - Italy
Colli Albani S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
Consorcio Contuy Medio	Avida Andres Bello, Ed. Atlantic Piso 7, Of. 1-7 - Venezuela
Consorzio A.F.T. in liquidation	Via G.V. Bona, 65 - Rome - Italy
Consorzio A.F.T. Kramis	Via G.V. Bona, 65 - Rome - Italy
Consorzio C.I.R.C. in liquidation	Via G.V. Bona, 65 - Rome - Italy
Consorzio Consarno	Via Napoli, 329 - Castellammare di Stabia (NA) - Italy
Consorzio Consavia S.c.n.c. in liquidation	Via F. Tovaglieri, 17 - Rome - Italy
Consorzio Europeo Armamento Alta Velocità - C.E.A.A.V.	Via G.V. Bona, 65 - Rome - Italy
Consorzio Ferrofir in liquidation	Via F.Tovaglieri, 17- Rome - Italy
Consorzio Gi.It. in liquidation	Via privata D. Giustino, 3/A - Naples - Italy

Share capital nominal value		Functional currency	% Interest	Direct Interest %	Indirect Interest %	Companies with inderect interest
TRY	15,000,000	TRY	51.00%	5.00%	46.00%	Astaldi Concessioni S.r.l.
EUR	0	OMR	51.00%	51.00%	0.00%	
EUR	10,000	EUR	42.00%	42.00%	0.00%	
EUR	10,000	EUR	50.00%	50.00%	0.00%	
EUR	10,000	EUR	50.00%	0.00%	50.00%	nBI s.r.l.
EUR	0	USD	50.00%	50.00%	0.00%	
EUR	0	PEN	40.00%	40.00%	0.00%	
TRY	2,000,000	EUR	50.00%	50.00%	0.00%	
TRY	2,000,000	EUR	50.00%	50.00%	0.00%	
EUR	10,000	EUR	55.00%	55.00%	0.00%	
EUR	10,000	EUR	50.00%	50.00%	0.00%	
EUR	500,000	EUR	50.00%	50.00%	0.00%	
EUR	20,500,000	EUR	34.50%	31.00%	3.50%	Astaldi Concessioni S.r.l.

Share Capital Nominal Value		Functional Currency	% Interest	Direct Interest %	Indirect Interest %	Companies with inderect interest
EUR	45,900	EUR	24.33%	24.33%	0.00%	
EUR	120,000	EUR	23.00%	10.00%	13.00%	Astaldi Concessione S.r.l.
EUR	10,200	EUR	50.00%	50.00%	0.00%	
EUR	10,000	EUR	42.66%	0.00%	44.90%	Consorzio Stabile Busi
EUR	25,823	EUR	32.00%	32.00%	0.00%	
EUR	40,800	EUR	50.00%	50.00%	0.00%	
EUR	25,500	EUR	60.00%	60.00%	0.00%	
USD	40,000	VEF	28.30%	28.30%	0.00%	
EUR	46,481	EUR	33.33%	33.33%	0.00%	
EUR	100,000	EUR	50.00%	50.00%	0.00%	
EUR	51,000	EUR	25.00%	25.00%	0.00%	
EUR	20,658	EUR	25.00%	25.00%	0.00%	
EUR	20,658	EUR	25.00%	25.00%	0.00%	
EUR	206,583	EUR	25.00%	25.00%	0.00%	
EUR	30,987	EUR	66.67%	66.67%	0.00%	
EUR	2,582	EUR	50.00%	50.00%	0.00%	

Company name	Registered Office
Consorzio Iricav Due	Via F. Tovaglieri, 413 - Rome - Italy
Consorzio Iricav Uno	Via F. Tovaglieri, 17 - Rome - Italy
Consorzio Ital.Co.Cer.	Via Giovanni da Procida, 36 - Rome - Italy
Consorzio Italvenezia	Via Salaria, 1039 - Rome - Italy
Consorzio Metrofer in liquidation	Via Salaria , 1033 - Rome - Italy
Consorzio MM4 (CMM4)	Via dei Missaglia, 97 - Milan - Italy
Consorzio Novocen in liquidation	Via Orazio, 143 - Naples - Italy
Consorzio Pedelombarda 2	Via dei Missaglia, 97 - Milan - Italy
Consorzio Ponte Stretto di Messina in liquidation	Via G.V.Bona, 65 - Rome - Italy
Consorzio Qalat	Corso Carlo Marx, 19 - Misterbianco (CT) - Italy
Copenhagen Metro Construction Group J.V. (COMET)	Refshaleoen, 147 P.O. Box 1920 - Copenhagen - Denmark
Diga di Blufi S.c.r.l. in liquidation	Corso Vercelli, 9 - Milan - Italy
Ecosarno S.c.r.l.	Viale Italia,1 - Sesto S. Giovanni (MI) - Italy
Fosso Canna S.c.r.l. in liquidation	Corso Vercelli, 9 - Milan - Italy
GEI - Grupo Empresas Italianas	C.C.C. Tamanaco 1ra Etapa, Piso 6, Oficina 620, Chuao - Caracas - Venezuela
Groupement Italgisas	Angle Boulevard de la Resistance et Rue de Puissesaux - Casablanca - Morocco
Infraflegrea S.c.r.l. in liquidation	Via privata D. Giustino, 3/A - Naples - Italy
M.N. Metropolitana di Napoli S.p.A.	Via Galileo Ferraris, 101 - Naples - Italy
Metro 5 S.p.A.	Via Adige, 19 - Milan - Italy
METRO C S.c.p.a.	Via di Torre Spaccata, 172 - Rome - Italy
Metrogenova S.c.r.l.	Via IV Novembre snc -Spianata Acquasola - 16121 Genoa - Italy
Monte Vesuvio S.c.r.l. in liquidation	Via dei Missaglia, 97 - Milan - Italy
Mose-Treporti S.c.r.l.	Via C.Battisti n°2 - Venice - Mestre - Italy
N.P.F. - Nuovo Polo Fieristico S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
Nova Metro S.c.r.l. in liquidation	Via Montello, 10 - Rome - Italy
Otoyol Yatirim Ve Isletme A.S.	Bugday Sokak n. 9, Kavaklidere, Cankaya - Ankara - Turkey
Pacific Hydro Chacayes	9th floor, Isidora Goyenechea Avenue, Santiago - Chile -
Pedelombarda S.c.p.A.	Via dei Missaglia, 97 - Milan - Italy
Pegaso S.c.r.l.	Via F. Tovaglieri, 17 - Rome - Italy
Piana di Licata S.c.r.l. in liquidation	Via Adige, 19 - Milan - Italy
Pont Ventoux S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
Principe Amedeo S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
S. Leonardo S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
S.A.C.E.S. S.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
S.E.I.S. S.p.A.	Via P. Delitala, 11 - Cagliari - Italy
SA.T. S.p.A.	Via Rimini, 27- Prato- Italy
Sharaf - Astaldi LLC	Emirate of Dubai - United Arab Emirates
Tangenziale Seconda S.c.r.l. in liquidation	Via G.V. Bona, 65 - Rome - Italy
TME - Busi Scrl in liquid.	Via del Molo, 3 - La Spezia - Italy

Share Capital Nominal Value		Functional Currency	% Interest	Direct Interest %	Indirect Interest %	Companies with inderect interest
EUR	510,000	EUR	37.49%	37.49%	0.00%	
EUR	520,000	EUR	27.91%	27.91%	0.00%	
EUR	51,600	EUR	30.00%	30.00%	0.00%	
EUR	77,450	EUR	25.00%	25.00%	0.00%	
EUR	25,823	EUR	33.32%	33.32%	0.00%	
EUR	200,000	EUR	31.05%	31.05%	0.00%	
EUR	51,640	EUR	40.76%	40.76%	0.00%	
EUR	10,000	EUR	17.96%	17.96%	0.00%	
EUR	100,000	EUR	51.97%	51.97%	0.00%	
EUR	10,327	EUR	40.00%	40.00%	0.00%	
DKK	0	DKK	15.00%	15.00%	0.00%	
EUR	45,900	EUR	50.00%	50.00%	0.00%	
EUR	50,490	EUR	33.33%	33.33%	0.00%	
EUR	25,500	EUR	32.00%	32.00%	0.00%	
VEB	2,000,100,000	VEF	33.34%	33.34%	0.00%	
MAD	207,014,000	MAD	40.00%	0.00%	40.00%	Italstrade IS Srl
EUR	46,600	EUR	50.00%	50.00%	0.00%	
EUR	3,655,397	EUR	22.62%	22.62%	0.00%	
EUR	50,000,000	EUR	38.70%	38.70%	0.00%	
EUR	150,000,000	EUR	34.50%	34.50%	0.00%	
EUR	25,500	EUR	21.81%	21.81%	0.00%	
EUR	45,900	EUR	50.00%	50.00%	0.00%	
EUR	10,000	EUR	35.00%	35.00%	0.00%	
EUR	40,000	EUR	50.00%	50.00%	0.00%	
EUR	40,800	EUR	24.10%	24.10%	0.00%	
TRY	250,000,000	TRY	18.84%	18.84%	0.00%	
USD	138,466,579	USD	27.35%	0.00%	27.35%	Cachapoal Inversiones Limitada
EUR	80,000,000	EUR	24.00%	24.00%	0.00%	
EUR	260,000	EUR	43.75%	43.75%	0.00%	
EUR	10,200	EUR	43.75%	43.75%	0.00%	
EUR	51,000	EUR	56.25%	56.25%	0.00%	
EUR	10,200	EUR	50.00%	50.00%	0.00%	
EUR	10,200	EUR	51.00%	51.00%	0.00%	
EUR	26,000	EUR	37.00%	37.00%	0.00%	
EUR	3,877,500	EUR	48.33%	48.33%	0.00%	
EUR	19,126,000	EUR	35.00%	35.00%	0.00%	
AED	3,000,000	AED	49.00%	49.00%	0.00%	
EUR	45,900	EUR	42.73%	42.73%	0.00%	
EUR	12,000	EUR	23.75%	0.00%	25.00%	Consorzio Stabile Busi

D - Companies valued at cost

Company name	Registered Office
A4 Holding S.p.A.	Via Flavio Gioia, 71 - Verona - Italy
Aguas de San Pedro S.A. de C.V.	Barrio Las Palmas entre 20 y 27 calle, 3a avenida - San Pedro Sula - Honduras
Area Bersaglio S.r.l.	Via G. Devitofrancesco, 31 - Bari- Italy
Association en participation SEP Astaldi-Somatra-Bredero	Tunisia
Astaldi-Sarantopulos J.V.	Athens - Greece
C.F.C. S.c.r.l.	Via privata D. Giustino, 3/A - Naples - Italy
C.I.T.I.E. Soc. coop.	Viale Lincoln, 84/a , Bologna - Italy
Co.Sa.Vi.D. S.c.r.l.	Carini - Contrada Foresta Z.I. - Palermo - Italy
Consorcio Astaldi-ICE	Av. Libertador Bolivar, 1842 - Cochabamba - Bolivia
Consorcio Grupo Contuy - Proyectos y Obras de Ferrocarriles	CCC T. 1ra Etapa Piso 6 Of. 620 Chuao - Caracas - Venezuela
Consorzio Asse Sangro in liquidation	Via della Fonte di Fauno, 2/A bis - Rome - Italy
Consorzio C.U.B.O.	Via Murri, 24- Bologna- Italy
Consorzio Centro Uno in liquidation	C.so Vittorio Emanuele, 130 - Naples - Italy
Consorzio CONA	Via Carlo Pisacane,2 - Carpi - Italy
Consorzio Ferroviario Vesuviano	Via Argine, 425 - Naples - Italy
Consorzio Groupement Lesi-Dipenta	Via Indonesia, 100 - Rome - Italy
Consorzio Italy Costruttori	Corso di Porta Romana, 6 - Milan - Italy
Consorzio TRA.DE.CI.V.	Via Galileo Ferraris, 101 - Naples - Italy
Fondazione Accademia Nazionale di S. Cecilia	Via Vittoria, 6 - Rome - Italy
Fondazione Filarmonica Arturo Toscanini	Strada della Repubblica, 57 - Parma - Italy
Fusaro S.C.r.l.	Via privata D. Giustino, 3/A - Naples - Italy
G.G.O. S.c.r.l. in liquidation	Zona Industriale - Agrigento - Italy
Groupement Eurolep	Shifflandestrasse, 35 - Aaran 5000 - Switzerland
IGI - Istituto Grandi Infrastrutture	Via Ovidio, 32 - Rome - Italy
Imprese Riunite Genova S.c.r.l. in liquidation	Brigata Liguria, 1/18 - Genoa - Italy
Imprese Riunite Genova Seconda S.c.r.l. in liquidation	Via Serra, 2/9 - Genoa - Italy
Italsagi Sp. Zo. O.	Ul. Powstancow - Katowice - Poland
Italstrade CCCF JV Bucuresti S.r.l.	Gheorghe Manu, 20 Sector 1 - Bucharest - Romania
M.N.6 S.C.r.l.	Via G.Ferraris n.101 - Naples - Italy
NO.VI.F.IN. Nova Via Festinat Industrias S.c.r.l.	Riviera di Chiaia, 72 - Naples - Italy
Pantano S.c.r.l.	Via Montello, 10 - Rome - Italy
Pavimental S.p.A.	Piazza Ferdinando De Lucia, 15 - Rome - Italy
Platamonas Sarantopulos J.V.	Athens - Greece
Prog. Este S.p,A.	Via Carlo Pisacane,2 - Carpi - Italy
Skiarea Valchiavenna S.p.A.	Via del Crotto, 52 - Campodolcino - Italy
Sociedad Concesionaria BAS S.A.	Santiago de Chile - Chile
Teheran Laviran	Iran

Share Capital	Nominal Value	Functional Currency	% Interest	Direct Interest %	Indirect Interest %	Companies with inderect interest
EUR	127,484,421		10.73%	0.00%	14.96%	AI2 S.R.L.
HNL	100,000,000		15.00%	0.00%	15.00%	Astaldi Concessioni S.r.l.
EUR	1,000,000		0.00%	0.00%	0.001%	Consorzio Stabile Busi
----	0		40.000%	40.000%	0.000%	
----	0		14.00%	14.00%	0.00%	
EUR	45,900		0.01%	0.01%	0.00%	
EUR	0		0.48%	0.00%	0.48%	nBI Srl, 3E System S.r.l.
EUR	25,500		0.01%	0.01%	0.00%	
----	0		50.000%	50.000%	0.00%	
----	0		32.330%	32.330%	0.00%	
EUR	464,811		4.76%	4.76%	0.00%	
----	0		0.00%	0.00%	0.00%	Consorzio Stabile Busi
EUR	154,937		2.00%	2.00%	0.00%	
EUR	1,500,000		2.91%	0.00%	2.91%	nBI S.r.l.
EUR	153,000		0.004%	0.004%	0.000%	
EUR	258,228		0.01%	0.01%	0.00%	
EUR	120,000		16.70%	0.00%	16.70%	nBI Srl
EUR	154,937		17.73%	17.73%	0.00%	
----	0		0.00%	0.00%	0.00%	
----	0		0.00%	0.00%	0.00%	
EUR	10,200		0.01%	0.01%	0.00%	
----	0		10.00%	10.00%	0.00%	
CHF	100,000		22.000%	22.000%	0.000%	
----	0		0.00%	0.00%	0.00%	
EUR	25,500		16.10%	16.10%	0.00%	
EUR	25,000		16.10%	16.10%	0.00%	
PLN	100,000,000		34.000%	0	34.000%	Italstrade IS Srl
LEI	2,000,000		1.00%	1.00%	0.00%	
EUR	51,000		1.00%	1.00%	0.00%	
EUR	10,329		0.01%	0.01%	0.00%	
EUR	40,800		10.00%	10.00%	0.00%	
EUR	4,669,132		1.30%	1.30%	0.00%	
----	0		14.45%	14.45%	0.00%	
EUR	13,250,000		5.04%	0.00%	5.04%	nBI S.r.l.
EUR	8,118,182		0.23%	0.23%	0.00%	
CLP	8,876,340,000		0.10%	0.10%	0.00%	
----	0		16.50%	16.50%	0.00%	

Related parties (annex 2)

(thousands of euros)

Company name	Non-current financial assets	Receivables due from customers	Trade receivables	Other current assets	Non-current financial liabilities
Adduttore Ponte Barca S.c.r.l. in liquidation	0	0	6	0	0
Astaldi - UTI - Romairport Joint Venture	405	0	1,571	1,173	0
Astaldi Bayindir J.V.	0	0	310	5,984	0
Autostrada Nogara Mare Adriatico S.c.p.a.	0	0	0	0	0
Avola S.c.r.l. in liquidation	84	0	777	41	0
Blufi 1 S.c.r.l. In liquidation	0	0	0	48	0
C.F.M. S.c.r.l. in liquidation	0	0	76	113	0
Colli Albani S.c.r.l. in liquidation	5	0	815	5	0
Consorcio Astaldi-ICE	0	0	416	0	0
Consorcio Contuy Medio	0	0	413	545	0
Consorcio Grupo Contuy - Proyectos y Obras de Ferrocarriles	0	0	204	3,561	0
Consorzio A.F.T. in liquidation	354	0	126	801	0
Consorzio A.F.T. Kramis	560	0	1,647	2,830	0
Consorzio C.I.R.C. in liquidation	0	0	22	0	0
Consorzio Consarno	127	0	70	1	0
Consorzio Consavia S.c.n.c. in liquidation	0	0	5	1	0
Consorzio Dipenta S.p.A. - Ugo Vitolo in liquidation	0	0	0	0	0
Consorzio Europeo Armamento Alta Velocità - C.E.A.A.V.	90	0	0	0	0
Consorzio Ferrofir in liquidation	0	0	0	0	0
Consorzio Gi.It. in liquidation	0	0	0	0	0
Consorzio Iricav Due	0	0	76	0	0
Consorzio Iricav Uno	0	0	689	109	0
Consorzio Ital.Co.Cer.	0	0	0	0	0
Consorzio Italvenezia	0	0	0	0	0
Consorzio MM4	311	3,694	57	0	0
Consorzio Novocen in liquidation	61	0	18	0	0
Consorzio Pedelombarda 2	0	0	0	0	0
Consorzio Ponte Stretto di Messina in liquidation	220	0	0	1	0
Consorzio Qalat	0	0	0	0	0
Diga di Blufi S.c.r.l. in liquidation	0	0	6,198	637	0
Ecosarno S.c.r.l.	0	0	0	0	0

Payables due to customers	Trade payables	Other current liabilities	Revenue	Other operating revenue	Services costs	Other operating costs	Other financial income	Interest and other financial charges
0	1	0	0	0	2	1	0	0
0	73	0	0	0	0	0	0	0
0	1,272	0	0	0	0	0	0	0
0	74	0	0	0	35	0	0	0
0	162	0	0	5	0	0	0	0
0	0	0	0	0	0	0	0	0
0	124	0	0	0	0	0	5	0
0	343	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	1,195	24	0	0	30	0	0	0
0	3,410	0	0	417	9,681	0	32	0
0	22	661	0	0	0	0	0	0
0	801	378	0	0	17	0	20	0
0	107	0	0	0	1	0	0	0
0	63	0	0	8	0	5	0	0
0	0	0	0	0	0	0	0	0
0	2	0	0	0	0	0	0	0
0	42	0	0	0	1	0	0	0
0	373	0	0	0	105	0	0	0
0	220	0	0	0	0	0	0	0
0	2,108	0	0	63	2,003	0	0	0
0	3,097	0	0	160	79	2	0	0
0	896	0	0	0	128	0	0	0
0	138	0	0	0	7	0	0	0
0	1,730	0	8,404	611	1,590	0	0	0
0	57	0	0	18	0	0	0	0
0	6	0	0	0	24	0	0	0
0	2	0	0	0	2	0	0	0
0	91	0	0	0	0	0	0	0
0	5,471	0	0	0	1	0	0	0
0	178	0	0	0	106	0	0	0

(thousands of euros)

Company name	Non-current financial assets	Receivables due from customers	Trade receivables	Other current assets	Non-current financial liabilities
FIN.AST S.r.l.	0	0	74	0	0
Fosso Canna S.c.r.l. in liquidation	205	0	247	6	0
FSC S.c.r.l. in liquidation	0	0	0	10	0
G.T.J Etude et Rèalisation d'un Tunnel	0	0	0	28	0
GEI - Grupo Empresas Italianas	0	0	1,623	6,660	0
Groupement Eurolep	0	0	0	0	0
Groupement Italgisas	838	0	124	186	0
Infraflegrea S.c.r.l. in liquidation	0	0	523	85	0
Italsagi Sp. Zo. O.	340	0	14	28	0
M.N. Metropolitana di Napoli S.p.A.	0	0	13	0	0
Metro 5 Lilla S.r.l.	0	0	396	42	0
Metro 5 S.p.A.	4,603	0	3,021	37	0
METRO C S.c.p.a.	0	0	923	5	0
Metrogenova S.c.r.l.	0	0	156	66	0
Monte Vesuvio S.c.r.l. in liquidation	250	0	255	0	0
Mose-Treporti S.c.r.l.	0	0	686	0	0
N.P.F. - Nuovo Polo Fieristico S.c.r.l. in liquidation	0	0	6	599	0
Nova Metro S.c.r.l. in liquidation	0	0	2	0	0
Otoyol Yatirim Ve Isletme A.S	35,277	38,259	90	0	104
Pacific Hydro Chacayes	3,372	0	193	3,393	0
Pedelombarda S.c.p.A.	0	0	4,835	0	0
Pegaso S.c.r.l. in liquidation	0	0	201	831	0
Piana di Licata S.c.r.l. in liquidation	307	0	257	2	0
Pont Ventoux S.c.r.l. in liquidation	0	0	64	0	0
Principe Amedeo S.c.r.l. in liquidation	0	0	339	114	0
S. Leonardo S.c.r.l. in liquidation	5	0	2,628	2	0
S.A.C.E.S. S.r.l. in liquidation	0	0	0	0	1,645
S.E.I.S. S.p.A.	2,513	0	0	0	0
SA.T. S.p.A.	0	0	198	0	0
Sharaf - Astaldi LLC	0	0	0	0	0
Tangenziale Seconda S.c.r.l. in liquidation	0	0	70	4	0
Total	49,926	41,954	30,435	27,948	1,749
Percentage of incidence of transactions	25,81%	3,97%	3,64%	7,34%	0,24%

Payables due to customers	Trade payables	Other current liabilities	Revenue	Other operating revenue	Services costs	Other operating costs	Other financial income	Interest and other financial charges
0	0	0	0	391	0	0	0	0
0	83	0	0	0	0	0	0	0
0	0	0	0	0	1	0	0	0
0	0	0	0	0	0	0	0	0
0	8,471	17	0	0	2,355	0	69	0
0	0	26	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	522	0	0	0	1	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	3	0	0	0	4
0	0	0	0	353	1,089	35	0	0
55,406	437	0	138,979	523	562	239	233	0
0	82,516	0	4,945	602	83,674	1	0	0
0	1,914	14	0	148	2,705	0	0	0
0	60	0	0	0	0	0	0	0
0	3,948	0	0	269	5,684	2	0	0
0	0	0	0	2	81	0	0	0
0	33	0	0	2	0	0	0	0
43,962	39	0	29,905	981	0	0	1,824	582
0	0	0	0	173	(5)	5	0	0
0	19,077	0	0	233	50,584	0	0	0
0	141	0	0	159	499	0	0	0
0	139	0	0	0	0	0	0	0
0	1,827	0	0	46	72	0	10	0
0	232	0	0	0	0	0	0	0
0	698	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
3,761	0	0	55,879	287	0	0	0	0
0	0	0	0	0	0	0	0	40
0	21	0	0	0	1	0	1	0
103,130	142,218	1,120	238,111	5,453	161,114	290	2,195	627
21,51%	12,60%	0,68%	10,24%	4,14%	12,00%	0,48%	2,79%	0,38%

Information on equity - accunted investees and entities consolidated on a proportionate basis (annex 3)

Equity-accounted investees

(thousands of euros)	Carrying amount of the investment	Effects of equity account on the income statement
Adduttore Ponte Barca S.c.r.l. in liquidation	11	0
Autostrada Nogara Mare Adriatico S.c.p.a.	28	0
Avola S.c.r.l. in liquidation	0	(3)
Biomedica Scrl	4	0
Blufi 1 S.c.rl. In liquidation	0	0
C.F.M. S.c.r.l. in liquidation	21	0
Colli Albani S.c.r.l. in liquidation	0	(1)
Consorcio Contuy Medio	0	0
Consorzio A.F.T. in liquidation	15	0
Consorzio A.F.T. Kramis	0	0
Consorzio C.I.R.C. in liquidation	13	0
Consorzio Consarno	5	0
Consorzio Consavia S.c.n.c. in liquidation	5	(1)
Consorzio Europeo Armamento Alta Velocità - C.E.A.A.V.	52	0
Consorzio Ferrofir in liquidation	357	0
Consorzio Gi.It. in liquidation	1	0
Consorzio Iricav Due	171	0
Consorzio Iricav Uno	124	0
Consorzio Ital.Co.Cer.	15	0
Consorzio Italvenezia	19	0
Consorzio Metrofer in liquidation	9	0
Consorzio MM4	62	0
Consorzio Novocen in liquidation	0	0
Consorzio Pedelombarda 2	2	0
Consorzio Ponte Stretto di Messina in liquidation	52	0
Consorzio Qalat	0	0
Copenhagen Metro Construction Group J.V. (COMET)	0	(332)
Diga di Blufi S.c.r.l. in liquidation	23	0
Ecosarno S.c.r.l.	17	0
Fosso Canna S.c.r.l. in liquidation	0	(1)
FSC S.c.r.l. in liquidation	0	0
GEI - Grupo Empresas Italianas	353	0
Groupement Italgisas	0	0
Infraflegrea S.c.r.l. in liquidation	23	0
M.N. Metropolitana di Napoli S.p.A.	6,444	65
Metro 5 S.p.A.	9,805	(331)

Total equity	Total statement of finacial position of liabilities	Total statement of finacial position of assets	Total revenue of production	Total costs of production	Profit/Loss for the year
46	85	85	0	0	0
120	2,096	2,096	150	142	0
(198)	1,026	1,026	0	6	(6)
10	10	10	0	0	0
(71)	0	0	0	0	0
41	932	932	0	0	0
(9)	819	819	0	1	(2)
1	4,635	4,635	0	0	0
46	3,329	3,329	5	1	0
(30)	0	0	0	0	0
52	658	658	3	1	0
21	9,768	9,768	7,577	7,347	0
18	90	90	0	1	(2)
207	581	581	20	19	0
535	2,009	2,009	435	309	0
3	444	444	0	0	0
455	60,775	60,775	5,942	3,766	0
444	3,469,130	3,469,130	10,186	8,636	0
52	4,722	4,722	0	0	0
77	457	457	27	13	0
26	54	54	0	0	0
200	200	200	0	0	0
(140)	1,589	1,589	69	152	0
10	48	48	376	373	0
76	813	813	2	3	0
6	6	6	0	0	0
(133,207)	432	432	0	2,187	(2,210)
30	11,013	11,013	2	1	0
51	1,004	1,004	859	214	0
(72)	506	506	0	1	(2)
0	0	0	0	0	0
1,059	13,951	13,951	0	0	0
(2,853)	0	0	0	0	0
30	1,603	1,603	3	1	0
28,489	1,488,651	1,488,651	142,775	133,225	287
10,397	543,261	543,261	3,257	349	(860)

(thousands of euros)	Carrying amount of the investment	Effects of equity account on the income statement
METRO C S.c.p.a.	12,771	0
Metrogenova S.c.r.l.	6	0
Monte Vesuvio S.c.r.l. in liquidation	0	(4)
Mose-Treporti S.c.r.l.	4	0
N.P.F. - Nuovo Polo Fieristico S.c.r.l. in liquidation	20	0
Nova Metro S.c.r.l. in liquidation	10	0
Otoyol Yatirim Ve Isletme A.S	21,044	1,063
Pacific Hydro Chacayes	27,273	2,574
Pedelombarda S.c.p.A.	4,800	0
Pegaso S.c.r.l. in liquidation	114	0
Piana di Licata S.c.r.l. in liquidation	0	(1)
Pont Ventoux S.c.r.l. in liquidation	29	0
Principe Amedeo S.c.r.l. in liquidation	3	3
S. Leonardo S.c.r.l. in liquidation	0	(1)
S.A.C.E.S. S.r.l. in liquidation	0	(43)
S.E.I.S. S.p.A.	14,783	(477)
SA.T. S.p.A.	5,886	635
Sharaf - Astaldi LLC	6	0
Tangenziale Seconda S.c.r.l. in liquidation	23	0
TME Busi S.c.r.l.	3	0
Total	104,406	3,146

Entities consolidated on a proportionate basis

(thousands of euros)	% interest	Total statement of finacial position of non-current liabilities	Total statement of finacial position of current liabilities
Ankara Etlik Hastante A.S.	51.00%	15	1,151
Astaldi – Ozkar JV	51.00%	0	57,300
Avrasya Metro Grubu S.r.l.	42.00%	0	11,627
CO.SAT. S.c.r.l.	50.00%	603	48,320
CONA Impianti Scrl	50.00%	4	936
Consorcio Rio Mantaro	50.00%	2,322	99,972
Consorcio Rio Urubamba	40.00%	1,388	27,162
IC ICTAS-ASTALDI Insaat A.S.,	50.00%	803	331,759
ICA ASTALDI-IC ICTAS WHSD Insaat A.S.	50.00%	5,775	100,501
M.O.MES Scrl	55.00%	0	1,020
Metro Blu S.c.r.l.	50.00%	9	26,086
Metro Brescia S.r.l.	50.00%	80	4,242
Veneta Sanitaria di Progetto SpA	34.50%	121,172	34,067
Total		132,171	744,144

Total equity	Total statement of finacial position of liabilities	Total statement of finacial position of assets	Total revenue of production	Total costs of production	Profit/Loss for the year
37,018	393,084	393,084	246,600	216,936	0
26	10,879	10,879	12,501	11,036	0
(525)	393	393	0	7	(8)
10	33,131	33,131	36,856	36,846	0
40	1,257	1,257	117	72	0
41	473	473	0	0	0
111,698	279,835	279,835	3,604	1,429	5,643
93,217	374,599	374,599	40,944	2,846	9,428
20,000	258,473	258,473	214,048	194,546	0
260	6,183	6,183	2,917	2,379	0
(348)	360	360	0	0	(1)
52	4,405	4,405	224	221	0
5	919	919	0	0	5
(81)	2,897	2,897	0	1	(2)
(397)	3,072	3,072	0	1	(117)
30,587	38,138	38,138	83	476	(728)
16,818	141,840	141,840	9,285	8,259	1,814
619	619	619	0	0	0
45	120	120	2	0	0
12	12	12	0	0	0
215,021	7,175,385	7,175,385	738,869	631,802	13,238

Total Equity	Total statement of finacial position of non-current assets	Total statement of finacial position of current assets	Total revenue of production	Total costs of production	Profit/Loss for the year
1,629	2,478	317	2,520	1,186	(0)
(135)	12,404	44,761	42,430	30,100	(227)
335	2,590	9,372	11,990	11,361	323
10	1,242	47,691	94,060	85,773	0
10	0	950	140	141	0
3,993	39,853	66,434	63,445	47,875	4,375
3,023	11,550	20,022	28,693	18,810	2,996
58,014	111,293	279,283	296,953	198,689	54,391
3,791	25,351	84,717	20,838	10,172	3,607
10	0	1,030	1,100	1,099	0
3	3,873	22,226	9,515	9,096	0
396	389	4,330	3,945	2,010	(61)
28,632	123,955	59,916	54,099	42,946	8,288
99,709	334,977	641,047	629,729	459,258	73,693

Management certification

Certification of the Consolidated Financial Statements pursuant to Article 154-bis of Legislative Decree No. 58/98 and Article 81-ter of CONSOB Regulation No. 11971 of 14 May 1999 and any subsequent amendments and additions

1. Taking into account the provisions contained in Article 154-bis, subsections 3 and 4 of Legislative Decree No. 58 of 24 February 1998, the undersigned Stefano Cerri, in the capacity of Chief Executive Officer, and Paolo Citterio, in the capacity of Executive appointed to draft corporate accounts of Astaldi S.p.A., hereby certify:
   • the appropriateness in relation to the company's characteristics and
   • the actual application
   of administrative and accounting procedures used to formulate the 2012 consolidated financial statements.

2. The administrative and accounting procedures used to formulate the consolidated financial statements at 31 December 2012 were formulated and their appropriateness assessed on the basis of provisions and methodologies defined by Astaldi S.p.A. in compliance with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission (so-called CO.S.O. Report) which represents a reference framework for internal audit systems generally accepted at an international level.
   There are no significant observations to be made in this regard.

3. This is also to certify that:
   3.1 The consolidated financial statements:
   a) were drafted in compliance with the applicable international accounting standards acknowledged within the European Community pursuant to (EC) Reg. No. 1606/2002 of the European Parliament and Council of 19 July 2002;
   b) tally with ledgers and account entries;
   c) are suitable for providing a truthful and accurate representation of the equity, economic and financial situation of the issuer and of all the companies included in the consolidation area.

   3.2 The annual financial report contains a reliable analysis of the operating performance and result, as well as of the situation of Astaldi S.p.A. and of all the companies included in the consolidation area, together with a description of the main risks and uncertainties they are exposed to.

Rome, 13 March 2013

(signed on the original)	(signed on the original)
Stefano Cerri	**Paolo Citterio**
Chief Executive Officer	***Executive appointed to draft corporate accounts***

Independent auditors' report

KPMG S.p.A.
Revisione e organizzazione contabile
Via Ettore Petrolini, 2
00197 ROMA RM

Telefono +39 06 809611
Telefax +39 06 8077475
e-mail it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(Translation from the Italian original which remains the definitive version)

Report of the auditors in accordance with articles 14 and 16 of Legislative decree no. 39 of 27 January 2010

To the shareholders of
Astaldi S.p.A.

1 We have audited the consolidated financial statements of the Astaldi Group as at and for the year ended 31 December 2012, comprising the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes thereto. The parent's directors are responsible for the preparation of these financial statements in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05. Our responsibility is to express an opinion on these financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards issued by Consob, the Italian Commission for Listed Companies and the Stock Exchange. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement and are, as a whole, reliable. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by directors. We believe that our audit provides a reasonable basis for our opinion.

Reference should be made to the report dated 3 April 2012 for our opinion on the prior year consolidated financial statements, which included the corresponding figures presented for comparative purposes.

3 In our opinion, the consolidated financial statements of the Astaldi Group as at and for the year ended 31 December 2012 comply with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05. Therefore, they are clearly stated and give a true and fair view of the financial position of the Astaldi Group as at 31 December 2012, the results of its operations and its cash flows for the year then ended.

4 The directors of Astaldi S.p.A. are responsible for the preparation of a directors' report on the financial statements and a corporate governance and shareholding structure report in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the directors' report and the information required by

article 123-bis.1.c/d/f/l/m and article 123-bis.2.b of Legislative decree no. 58/98 disclosed in the corporate governance and shareholding structure report with the financial statements to which they refer, as required by the law. For this purpose, we have performed the procedures required by the Italian Standard on Auditing 001 issued by the Italian Accounting Profession and recommended by Consob. In our opinion, the directors' report and the information required by article 123-bis.1.c/d/f/l/m and article 123-bis.2.b of Legislative decree no. 58/98 disclosed in the corporate governance and shareholding structure report are consistent with the consolidated financial statements of the Astaldi Group as at and for the year ended 31 December 2012.

Rome, 29 March 2013

KPMG S.p.A.

(signed on the original)

Benedetto Gamucci
Director of Audit

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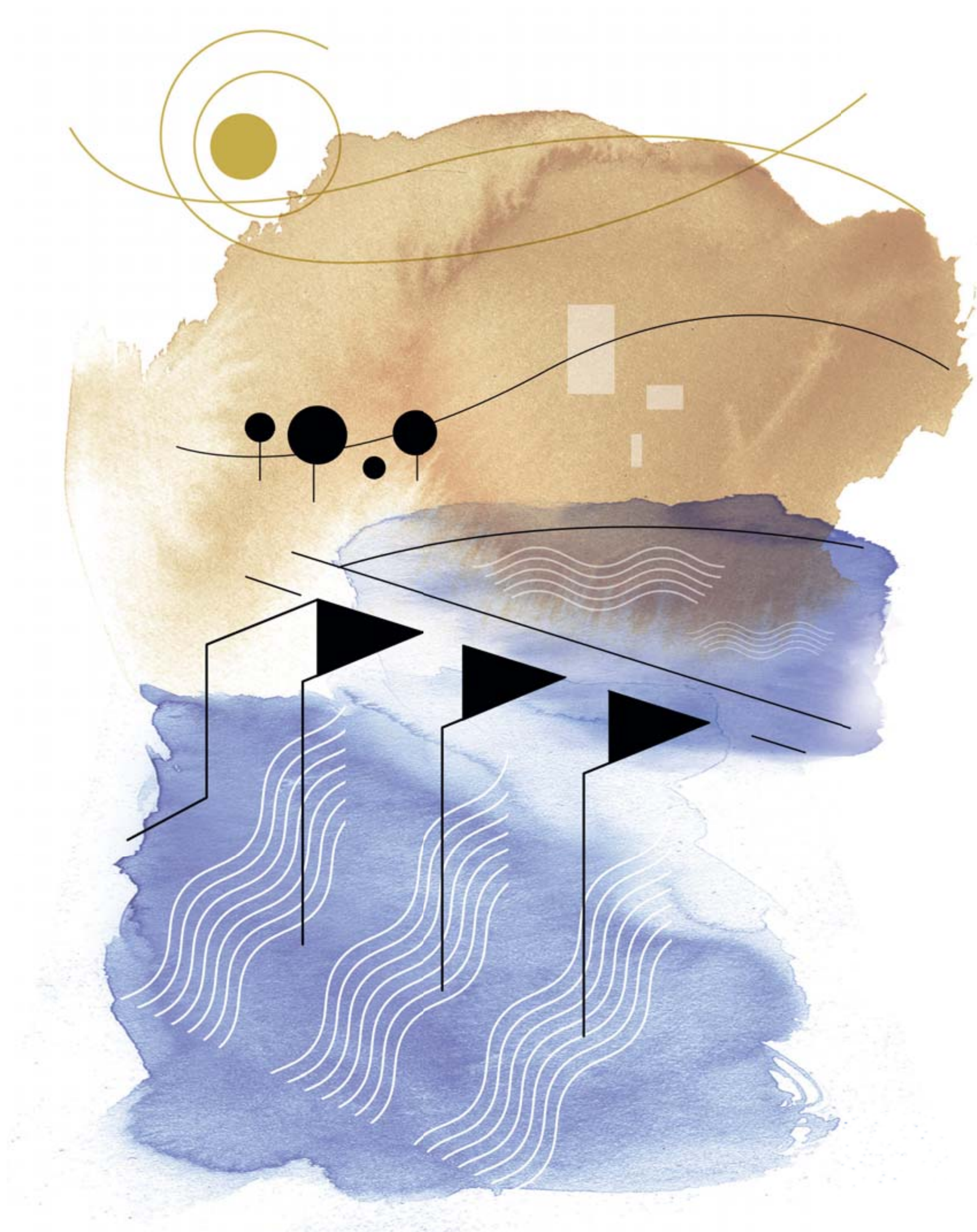
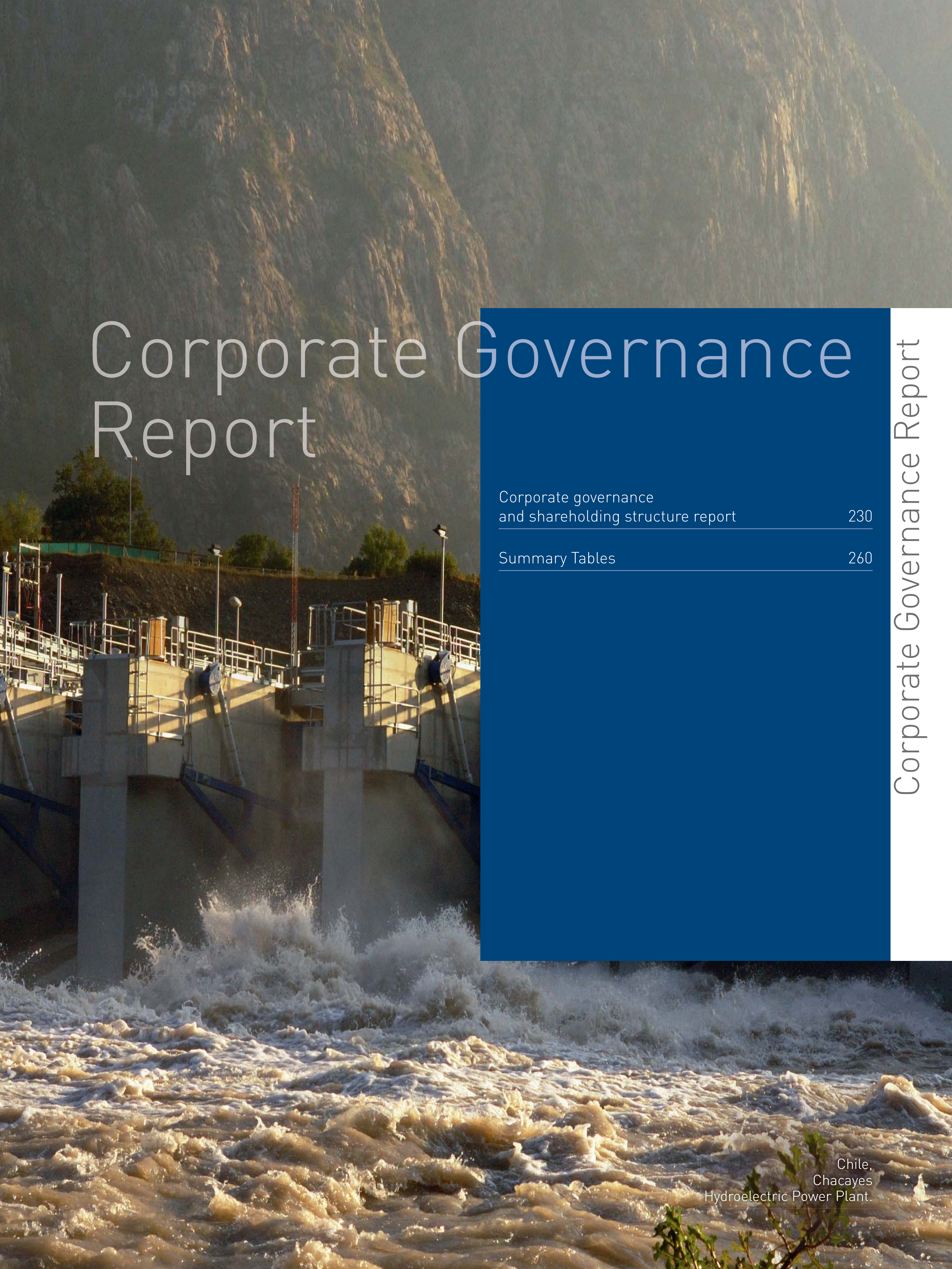


Corporate Governance Report



Chile, Chacayes Hydroelectric Power Plant.

Corporate governance and shareholding structure report

(pursuant to Art. 123-bis of the Consolidated Finance Act)

Introduction

It is underlined that this Report was drawn up in compliance with the provisions of art. 123-bis of the Consolidated Finance Act taking into account the recommendations of the Code of Conduct approved by the Corporate Governance Committee in December 2011, effective from the financial years started in 2012, and in accordance with the guidelines issued by Borsa Italiana S.p.A. in February 2013.
In such respect, the Company has made the implementations connected with its corporate governance as illustrated by appropriate market disclosure set forth in this "Corporate Governance and Shareholder Structure Report".

1. Issuer's profile

Also this year, the corporate governance model adopted by Astaldi S.p.A. is in line with the principles set forth in the "Code of Conduct for listed companies" – drawn up by Borsa Italiana S.p.A. in October 1999 and subsequently amended and supplemented – with the relevant recommendations of Consob, and more generally, with the international best practice.
Taking into account the above, the corporate governance model of Astaldi S.p.A., setting forth the main events after the reporting period, is described herebelow.

2. Information on shareholding structure (as per art. 123-bis of the Consolidated Finance Act)

a) Share capital structure (as per art. 123-bis, paragraph 1(a) of the Consolidated Finance Act)
Subscribed and paid-up share capital amount in Euro: **196,849,800.00 Euro.**
The share capital is divided into 98,424,900 ordinary shares of a nominal value of Euro 2 each.

Classes of shares constituting the share capital: **ordinary shares with voting rights.**

On 23 January 2013, the Company's Board of Directors resolved to issue equity-linked bonds reserved to Italian and foreign qualified investors, the Company being entitled to repay the principal amount by Astaldi S.p.A. shares only if the Shareholders at their extraordinary meeting to be held on 23 April 2013 approve a share capital increase without any option rights as per article 2441(5) of the Italian Civil Code, supporting the repayment of the bonds issued. Following approval by the Company's Shareholders as set forth above, the bond holders shall be attributed the right to apply for possible conversion of the bonds into Company's newly and/or already issued ordinary shares.

No share-based benefit plan was adopted entailing any increase, also on a free-of-charge basis, in the company's share capital.

b) Restrictions on the transfer of shares (as per art. 123-bis, paragraph 1(b) of the Consolidated Finance Act)

There are no restrictions on the transfer of shares.

c) Significant shareholdings (as per art. 123-bis, paragraph 1(c) of the Consolidated Finance Act)

The shareholders owning a number of shares representing more than 2% of the share capital, as appearing from the Shareholders' Register, from the notices received pursuant to art. 120 of the Consolidated Finance Act and from other information available are, as at 2 January 2013, the following:

Declarant	Direct shareholder	Number of shares	Shareholding %
FIN.AST. S.r.l.	FIN.AST. S.r.l.	39,505,495	40.138%
	Finetupar International S.A.	12,327,967	12.525%
		51,833,462	52.663%
Odin Forvaltning AS	Odin Forvaltning AS	4,828,885	4.906%
Pictet Asset Management Ltd	Pictet Asset Management Ltd	2,065,633	2.099%
Total		58,727,980	59.668%

d) Shares with special rights (as per art. 123-bis, paragraph 1(d) of the Consolidated Finance Act)

No shares with special controlling interests have been issued.

e) Employees' shareholding: manner of exercise of voting rights (as per art. 123-bis, paragraph 1(e) of the Consolidated Finance Act)

No employees' shareholding scheme has been adopted.

f) Restrictions on voting rights (as per art. 123-bis, paragraph 1(f) of the Consolidated Finance Act)

There are no restrictions on voting rights.

g) Shareholders' agreements (as per art. 123-bis, paragraph 1(g) of the Consolidated Finance Act)

Within the framework of the issue of equity-linked bonds, **as set forth under point 2 a) above**, Fin.Ast. S.r.l., in its capacity as shareholder holding the controlling interest in Astaldi S.p.A., entered into a commitment in favour of the latter to support said issue of bonds and to vote in favour of the share capital increase connected therewith, to be included in the agenda of the Astaldi S.p.A. shareholders' meeting to be held on 23 April 2013.

h) Clauses of change of control (as per art. 123-bis, paragraph 1(h) of the Consolidated Finance Act) and By-laws provisions related to Public Take-over Bids (as per art. 104, paragraph 1-ter, and 104-bis, paragraph 1)

Astaldi S.p.A. and its subsidiaries have not entered into any significant agreement which becomes effective or is terminated in the event of change in the holder of the controlling interest in the contracting party.

In relation to Public Take-over Bids, the By-laws of Astaldi S.p.A. do not contain any provision which is applicable notwithstanding the passivity rule under art. 104, paragraphs 1 and 2, of the Consolidated Finance Act nor do they provide for the application of breakthrough rules in accordance with art. 104-bis, paragraphs 2 and 3, of the Consolidated Finance Act.

i) Powers to increase the Company's share capital and authorisation to purchase Company's treasury shares (as per art. 123-bis, paragraph 1(m) of the Consolidated Finance Act)

The Board of Directors of Astaldi S.p.A. has not been vested with any power to increase the Company's share capital, and is not authorised to issue participating financial instruments.

On 24 April 2012, the Shareholders of Astaldi S.p.A., with reference to the ***plan of purchase and sale of the Company's treasury shares****, pursuant to sections 2357 et seq. of the Italian Civil Code and art. 132 of Legislative decree No. 58 of 24 February 1998, approved the renewal of the authorisation to purchase the Company's treasury shares for a period of twelve months effective from 27 May 2012 and expiring on Friday 24 May 2013, considering that, also in view of Consob Resolution No. 16839 of 19 March 2009, the purposes of favouring the normal course of negotiations, avoiding price fluctuations inconsistent with market trend and ensuring appropriate support to the market trading volume of the Company's treasury shares may still be attained.*

Therefore, the Shareholders considered the possibility of renewing, for a period of 12 months starting from 27 May 2012, the authorisation granted to the Board of Directors:

- *to purchase Company's ordinary shares of a nominal value of Euro 2.00 each, up to a maximum rolling number of 9,842,490 shares, including treasury shares already held by the Company, with the additional obligation that the amount of shares shall never exceed Euro 24,600,000.00 (without detriment to the limit of distributable profits and reserves available under art. 2357, 1st paragraph, of the Italian Civil Code);*
- *to fix a unit price of purchase not lower than Euro 2.00 and not higher than the average price of the last 10 stock market working days immediately preceding the date of purchase, increased by 10%.*

Moreover, the Plan provides that the Board of Directors be authorised, without any time limit, to dispose of treasury shares also by securities exchange transactions carried out within the framework of possible strategic transactions in the Company's interest, among which, in particular, securities exchange and/or contribution transactions, provided that the value attributed to the shares within the framework of such transactions is not lower than the average carrying amount of the Company's treasury shares held. The Company's treasury shares may also be used, without any time limit, in connection with possible future stock grant and/or stock option plans, notwithstanding, in this case, the above-mentioned criteria of determination of the price of sale, which shall not in any case be lower than the so-called "normal value" as provided for by tax laws.
The Board of Directors is further authorised to carry out securities lending transactions – in which Astaldi S.p.A. acts as lender – on the Company's treasury shares.
As implementation of said resolution, the Company held 608,187 treasury shares as at 31 December 2012.

l) Management and coordination (as per section 2497 et seq. of the Italian Civil Code)
Astaldi S.p.A. ***is not subjected to the "management and coordination"*** *of any of its shareholders, since the Company's Board of Directors takes any and all of its decisions on the management of Company activities in full autonomy and independence.*

Finally, it is underlined that:
the information to be disclosed under art. 123-bis, first paragraph, letter i) *("the agreements between the company and its directors ... providing for any indemnity in the event of resignation or dismissal without just cause, or in the event of termination following a public take-over bid")* are set forth in the Report's section focusing on directors' remuneration (Section 9);
the information to be disclosed under art. 123-bis, first paragraph, letter l) *("the provisions applicable to the appointment and replacement of directors ... as well as to the amendment of the By-laws, if different from the provisions of laws and regulations applicable if not otherwise provided for")* is set forth in the Report's section relating to the Board of Directors (Section 4.1)

3. Compliance (as per art. 123-bis, paragraph 2(a) of the Consolidated Finance Act)

Astaldi S.p.A., as a company listed in the STAR Segment, complies with the "**Code of Conduct for listed companies"**, drawn up by Borsa Italiana S.p.A.
It is reminded that such Code is made publicly available at the website of Borsa Italiana S.p.A. (www.borsaitaliana.it).

Astaldi S.p.A. and its strategic subsidiaries do not appear to be subjected to any provision of foreign laws affecting the Company's corporate governance structure.

4. Board of directors

4.1 Appointment and Replacement (as per art. 123-bis, paragraph 1(l) of the Consolidated Finance Act)

Pursuant to the provisions of related legislation, the By-laws of Astaldi S.p.A. provide for the "**list vote**" for the appointment of the Board of Directors.

In particular, in accordance with the provisions of the By-laws, the shareholders globally holding, individually or collectively with the other shareholders with whom they **file** the same list, a number of shares representing at least **2.5%** (or the minimum percentage provided for by the provisions of applicable laws and regulations) of the company's share capital with voting rights in Shareholders' Ordinary Meetings, are entitled to file lists.

Still in accordance with the By-laws, the lists, signed by the filing parties and complying with the provisions of the law, must be **filed** at the Company's registered office, in accordance with the terms and manner provided for by applicable laws and regulations.

The members of the Board of Directors are **elected** as follows:

1) a number of directors equivalent to the total number of the members of the Board of Directors fixed at the shareholders' meeting minus one <u>are drawn</u>, in the progressive number in which they are listed in the list, <u>from the list that has obtained the higher number of votes</u> cast by the shareholders. In the event no list has obtained a number of votes higher than the others, the Shareholders' Meeting shall be called again for a new voting session to be held in accordance with the By-laws;
2) one Director, that is the candidate ranking first in the list, is drawn <u>from the list which ranked second in number of votes</u> and which is not connected, in accordance with the criteria provided for by the laws governing the appointment of minority statutory auditors, with the shareholders having submitted or voted the list which ranked first in number of votes. In the event two or more lists filed by non-controlling shareholders have obtained the same number of votes, the candidate senior in age among those ranking first in the lists having obtained an equal number of votes is appointed as Director.

In the event **one sole list** or no list is submitted, the Shareholders shall resolve in accordance with the majorities provided for by the law, without following the above procedure.

For the purpose of **allotment** of the directors to be appointed, the lists which have not obtained a percentage of votes of at least one half the minimum percentage required for submitting the lists themselves, shall not be taken into account.

The By-laws provide that the lists shall be accompanied, *inter alia*, with the candidates' statements by which the same attest, under their own responsibility, their fulfilment or not of the **requirements of independence** provided for by the law.
Moreover, in order to ensure the appointment of the **minimum number of independent Directors** in ac-

cordance with the provisions of art. 147-ter, paragraph 4, of the Consolidated Finance Act, the By-laws expressly provide that "*each list shall include the candidature of individuals meeting the requirements of independence provided for by the law and their number shall be at least equal to the number of independent directors who, in accordance with the law, shall be members of the Board of Directors*".

In order to ensure the balance between genders, art. 16 of the Company's By-laws provide that each list containing three or more candidates shall include a number of candidates who, meeting the requirements provided for by the laws and the By-laws, belong to the gender which is less represented within the Board of Directors, in the proportion of **one fifth** of the candidates for members of the Board of Directors to be appointed on the occasion of the first renewal of such managing body taking place after August 12, 2012, and **one third** of the candidates for members of the Board of Directors to be appointed for the two terms of office subsequent thereto.

As far as the **termination of office of Directors is concerned**, in accordance with the By-laws, in the event, during the financial year, of one or more directors appointed from the **list having obtained the higher number of votes** leaving office and provided that the majority is still constituted of directors appointed by the shareholders, any such vacancy shall be filled in accordance with the provisions of article 2386 of the Italian Civil Code.

While, in the event, during the financial year, of the director appointed from the **list which ranked second in number of votes** leaving office, the By-laws provide for his or her replacement pursuant to the following:

a) the Board of Directors appoints the new director from the candidates within the same list to which the director leaving office belonged, provided that the shareholders who submitted such list still hold the interest required for submitting the list, and at their meeting to be held thereafter the shareholders shall resolve thereon, in accordance with the majorities provided for by the law, in compliance with the same principle. In the event the termination of such director occurs after the first renewal of the Board of Directors taking place after August 12, 2012, or during the two terms of office subsequent thereto, and determines any change in the balance of genders within the Board of Directors, as per the foregoing article, replacement shall take place by scrolling down the list up to a candidate belonging to the less represented gender;
b) in the event the new director cannot be appointed from the list which ranked second in number of votes pursuant to paragraph a) above, the Board of Directors – in compliance with the provisions governing the balance between genders, in the event the termination occurs after the first renewal of such managing body taking place after August 12, 2012 or during the two terms of office subsequent thereto - appoints the new director from the candidates within the lists which ranked lower than second in number of votes, in progressive order, provided that the shareholders who submitted the list from which the new director is appointed still hold the interest required for submitting the list, and at their meeting to be held thereafter the shareholders shall resolve, in accordance with the majorities provided for by the law, in compliance with the same principles;
c) in the event there is no candidate who has not been appointed yet, or in any case when the provisions of paragraphs a) and b) cannot be complied with for any reason whatsoever, the Board of Directors shall appoint the new director, as the same shall be appointed by the shareholders at their meeting to be held thereafter, in accordance with the majorities provided for by the law and notwithstanding the list vote, but still in compliance with the legislation related to the minimum number of independent directors and the provisions on the balance of genders, in the event the termination occurs after the first renewal of such managing body taking place after August 12, 2012, or during the two terms of office subsequent thereto.

Moreover, in accordance with the By-laws, should for any reason the majority of the board members leave office, the entire Board of Directors shall leave office, and the directors still holding office shall urgently call the Shareholders' Meeting for the appointment of the new Board of Directors. The Board of Directors shall also hold office until the Shareholders have resolved upon the renewal of such body and until the appointment shall have been accepted by more than half of the new Directors; until then, the Board of Directors may perform exclusively ordinary administration tasks.
The Company is not subjected to any additional sector regulations related to the composition of the Board of Directors.

Succession plans
The Company, after proper consideration, did not deem it advisable to adopt any plan for the succession of executive directors.

4.2 Composition (as per art. 123-bis, paragraph 2(d) of the Consolidated Finance Act)

The Board of Directors of Astaldi S.p.A. was appointed on 23 April 2010 for the three-year period 2010/2012 and its term of office expires upon approval of the financial statements as at and for the year ending December 31, 2012.
Such appointment was made in compliance with the provisions of the Company's By-laws and of art. 147-ter of the Consolidated Finance Act, on the basis of one sole list filed by the shareholder Fin.Ast. S.r.l..
The candidates of said list were appointed by the favourable vote of 95.408% of the share capital held by those attending the meeting. While, instead, no minority list was filed, under the provisions of art. 147-ter, paragraph 3 of the Consolidated Finance Act and the Company's By-laws.

In relation to the candidates' personal and professional characteristics, please refer to the information published on the Company's website (www.astaldi.com), Governance/Board of Directors section.

In relation to the composition and characteristics of the Board of Directors in office, please refer to Table 2 attached hereto.
During the next Shareholders' Meeting, to be held on 23 April 2013, the Company's Board of Directors shall be renewed and proper resolutions in such respect shall be taken.

Maximum cumulative number of positions held in other companies
To this respect, it is underlined that the Company's Board of Directors established the general criteria adopted by the Company relating to the maximum cumulative number of positions as director or statutory auditor which may be held by the Company's Directors in other companies listed on regulated markets (including foreign markets), in financial, bank, insurance or any large-size companies, as provided for by art. 1.C.3 of the Code of Conduct.
In particular, on such occasion, the Board of Directors resolved to set:

- *the (cumulative) number of positions as director or statutory auditor which may be held by "non-executive" and "independent" directors, up to a maximum of **6**;*
- *the (cumulative) number of positions as director or statutory auditor which may be held by "executive" directors, up to a maximum of **4**;*

However, for the purpose of the above calculation, the positions as director or statutory auditor held by Astaldi S.p.A.'s Directors within the Group's companies shall not be taken into account.

Induction Programme
The Chairman **invited the Company's executives, and the executives of Group's companies to take part in Board of Directors' meetings periodically held in order to produce proper information in relation to the Company's dynamics and the reference sector in which Astaldi S.p.A. carries out its activity**, as provided for by art. 2.C.2 of the Code of Conduct.

4.3 Board of Directors' Role (as per art. 123-bis, paragraph 2(d) of the Consolidated Finance Act)

The Board of Directors plays a key role within the Company's organisation. Indeed, it is responsible for setting the Company's strategic and organisational policies, as well as for ensuring the implementation of the necessary controls aimed at monitoring the Company's and the Group's performance. Pursuant to art. **22** of the Company's By-laws, the Board of Directors is vested with full powers for the management of the Company.

In agreement with the Company's By-Laws, **6 meetings** of the Board of Directors, of an **average duration** of approximately 2 hours each, were held in 2012, with a limited number of absences of Directors and Statutory Auditors, all of which were duly justified.

Moreover, the Board of Directors, pursuant to stock exchange regulations on this matter, approved and subsequently forwarded to Borsa Italiana S.p.A. and to the market, with reference to financial year 2013, the **calendar** setting forth the dates of future Board meetings to be held for the approval of the draft financial statements, interim report and quarterly reports (the so-called "2013 Corporate Calendar"), as set forth below and made available in the Company's website (Governance/Financial Calendar" section).

Date	Company event	Topic
13-Mar-2013	Board of Directors's Meeting	Approval of the 2012 Draft Separate and Consolidated Financial Statements
23-Apr-2013	Shareholders' Meeting	Approval of 2012 Annual Financial Report
14-May-2013	Board of Directors' Meeting	Approval of 2013 First Quarterly Report
2-Aug-2013	Board of Directors' Meeting	Approval of Interim Report at June 30, 2013
13-Nov-2013	Board of Directors' Meeting	Approval of 2013 Third Quarterly Report

During 2012, in addition to the meeting held on 9 February 2012, a Board meeting was held also on 22 February 2012. Such meeting was not included in the Financial Calendar since the topics discussed thereat did not concern the Company's accounting documents and/or periodical financial reports.

It is underlined that **pre-meeting documents** are distributed by the Board of Directors' Secretary, upon mandate given by the Board of Directors' Chairman, to the Directors (in electronic format) prior to the Board meeting, in order to ensure a complete and correct evaluation of the topics brought to the Board of Directors' attention.

Moreover, Board of Directors' meetings may be attended, upon **invitation**, by Company's managers so as to provide proper details on the topics of the agenda.

In particular, in compliance with **Application Criterion 1.C.1 of the Code od conduct for listed companies, the Board of Directors:**

a) examines and approves the Company's and the Group's strategic, business and financial plans, the Company's corporate governance system and the Group's corporate structure;
b) evaluates the adequacy of the organisational, administrative and general accounting structure of the Company and of its strategically important subsidiaries, as prepared by the Chief Executive Officer, with particular reference to the internal control system and the management of conflicts of interests;
c) determines, after examining the proposals made by the related Committee and hearing the Board of Statutoy Auditors, the remuneration of the Chief Executive Officer and other Key Management personnel;

d) evaluates the operating performance;
e) confers and revokes the powers of the Chief executive Officer, determining relevant limits and manner of exercise; defines the frequency, which shall never exceed a period of three months, with which company bodies, upon whom powers have been conferred, shall report to the board in connection with the activities carried out while exercising the relevant powers;
f) Examines and approves the transactions carried out by the Company and its subsidiaries nn advance, whenever such transactions are of a significant strategic or financial importance for the Company itself.

Moreover, during 2013, meetings of the Company's Board of Directors were held on the following dates: 23 January 2013, 1 February 2013 and 21 February 2013. Such meetings were not included in the above Financial Calendar since the topics discussed thereat did not concern the Company's accounting documents and/or periodical financial reports.

It is further underlined that pre-meeting documents are distributed by the Board of Directors' Secretary, upon mandate given by the Board of Directors' Chairman, to the Directors (in electronic format) prior to the Board meeting, in order to ensure a complete and correct evaluation of the topics brought to the Board of Directors' attention.

Moreover, Board of Directors' meetings may be attended, upon invitation, by Company's managers so as to provide proper details on the topics of the agenda, in compliance with the provisions of Application Criterion 1.C.6 of the Code of Conduct for Listed Companies.

In particular, in compliance with Application Criterion 1.C.1 of the Code of Conduct for listed companies, the Board of Directors:
a) examines and approves the Company's and the Group's strategic, business and financial plans, periodically monitoring their application, and defines the Company's corporate governance system and the Group's corporate structure;
b) defines the nature and the degree of risk compatible with the Company's strategic targets;
c) evaluates the adequacy of the organisational, management and accounting structure of the Company and of its strategically important subsidiaries, with particular reference to the internal control system and risk management;
d) defines the frequency, which shall never exceed a period of three months, with which Chief Executive Officer, upon whom powers have been conferred, shall report to the board in connection with the activities carried out while exercising the relevant powers;

The Board of Directors, pursuant to **Application Criterion 1.C.1.(e) of the Code of Conduct**, on the occasion of the meetings held during 2012, regularly evaluated the general operating performance, also on the basis of the information collected from company bodies, thus periodically comparing actual results with planned results.

Pursuant to Application Criterion 1.C.1(f) of the Code of Conduct, the Board of Directors was entrusted with the exclusive task of examining and approving the Company's and its subsidiaries' transactions in advance, whenever such transactions are of a significant strategic financial importance for the Company itself and determined the general criteria to be adopted for the identification of significant transactions.
As far as transactions with related parties are concerned, please refer to paragraph 12 here below.

The Board of Directors, in compliance with Application Criterion 1.C.1(g) of the Code of Conduct, properly considered the dimension, composition and manner of operation of the Board itself and of its Committees, by also taking into account the characteristics of professionalism, experience and gender, as well as senior-

ity, of the relevant members.
Such evaluation was carried out by means of a proper self-evaluation system (the so-called Board Performance Review) in which all the Company's Directors were involved.
In particular, during the Board of Directors' Meeting held on 1 August 2012, a specific questionnaire, prepared by the Legal Affairs and Corporate Governance Department and discussed with the Board of Statutory Auditors, was distributed to the Director, by which each Director could express his/her own considerations on the following aspects of the Company's governance:

- *Board of Directors' role and influence on the Company's strategic decisions and in defining management's organisational structure, as well as on the verification of the Company's strategic framework and main risks;*
- *Directors' relationship with the Company's Top Management, with particular reference to Independent Directors, and existence of initiatives aimed at enhancing the Directors' knowledge of the Company's business;*
- *recurrence and duration of Board of Directors' meetings, timeliness and completeness of the documents provided to the Directors and closer investigation of the relevant issues;*
- *composition of internal Committees, with particular reference to the Control and Risks Committee and the Remuneration Committee, and reporting of the activities carried out by the Committees themselves to the Board of Directors;*
- *Board of Directors' role in determining management's remuneration and reward plan.*
- *Board Performance Review results, illustrated to the Board of Directors during its meeting held on 13 November 2012, confirmed that the Company's Directors consider themselves as fully satisfied in connection with some specific aspects, such as, more in detail:*
- *the atmosphere in which Board of Directors' meetings are held, which allows the Directors' active participation;*
- *Board of Directors' leadership and management, which is considered in line with the best standards;*
- *the relationship between independent Directors and Company's Top Management, which is considered positive and profitable;*
- *the comprehension and sharing of targets in relation to operations and results.*

Shareholders are given information about the outcome of such evaluation by the public of this Report. In such respect, it is underlined that the professionals who will be appointed as Members of the Company's Board of Directors, in view of the forthcoming renewal, have been selected by taking into account the professional characteristics of each one of them, which are considered to be in agreement with the activity carried out by the Company, as set forth in the above-mentioned Board Performance Review.

With reference to ***Application Criterion 1.C.4 of the Code of Conduct***, it is underlined that the Shareholders of Astaldi S.p.A. did not authorise, either from a general point of view or as a precautionary measure, any waivers to article 2390 of the Italian civil code.

4.4. Company Bodies

Chief Executive Officer

The Company's Board of Directors, during its meeting held on 23 April 2010, appointed Stefano Cerri as Chief Executive Officer, entrusting the same with the task of defining, in agreement with the Company's Chairman and the Deputy Chairman Giuseppe Cafiero, the Company's development strategies to be submitted to the Board of Directors and of taking care of their application in compliance with the directives given and the resolutions taken by the Board of Directors itself.
The Board of Directors set the following restrictions to the powers conferred upon Stefano Cerri: (i) signing bids for acquiring works on contract and/or concessions, including those under the form of project financing, up to the amount of Euro 600 million and,

in the event of successful bids, entering into the relevant contracts, and signing any other deed necessary therefor; (ii) entering into, amending and terminating contracts for the purchase or sale of real estate up to the maximum amount of Euro 2,600,000.00 per each transaction.

Stefano Cerri, who holds office as Chief Executive Officer (and, as such, taking on the main responsibility for the management of Astaldi S.p.A.) is presently holding no other position as director in any other issuer which is not a Group company, the Chief Executive Officer of which holds office as director of Astaldi S.p.A.. In particular, the situation of interlocking directorate provided for by Application Criteria 2.C.5 of the Code of Conduct adopted by the Company does not occur.

Chairman

The activities of the Board of Directors are coordinated by the Chairman. The Chairman calls the Board meetings and directs their operation, ensuring that members are given reasonably well in advance – except in cases of necessity or urgency – all the documents and information necessary to the Board so that the latter may knowledgeably decide on the relevant topics.
No lead independent director has been designated, because the Chairman of the Board of Directors has not been vested with any exclusive power on the basis of which the same is liable for the management of the Company nor controls the same, as set forth in closer detail in paragraph 4.7 below.

Reporting to the Board

The Chief Executive Officer reports to the Board of Directors and the Board of Statutory Auditors, on a regular and at least quarterly basis in accordance with the provisions of the By-laws, on the main activities carried out in performing his duties.

4.5 Other Executive Directors

The Board of Directors, as set forth in Table 2 attached hereto, is presently constituted of **3 Executive Directors** holding executive tasks within the Company.

4.6. Independent Directors

The Board of Directors, following its appointment at the Shareholders' Meeting held on 23 April 2010, pursuant to the **Application Criterion 3.C.3 of the Code of Conduct**, deemed that **independence requirements** are met by the Directors Giorgio Cirla, Paolo Cuccia, Mario Lupo, Eugenio Pinto and Maurizio Poloni. Such evaluation was made by taking into account independence parameters set forth in the Code of Conduct itself, as well as significance criteria as defined in the Instructions given by Borsa Italiana S.p.A., considering substance over form.
The Board of Statutory Auditors verified the correct application of the assessment criteria and procedures adopted by the Board of Directors to assess the independent of its own members.
Notice of the outcome of such verification activities, which were carried out following the appointment, at the Shareholders' Meeting, of the Board of Directors presently in office, was given to the market on 23 April 2010 (please refer to the specific press release available on the Company's website in the "Media Center/ Press Release" section).

Pursuant to **Application Criterion 3.C.4 of the Code of Conduct**, during today's meeting, the Board of Directors carried out the annual assessment of the fulfilment of independence requirements of the abovementioned Directors, the outcome of which showed no change with respect to the previous situation.

During financial year 2012, independent directors deemed that it was not advisable to hold meetings in the absence of the other directors.

The Company organised, during the last few years, visits to construction sites, presentations and other initiatives aimed at enhancing the directors', and especially independent and non-executive directors', knowledge of the Company's activities and dynamics.

4.7. Lead Independent Director

It is underlined that, since the preconditions of the Code of Conduct (Application Criterion 2.C.4) are not met, further taking into account the statements of paragraphs 4.4 of this Report, the Board of Directors deemed not to designate any **Lead Independent Director**.

5. Processing of company information

Pursuant to **Application Criterion 1.C.1.(j) of the Code of Conduct**, the Company, in order to ensure correct internal management and timely external communication of any significant event taking place within the sphere of activity of the Company and its subsidiaries and which, at least potentially, is capable of significantly affecting the price of the Company's shares (the so-called "price sensitive information"), avails itself of the "**Continuous Disclosure**" procedure (the most recent revision of which by the Board of Directors was made on 1 August 2012).
In short, the above procedure identifies within the Company the timing and methods for transmitting and diffusing such information and the involvement of the divisions concerned from time to time, providing that the resources closer to the source of the aforementioned information act as a link between their respective area of responsibility and the Company's top management, so as to allow proper assessment of such facts or information.
Moreover, the involvement of an Assessment Committee specifically set up to this purpose is provided for (formed of the Managers of the Legal Affairs and Corporate Governance Department, the Investor Relations and the Directorate concerned), in order to provide, on the basis of an attentive examination of the fact, proper assistance in the correct interpretation of the sector's regulations and possibly draft and circulate such communications.

6. Committees within the board of directors (as per art. 123-bis, paragraph 2(d) of the Consolidated Finance Act)

The Company set up a Remuneration Committee, a Control and Risks Committee and a Related Parties Committee.

7. Appointments committee

The Board of Directors presently in office deemed not to set up any Committee for the appointment of Directors since, at this time, there are no difficulties in identifying candidacies for the appointment of company officers.

8. Remuneration committee

The Company set up, effective from 5 February 2002, a Remuneration Committee, also responsible for stock options and stock grant plans, if any.

Composition and operation of the Remuneration Committee (as per art. 123-bis, paragraph 2(d) of the Consolidated Finance Act)
The Remuneration Committee is presently formed of three non-executive Directors, the majority of whom are independent directors, as follows:

Ernesto Monti (Chairman)	Non-executive
Eugenio Pinto	Non-executive/Independent
Maurizio Poloni	Non-executive/Independent

As recommended by the Code of Conduct, the Committee's members have appropriate knowledge and skills in accounting and financial matters.

During 2012, the Remuneration Committee held 2 meetings, of an average duration of 1 hour, attended by all the members of the Committee.
The Committee, depending on the topics discussed, invited non-members of the Committee, among which, in particular, the Chairman, the Chief Executive Office and Giuseppe Cafiero, Deputy Chairman, to attend its meetings. It is understood that no director attended the Committee's meetings during which proposals were made and resolutions taken in connection with such director's remuneration.

Moreover, following the reappointment of the Company's Board of Directors for the three-year period 2013/2015, the Remuneration Committee shall also be reappointed. The Chairman of such Committee shall meet the independence requirements provided for by Principle 6.P.3 of the Code of Conduct.

In relation to the composition and characteristics of the Remuneration Committee in office, please refer to Table 2 attached hereto.

Remuneration Committee's functions

- In particular, in compliance with **Application Criteria 6.C.5 of the Code of Conduct,** the Remuneration Committee is essentially entrusted with the following tasks:
- periodically assessing the adequacy, the global consistency and the actual application of the policy adopted in matter of remuneration of directors and key management personnel, by availing itself, with respect to such latter aspect, of the information provided by the Chief Executive Officer;
- submitting to the Board of Directors proposals on such matter;
- submitting proposals and expressing opinions to the Board of Directors on the remuneration of executive directors and of other directors performing specific functions, as well as on the determination of performance targets linked to the variable components of such remuneration;
- monitoring the application of the decisions adopted by the Board of Directors itself by checking, in particular, the actual achievement of performance targets;

During the 2 meetings held in 2012, all evidenced by valid minutes, the Committee provided opinions and made proposals, particularly in connection with the following:
- validating the achievement of the parameters required for 2011 stock grant vesting;
- defining the Top Management's reward system;
- defining the parameters upon the achievement of which 2012 stock grant vests.

Said meetings of the Remuneration Committee were attended by the Chairman of the Company, Paolo Astaldi, while the Deputy Chairman, Giuseppe Cafiero, attended only one of them.

In order to fulfil its functions, as set forth above, the Committee was granted access to the necessary information, by means of the respective company offices, with the Legal Affairs & Corporate Governance Dept. Manager's assistance.

9. Remuneration of directors

General Remuneration Policy

The Board of Directors shall approve, pursuant to art. 123-ter of the Consolidated Finance Act, the Remuneration Report to be submitted to the next Shareholders' Meeting held to approve the financial statements and setting forth 2013 general remuneration policy.
Therefore, more detailed information is set forth in said Remuneration Report published on the Company's website in accordance with the laws and regulations governing the matter.

Share-based Remuneration Plans

At their Meeting of 5 November 2010, the Shareholders approved the guidelines of the **Company's "Stock Grant Plan" for the three-year period 2010/2012**, as previously defined by the Board of Directors during its meeting held on 3 August 2010, upon the Remuneration Committee's proposal of 2 August 2010. Subsequently, the Board of Directors, during its meeting held on 10 November 2010, by virtue of the powers conferred upon the same during said shareholders' meeting, approved the relevant Regulation for the application of the Plan.
More in detail, the Plan is based on a reward system mainly providing for the granting, on a free-of-charge basis, of Astaldi S.p.A. shares to four top managers (i.e. the Chief Executive Officer and three of the four General Managers), vesting annually during the three-year period, upon achievement of performance targets annually defined by the Board of Directors, upon the Remuneration Committee's proposal.
More detailed information on the Stock Grant Plan is set forth in the "Information document pursuant to art. 84-bis, paragraph 1, of the Regulation adopted by Consob by Resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented" relating to the **Astaldi S.p.A. 2010/2012 Stock Grant Plan, published in the company website ("Governance/Documents" section).**
It is underlined that the Stock Grant Plan provides for specific lock-up periods on the shares which annually vest the respective grantees. More detailed information are set forth in the "Remuneration Report" and in the "Information Document pursuant to art. 84-bis, paragraph 1, of the Regulation adopted by Consob by Resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented relating to the Astaldi S.p.A. 2010/2012 Stock Grant Plan".

Remuneration of Executive Directors

The only executive director to whom a reward plan applies is the Chief Executive Office who, as set forth above, is one of the grantees of the 2010/2012 Stock Grant Plan.

Remuneration of key management personnel

As to the remuneration of "key management personnel" of Astaldi S.p.A., please refer to the above-mentioned Remuneration Report published on the Company's website in accordance with the laws and regulations governing the matter.

Bonus schemes applicable to the Internal Control Officer and to the Manager in charge of financial reporting

With reference to financial year 2012, no specific bonus scheme has been provided for the "internal control officer" and the "manager in charge of financial reporting".

Remuneration of non-executive directors

It is specified that the remuneration of non-executive Directors is not linked to the Company's financial performance, and the same are not the grantees of any share-based benefit plan.

Entitlement due to the Directors in the event of resignation, dismissal or termination of office following to a public take-over bid (as per art. 123-bis, paragraph 1(i) of the Consolidated Finance Act)

There is no presently valid agreement entered into with the Company's Directors providing for any entitlement in the event of resignation, dismissal, revocation without just causeor termination of office following to a public take-over bid.

10. Control and risks committee

Effective from 5 February 2002, the Company set up an Internal Control Committee whose name was changed, on the occasion of the Board of Directors' meeting held on 1 August 2012, to Control and Risks Committee, following the amendments to the Code of Conduct for Listed Companies having an impact on the Company's organisation.

Formation and operation of the Control and Risks Committee

The Control and Risks Committee is presently formed of 3 non-executive directors, the majority of whom are independent directors, as follows:

Mario Lupo (Chairman)	Non-executive/Independent
Luigi Guidobono Cavalchini	Non-executive Non-independent
Eugenio Pinto	Non-executive/Independent accounting and financial expert

The activity of the Control and Risks Committee is coordinated by the Chairman and, during 2012, the Control and Risks Committee held 4 (four) meetings, of an average duration of approximately 2 hours, attended by the majority of its members.
The Committee's meeting are mainly held on a quarterly basis, although, during financial year 2013, three meetings have already been held on 19 January, 22 February and 25 February 2013, respectively.

The Committee meetings are always attended by the Chairman of the Board of Statutory Auditors. Some meetings of said Committee were held jointly with the Board of Statutory Auditors, in compliance with Application Criteria 7.C.3 of the Code of Conduct. Such meetings are attended also by the Internal Control Department, since the Manager of said Department acts as Secretary of the Control and Risks Committee.
Upon the Committee's invitation – depending on the topics discussed in connection with the provisions of Application Criterion 7.C.2 – the meetings are attended by the following: the Manager in charge of financial reporting, the independent auditors, the Corporate Risk Management Department, other company Offices/Departments involved in the various topics discussed:

Functions attributed to the Control and Risks Committee

The Committee provides the Board of Directors with assistance in connection with the activities of direction and evaluation of the internal audit and risk management system, as set forth in greater detail in Application Criterion 7.C.1 of the Code of Conduct, expressing in such respect its prior opinion on the functions of evaluation, proposal and information attributed to the Committee itself (7.C.2).
More particularly, it fulfils the following tasks:

a) it reports to the Board of Directors on the adequacy of the internal control and risk management system;
b) it evaluates, jointly with both the Manager in charge of financial reporting and after hearing the independent auditors and the Board of Statutory Auditors, the suitability of the accounting standards adopted and their homogeneity for the purposes of drafting the consolidated financial statements;
c) upon request made by the executive director duly entrusted to this purpose, it expresses its opinions preliminarily to initiatives to be taken, on specific aspects concerning the identification of main company risks and the structure, implementation and management of the internal control system;
d) it examines the periodical reports focusing on the internal control and risk management system; More in detail, with reference to the internal control system, it examines – during the preliminary examination phase – the action plan and the most important periodical reports drawn up by the Manager of the Internal Control Department;
e) it monitors the autonomy, the adequacy, the effectiveness and the efficiency of the Internal Control System;

f) it asks – if necessary – the Internal Control Department to carry out specific checks, concurrently informing the Chairman of the Board of Statutory Auditors thereof;
g) it reports to the Board, at least on a six-monthly basis, on the occasion of approval of the financial statements and of the interim report, on the activities carried out and the suitability of the internal control system;
h) it carries out additional tasks as may be entrusted to the same by the Board of Directors.

During its 4 meetings held in 2012, the Committee performed control activities and tackled a number of issues including the following which were of greatest interest:

a) it met the Board of Statutory Auditors and, with the Chief Executive Officer, assessed the consequences of the revision of the Code of Conduct for listed companies (December 2011) on the company internal control system, with specific reference to Internal Control activities;
b) it acknowledged the results of the internal control system analysis, carried out in 2011 with the collaboration of third-party advisors, which, while confirming the substantial adequacy of the system itself, have underlined an action plan aimed at achieving Company's compliance with the recent changes in laws and regulations as set forth under point a) above;
c) it examined and discussed the various activities performed in 2011 on the company internal control system, with particular reference to the results of the checks on business and support processes – carried out on a sample of projects executed in Italy and in foreign countries and on duly selected head-office processes – and was informed about the follow-up relating to the audit activities carried out in 2010 concerning remedying actions recommended by the Management. The activities so carried out underlined the adequacy of the internal control system which, tending to improve the effectiveness and efficiencies of controls and the consequent mitigation of the risks to the prevention of which such controls are intended for, was considered adequate, efficient and effective as a whole;
d) it was informed, by the Manager in charge of financial reporting, as per the provisions of Law No. 262/05, about the results of testing activities – also in terms of remedying measures required and/or implemented during financial year 2011 – carried out on a sample of selected projects executed in Italy and in foreign countries; The internal control system overseeing financial reporting was considered, as a whole, adequate, effective and efficient;
e) it met the independent auditors in compliance with the provisions of the Application Criterion 7.C.2(a);
f) it examined the action plan of the internal control activities for financial year 2012. In particular, with reference to the plan, it received information about the operational methods and the criteria for the selection of the sample of projects executed in Italy and in foreign countries and of business processes to be checked, already adopted during previous financial years;
g) it was informed about the selected projects carried out in Italy and abroad, as per Law No. 262/05, in relation to financial year 2012, with reference to the annual (separate and consolidated) financial statements and received updates about the outcome of the checks carried out by the Operative Structure providing support to the Manager in charge of financial reporting during the first and second half of the financial year in question;
h) it checked the progress of the 2012 action plan in compliance with the outcome of the activity described under paragraph b) above, aimed at updating the system adopted to audit company processes and at drawing up an Internal Control Manual;
i) it was periodically informed about the progress of the 2012 audit activities and of the follow-up relating to the audits carried out in 2011;
j) it was informed about the completion of the risk-and-control mapping activity focusing on process activities carried out in Italy and abroad which is preliminary to the 2013 Action Plan;

k) it was periodically informed, in relation to the impact on the company internal control system, on the activities carried out in compliance with the provisions of the Italian Legislative decree 231/01, at company level and at operating construction sites.

The Committee, during its meetings held on 3 August and on 9 November 2012 informed the Board of Directors about the activities carried out during the first and the second half, respectively, of 2012.
The Control and Risks Committee's meetings held during 2012 were always attended by the Chairman of the Board of Statutory Auditors, while some of them were attended by the entire Board of Statutory Auditors.
All the meetings of the Control and Risks Committee are evidenced by specific minutes drawn up by the Internal Control Department and then recorded in a specific book.
In order to fulfil its duties, the Control and Risks Committee may have access to any information and may invite any company body to attend its meetings, as necessary, and may also avail itself of third-party advisors.
During 2013, three meetings of the Control and Risks Committee were held on 22 January and on 19 and 25 February, respectively, which were attended by the Chairman of the Board of Statutory Auditors, and during which the following topics were discussed:

- the most important corporate risks in connection with financial year 2013, as illustrated by the CRM (Corporate Risk Management) Department;
- the proposed 2013 Actiont Plan, worked out by SIA, on a well-organized process of analysis of risks, propaedeutic to approval by the Board of Directors;
- jointly with the Manager in charge of financial reporting and after hearing the independent auditors and the Board of Statutory Auditors, an evaluation was made in compliance with the provisions of Application Criterion 7.C.2(a);

the internal control activities planned and carried out during 2012 and the follow-up relating to the checks carried out in 2011 were also checked.

11. Risk management and internal control system

The Company deems that the maintenance of an effective internal control and risk management system on which the whole company may rely in order to achieve its targets is of fundamental important for the development and the management of its own activities.
An effective risk management and internal control system, in accordance with national and international best practice, must be aimed at allowing, through an appropriate process of identification, measurement and management of risks and of the relevant controls, to manage the company in a sound manner, correctly and consistently with the targets set, in order to meet not only internal requirements, but also those of shareholders, company control bodies, and related laws and regulations.
In such respect, the Company defined its own risk management and internal control system by adopting a set of rules, procedures, organisational structures aimed at allowing, through an appropriate process of identification, measurement, management and monitoring of the main risks, to manage the company in a sound manner, correctly and consistently with the targets set, which may be divided into the following categories:

The main methodological reference used by the Company is the CO.S.O. Report which, specifically adapted according to the Company's characteristics, represents an effective analytical instrument for assessing the various components of the Company's Internal Control System and providing Top Management with a clear outlook of how the Internal Control System may be improved in terms of effectiveness and efficiency.
Since 2010 the Company, by setting up the new Corporate Risk Management Department, started to evolve toward to "CoSO ERM – Enterprise Risk Management Integrated Framework" model in order to systematise a well organised and integrated risk management system.
The main parties involved in the Company's risk man-

agement and internal control system are the Board of Directors, the Control and Risks Committee, the Chief Executive Officer in charge of the risk management and internal control system, the Board of Statutory Auditors, the independent auditors, the Supervisory Body, the Manager of the Internal Control Department, the Manager in charge of financial reporting, the Corporate Risk Management Department, the entities fulfilling assurance functions, Top Management and all the operative personnel to the extent of their respective roles and responsibilities.

The Board of Directors – consistently with the internal control system guidelines defined by the same and constantly taking advantage of the assistance constantly provided by the Control and Risks Committee in terms of advice and proposals – ascertains that the main risks affecting Astaldi S.p.A. are correctly identified, assessed, managed and monitored, for the purpose of a sound and correct management of the Company.

During the financial year, the Board of Directors was asked to evaluate corporate governance aspects in connection with the verification of the Company's main risks and of the corporate internal control system, also on the basis of the reports of the activities carried out by the Control and Risks Committee.

In such respect, the Board of Directors, during its meeting held on today's date, also on the basis of the results of the activity carried out by the Control and Risks Committee, expressed its positive opinion on the adequacy, effectiveness and efficiency of the Company's internal control and risk management system.

As far as concerns the specific considerations on the adequacy, effectiveness and efficiency of the internal control and risk management system, please refer to the contents of paragraphs 11.1 and 11.2 hereof.

Main Characteristics of existing Internal Control and Risk Management Systems in relation to Financial Reporting

As to financial reporting – which is an integral part of the internal control system - the activities are managed by a company body specifically devoted thereto, operating as a unit providing support to the Manager in charge of financial reporting.
The financial reporting risk management system is an integral part of the internal control system implemented by the Company because it is a fundamental part of the company processes aimed at ensuring the reliability, accuracy, trustworthiness and timeliness of financial reporting.
The Company's approach, based on the reference best practice and, in particular, on the Co.S.O. Framework, is the result of a company control environment placing particular attention to the definition of the main corporate governance instruments. Indeed, the risk management system and, more in general, the internal control system, provides for the official adoption of appropriate administrative-accounting procedures, the definition of roles and relevant responsibilities, through an organisational chart and the relevant attribution of powers, as well as the definition of internal regulations, codes of conduct and segregation of duties.
In particular, the definition of processes and of the relevant controls results from the constant identification and analysis of those inbound and outbound factors which may be detrimental to the achievement of company objectives, in order to determine how such risks may be managed (identification, assessment, monitoring), and to ensure that financial information is correctly prepared.
To such purpose, operational/line controls (i.e. first level controls), hierarchical-functional controls, controls over the management of risks and on compliance with internal procedures and regulations and law provisions (i.e. second-level controls) and internal control (third-level controls) have been defined. The effectiveness of the control system over the risks which may

significantly affect financial information is assessed – in particular – through a testing activity, on the occasion of both annual and interim (half-yearly) closing of accounts, and such assessment is characterised by a top-down approach in which the involved entities, processes and relevant accounting items are identified. In such respect, a sampling of the entities is carried out on the basis of the significance of items set forth in the income statement and in the statement of financial position of the relevant separate and consolidated financial statements. Such specific testing activity is carried out by a unit specifically devoted thereto, depending upon the Manager in charge of financial reporting, and the assessment results, as well as the corrective actions recommended, if any, are submitted by said Manager to the Board of Directors for consideration.
For the sake of a comprehensive listing of the main characteristics, it should be noted that, since the enactment of Law No. 262/05, the Parent issued the directive that annual and interim (half-yearly) accounts of its branch-offices and subsidiaries be accompanied by a statement to be drawn up and duly signed by their legal representative and administrative managers. The statement form replicates the form provided by Consob regulation implementing Law no. 272/05.
The system adopted as above is monitored and continually updated.

11.1 Director responsible for the Internal Control and Risk Management System

Taking into account the provisions of Art. 8.C.1 of the Code of Conduct previously in force, the Company's Board of Directors, during its meeting held on 23 April 2010, designated the Chief Executive Officer, Stefano Cerri, as "the executive director supervising the effectiveness and efficiency of the internal control system", who shall thus fulfil the duties provided for by art. 8.C.5 of the Code previously in force in accordance with the Company's Control Model.

Following the recent amendment to the Code of Conduct (December 2011), the Board of Directors, during its meeting held on 1 August 2012, acknowledged the main changes to the code of conduct which have an impact on the Company's organisation. Such changes concerned, in particular, the completeness of the functions relating to the internal control system.
To this regard, the Board of Directors unanimously decided to adapt the Company's organisation to the provisions of the Code of Conduct for Listed Companies, including that part of the revised code changing the definition of Executive Director supervising the effectiveness of efficiency of the internal control system into "Director responsible for the Internal Control and Risk Management System".

More in detail, the Chief Executive Officer:
- takes care of identifying the main corporate risks, by taking into account the activities carried out by the issuers and by its subsidiaries, and periodically submits the same to the Board of Directors for examination;
- causes the Board of Directors' guidelines to be implemented, thus designing, implementing and managing the internal control system, and constantly checking its global adequacy, effectiveness and efficiency;
- takes care of adjusting such system in accordance with the operational conditions and to the provisions of applicable laws and regulations;
- may ask the internal control department to carry out checks on specific areas of operation and on the compliance with internal procedures and regulations governing company operations, concurrently giving notice thereof to the Chairman of the Board of Directors, to the Chairman of the Control and Risks Committee and to the Chairman of the Board of Statutory Auditors;
- promptly reports to the Control and Risks Committee (or to the Board of Directors) on issues and problems which may have become apparent during the fulfilment of his duties or about which the same may have been informed, so that the Committee (or the Board of Directors) may take appropriate actions in connection therewith.

With reference to the Application Criterion 7.C.4(a), it is underlined that, effective from July 2010, a Corporate Risk Management Department was set up to provide the Company's Management with support in the decision-making process concerning the mitigation of risks throughout the entire company business cycle, in the various forms of contract (traditional contracts, general contracting initiatives, concessions and project financing initiatives) and at the various levels of the company organisation (head-office, country, project).

The logical model of risk management adopted by the Company is a three-dimensional one, divided by nature of risk (operational, financial, strategic, compliance-related), by level (head office, country, project), and by project phase (development, construction and operation).

A Group Enterprise Risk Management programme was launched in 2011 focusing on the main risks which may threaten the achievement of company performance and strategies.

With reference to the Application Criterion 7.C.4(e), the Chief Executive Officer, during the periodical meetings held with Company's Control and Supervisory Bodies (Control and Risks Committee and the Board of Statutory Auditors), illustrated, also by availing himself of the Corporate Risk Management Department, the methodological approach implemented and the main results of the analysis carried out, also with reference to the risk-related areas detected during the execution of the activities.

In such respect, please refer to the contents of the sections illustrating the activities of the Control and Risks Committee (Section 10), of the Internal Control and Risk Management System (Section 11), of the Board of Statutory Auditors (Section 13).

During its meeting, the Company's Board of Directors, taking into account the provisions of the Code of Conduct for Listed Companies, made its own evaluations, by causing each director to express his/her opinion, on the Board of Directors' role and influence in checking the strategic framework and the Company's main risks, also relying on the preliminary examination activity carried out by the Control and Risks Committee.

The Chief Executive Officer draws particular attention to all the changes/updates in laws and regulations which may have an impact of the Company's business and, therefore, on the corporate internal control and risk management system.

In such respect, a particular attention was drawn to the corporate and organisational evolution path in order to cause Astaldi to progressively comply with the provisions of the new code of conduct (December 2011).

Indeed, during a meeting jointly held by the Control and Risks Committee and the Board of Statutory Auditors on 18 January 2012, which was attended also by the Chief Executive Officer, the most important changes in laws and regulations resulting from the revision of the Code of Conduct, with particular reference to internal control activities, have been dealt with.

During that same meeting, also the results of the project relating to the Analysis of the Internal Control System aimed at assessing the Company's control system structure, managed with the specialist assistance provided by Ernst & Young Financial Business Advisor were illustrated, and the recommendations arising from such results were taken into account in order to adapt the entire system to the changes in the code of conduct and the best practices.

During financial year 2012, the Chief Executive Officer was further informed, by the Manager of the Internal Control Department, about the progress of the action plans relating to the internal control system, by means of periodical reports drawn up by the latter on the adequacy of controls because suitable to cope with/

mitigate the risks shared and accepted by Top Management and/or reports on the outcome of control activities.

11.2 Internal control officer

In accordance with the provisions of the Code of Conduct previously in force (Article 8.C.1), the Company's Board of Directors appointed the Internal Control Officer, upon the proposal made by the Chief Executive Officer responsible for the internal control system and after hearing the Control and Risks Committee's proposal.

Effective from 13 May 2009, the Company's Internal Control Officer is Fabio Accardi, who is the Internal Control Department Manager and reports, from a hierarchical point of view, to the Board of Directors and, from a functional point of view, to the Chief Executive Officer in charge of supervising the Company's Internal Control System.

Following the recent amendment to the Code of Conduct (December 2011), the Board of Directors, during its meeting held on August 1, 2012, acknowledged the main changes to the code of conduct which have an impact on the Company's organisation. Such changes concerned, in particular, the completeness of the functions relating to the internal control and risk management system.

To this regard, the Board of Directors unanimously decided to adapt the Company's organisation to the provisions of the Code of Conduct for Listed Companies, including that part of the revised code changing the definition of "*Preposto al Controllo Interno*" into "*Responsabile della Funzione di Internal Audit*" (in English "Internal Control Officer").

The Internal Control Officer, in agreement with the provisions of Application Criterion 7.C.5 of the Code of Conduct, is mainly responsible for the following:

verifying, at Group level, both on a continual basis and in connection with specific cases, the suitability and the effectiveness and efficiency of the internal control and risk management system through an annual action plan to be approved by the Board of Directors, based on a well-organised process of analysis of and attribution of priority to the main risks. The above, also in compliance with the principles and criteria applied in art. 7 et seq. of the Code of Conduct for Listed Companies.

In particular:

drawing-up periodical reports setting forth the adequacy of controls because suitable for coping with/mitigating the level of risk shared and accepted by the Top Management, such activity being preliminary to drawing up the Action Plan.

supervising, within the framework of the Internal Control System, the monitoring of the effectiveness and efficiency of corporate processes (operational check), the analysis of compliance of operations with laws and regulations (compliance check), the reliability of accounting and management information (financial check); As far as the financial check is concerned, the same interacts with the structure of the Manager in charge of financial reporting pursuant to the provisions of Law 262/05;

interacting with internal control bodies (Control and Risks Committee, Board of Statutory Auditors, the Independent Auditor and the Supervisory Body as per Legislative decree 231/01 of the Company and of its subsidiaries) reporting about the risk management method and expressing an opinion on the suitability of the internal control and risk management system for achieving an acceptable level of global risk;

drawing-up periodical reports and reports on particularly significant event, setting forth proper information on his/her own activity, to be taken as basis for an opinion on the suitability of the Internal Control System and on the methods according to which risks are managed, as well as on the compliance with the plans conceived to mitigate the same. The reports are forwarded to the Chairman of the Board of Statutory

Auditors, to the Chairman of the Control and Risks Committee, and to the Chairman of the Board of Directors, as well as to the Director entrusted with the internal control and risk management system;
verifying, within the annual action plan, directly and/or indirectly, also the reliability of Information technology systems, including accounting recognition systems, thus interacting in such respect with the IT Department, the structure of the Manager in charge of financial reporting and/or the independent auditor for those aspects having an impact on accounts, respectively;
collaborating with the Supervisory Board of the Parent Astaldi S.p.A. to update the Organisational, Management and Control Model as per Legislative decree 231/01 and providing support to carry out monitoring and inspection activities aimed at checking compliance with the Model itself (see, to this regard, paragraph 11.3 hereof);
providing support, in connection with the respective activities, acting as Internal Control Officer, the managing body and the Supervisory Body of any Subsidiary.

The Internal Control Officer is not responsible for any operating sector and does not report to any manager of operating sectors. In such respect, in order to fulfil his/her duties, the same has direct access to any and all information considered useful to carry out his/her task.

Internal Control is carried out on the basis of national and international best practices with the purpose of performing all the actions deemed advisable and necessary to control corporate processes, including direction, monitoring and assessment of critical areas and of opportunities to improve the Company's organisation.

During 2012, the Board of Directors approved the Internal Control Department's Action Plan, after the preliminary verification carried out by the Control and Risks Committee during the meeting held on 6 July 2012, thus sharing the operational methods of execution of checks and the criteria adopted for the selection of the sample of projects and processed to be audited. As already implemented during the previous financial years, the main business processes relating to the management of a project and a sample of projects executed in Italy and in foreign countries were selected.

Internal Control activities are carried out through the Integrated Internal Control System conceived as an operational method for the rationalisation, integration and coordination of audit and monitoring activities performed by various company bodies fulfilling assurance activities, on the basis of an annual action plan, which is shared with the Control and Risks Committee and the Company's Top management. For closer details in such respect, please refer to paragraphs 10 and 11.3 of such report.

The findings of said checks were periodically reported by the Internal Control Officer to the Top Management, to the Control and Risks Committee, to the Board of Statutory Auditors and to the Supervisory Body as per Legislative decree no. 231/01.

With reference to the activities aimed at updating the internal control system concerning the main risks affecting corporate and domestic processes, which are preliminary to drawing up the 2013 Action Plan, the Internal Control Officer availed himself of the advisory services of Ernst & Young Financial Business Advisors.

During the Board of Directors' meeting held on 1 February 2013, the 2013 Action Plan, drawn-up by the Internal Control Department, in compliance with the provisions of the Code of Conduct for Listed Companies, and based on a well-organised process of analysis of and attribution of priority to the main corporate risks, was submitted to the Board of Directors for approval.
On such occasion, the Board of Directors further considered the Internal Control Department's resource requirements to carry out the checks scheduled to be carried out throughout the year 2013, with a focus

on the international sector and taking into account a more extensive involvement of the SIA (Internal Control Department) on the field in order to fulfil the requirements of the Code of Conduct for Listed Companies (independence of the Control and Risks function).

11.3 Organisational Model as per Legislative decree 231/2001

With reference to further actions carried out to improve the corporate governance system, it is worth reminding that the Board of Directors of Astaldi S.p.A., and the Board of Directors of each strategically important subsidiary have already adopted a "**Corporate Code of Ethics**" setting forth general principles and governing, through codes of conduct, the activities of the employees and collaborators, also in connection with relationships with the shareholders, Public Authorities, suppliers, contractors and subcontractors.

In particular, such Code sets forth:

- the general principles and reference values which Astaldi S.p.A. and the Group companies must comply with when carrying out their activities;
- the codes of conduct that the Company's representatives, executives and personnel must observe when holding relations with a series of business, entrepreneurial and financial parties;
- the manner of implementation of the Code itself within the corporate structure.

Moreover, the Board of Directors of Astaldi S.p.A., as well as the Board of Directors of each strategically important subsidiary, within the framework of the activities governed by Legislative decree No. 231/2001, approved the adoption of the Organisational, Management and Control Model as per Legislative decree No. 231/01 which, by identifying the areas and company activities exposed to potential risks in connection with the various offences provided for by said Decree, is aimed at protecting the Company in the event that directors, employees and collaborators were to commit any such offence set forth in said Legislative Decree.

The main categories of offences that the Organisational Model of Astaldi S.p.A. purports to prevent are the following:

- offences against state public authorities or any other public authority, handling of stolen goods and money laundering;
- offences against corporate law, namely abuse of privileged information and market abuse;
- offences against the person;
- cybercrime offences;
- offences of organised crime and obstruction of justice;
- environmental offences.

More specifically, the Model defines:

- the ethical principles relating to the conduct connected with the specific crimes provided for by the Decree;
- the corporate risk-related activities, that is to say those activities within which, because of their nature, may be committed the offences as per Legislative decree No. 231/01 and, therefore, to be analysed and monitored;
- the manner in which the financial resources devoted to the prevention of offences are managed;
- the rules for the formation of the Supervisory Body and the attribution of specific tasks of supervision over the correct implementation of the Model;
- the information flows to the Supervisory Body;
- the activities of information, training, sensitisation and communication at all corporate levels, on codes of conduct and procedures established;
- the responsibilities concerning the approval, supplementation, amendment and implementation of the Model, as well as the verification of its effectiveness and efficiency and of company practices, with the relevant periodical updates.

The Company's "Code of Ethics" and " Organizational, Management and Control Model as per Legislative decree No. 231/01" are constantly updated in order to adapt the same with the laws and rules in force and with the changes occurring within the Company's organisation. In such respect, it is underlined that both texts are currently being updated in view of the recent changes occurred in the law provisions included in the list of offences provided for by the Italian Legislative decree 231/01, namely:

- art. 25-duodecies on the "employment of illegal immigrants";
- art. 25-ter, lett. s-bis, on the "corruption between private parties";
- the "offence of illegal inducement to give or promise benefits", linked to art. 25; The Company's Code of Ethics and Organisational Model are published in the company e-room and in the Company's official website at the following URL:

www.astaldi.com/governance/archivio_documenti

In order to avoid the risks of committing any of the offences provided for by Legislative decree No. 231/01, Astaldi S.p.A. and each of its strategically important subsidiaries, has appointed a Supervisory Body, whose members meet the requirements of autonomy, independence and professionalism in accordance with the above laws and regulations.
As to Astaldi S.p.A., the members of the Supervisory Bodies are: Mr. Maurizio Poloni, Lawyer, Non-executive / Independent member of the Board of Directors and Mr. Marco Annoni, Mr. Giorgio Luceri, Ms. Nicoletta Mincato and Mr. Vittorio Mele – the latter acting as Chairman of the Supervisory Body – as Company's external experts.

The Supervisory Body has adopted a set of rules and is classed as a top staff unit reporting directly to the executive director in charge of the internal control and risk management system the outcomes of the audits, possible criticalities which may be found, and possible remedies and improvements which, if having a particular significance, may be submitted to the Board of Directors for consideration.
The Supervisory Body avails itself of the Internal Control Officer in order to perform its activities and to ensure that its resolutions relating to the company divisions involved are implemented.

The Supervisory Body's activities, aimed at monitoring the effectiveness and efficiency of and compliance with the "Organiaational Management and Control Model as per Legislative decree No. 231/01", continued in 2012.

Eleven meetings of the Supervisory Body were held, and the following activities have been carried out:

a) verification of the actual implementation of the Model by the company departments – following the approval of a specific plan - by means of specific checks over a sample of duly selected domestic and foreign projects and company processes, and by examining the results of checks carried out, for Internal Control System purposes, considered as relevant in order to assess the compliance with the provisions of Legislative decree 231/01;
b) acknowledgement of the outcomes of the checks carried out and of corrective measures implemented in order to solve the criticalities found (follow-up);
c) training of personnel in relation to Legislative decree 231/01, carried out: directly by the Supervisory Body or entrusted to the Internal Control Officer and to peripheral Italian and foreign units in accordance with the guidelines set by the Supervisory Body itself;
d) fulfilment, by means of the Internal Control Officer, of inquiries as per art. 13 of the Code of Ethics in connection with alleged infringements of the Organisational, Management and Control Model;
e) sharing of information on the progress of the internal control system analysis project, as far as supplementary controls are concerned, for compliance with Legislative decree 231/01;
f) meetings held jointly with the Board of Statutory Auditors, for mutual exchange of information on control activities carried out;
g) closer examination of issues concerning company groups, aimed at updating protocols and guidelines taking into account the Group's investments;
h) monitoring of the activities carried out by the Group

relating to the compliance with the provisions of Legislative decree 231/01.

With reference to the activities being carried out during 2013, the Supervisory Body asked to finalise a project aimed at updating the mapping and assessment of the risks related to "cybercrime offences and unauthorised processing of data" in order to verify the suitability of the presently existing controls (protocols as per art. 6) – also by means of a verification activity in terms of "vulnerability assessment".
During the meeting held on 1 August 2012, the Board of Directors was informed about the changes occurred in the Code of Conduct (rev. 2011), also with reference to the possibility that the Company may "attribute to the Board of Statutory Auditors the functions which are presently fulfilled by the Supervisory Body as per Legislative decree 231/01".
No resolution was taken in such respect.

11.4 Independent auditors

The activity of audit of the financial statements of Astaldi S.p.A. is carried out by KPMG S.p.A. which was entrusted with the legally-required audit of financial statements for the period 2011-2019.

11.5 Manager in charge of financial reporting

The office of "Manager in charge of financial reporting" has been being held by Paolo Citterio, General Administration and Finance Manager since 31 July 2007.
It is reminded that, pursuant to the Company's By-laws, the Manager in charge of financial reporting was appointed as such by the Board of Directors after hearing the Board of Statutory Auditors' previous opinion. Moreover, it is hereby reminded that, still in accordance with the provisions of the Company's By-laws, anyone meeting the honour requirements provided for by the laws in connection with directors, and having accrued an adequate professional experience on the basis of a three-year period activity as manager of the administrative, accounting, financial or audit sector of a company listed in a regulated market or of a company carrying out the financial, insurance or banking activity or in a company whose share capital amounts to not less than Euro 2 million or having carried out a three-year activity as auditor in any of the auditing companies registered with the special register kept by Consob, may be appointed as Manager in charge of financial reporting.
The Company further adopted an Internal Regulation setting forth in detail the functions, means and powers of the Manager in charge of financial reporting, as well as his relationships with other Company offices and bodies.

11.6 Coordination between the Offices and Departments involved in the Internal Control and Risk Management System

An audit system, in order to be effective, must be integrated, that is to say all of its components must be coordinated and interdependent and the system, as a whole, must be integrated within the Company's general organisational setting.
The laws and regulations and the new Code of Conduct consider the internal control and risk management system as a unitary system of which risk is the dominant recurring topic and the control system, in order to be effective, must have all of its components integrated within themselves, that is, must provide for coordination methods and flows between the various company offices and departments involved, on any account, in the internal control and risk management system (Board of Directors, Manager of the internal control and risk management system, Control and Risks Committee, Board of Statutory Auditors, Internal Control Officer, manager in charge of financial reporting, Chief Risk Officer, and all other company offices and departments fulfilling specific tasks in matter of internal control and management of risks).
In such respect, Astaldi operates in compliance with the provisions of the new Code of Conduct, as set forth in the foregoing sections of the Corporate Governance Report.

In particular, it is underlined as follows:

- the coordination of the activities carried out by the Internal Control Department and the Company Risk Management Department, taking into account the modern concept of audit, is focused on the notion of company risks, on their detection, assessment and monitoring.
- with specific reference to financial reporting, the coordination of the activities carried out by the internal control department and the operational structure providing support to the Manager in charge of financial reporting;
- the coordination of internal control activities which have been carried out, during 2012, through the Integrated Internal Control System conceived as an operational method for the rationalisation, integration and coordination of check and monitoring activities performed by various company bodies fulfilling assurance activities, on the basis of an annual plan, which is discussed with the Control and Risks Committee and the Company's Top management.

12. Directors' interests and transactions with related parties

It is hereby reminded that the Board of Directors, during its meeting held on 10 November 2010, in agreement with the provisions of Consob Regulation in matter of procedures governing the "transactions with related parties", approved by Consob resolution no: 17221 of 12 March 2010, and subsequently amended by resolution dated 23 June 2010, approved, by the favourable vote expressed by the committee of independent directors set up for this purpose, the new internal company procedures for the identification, approval and implementation of transactions with related parties carried out by Astaldi S.p.A. on a direct basis or through its subsidiaries.

On that occasion, the Related Parties Committee was further set up, pursuant to the above, formed of the following independent directors:

Eugenio Pinto (Chairman)	independent director
Maurizio Poloni	independent director
Giorgio Cirla	independent director

In short, such procedures:

1) designate transactions of "lesser" and "greater" importance.
   As to transactions of lesser importance, such procedures provide that:
   (i) the competence to resolve thereupon falls within the sphere of competence of the Board of Directors or the Chief Executive Officer within the powers conferred upon the latter, on an alternative basis;
   (ii) a justified non-binding opinion, to be expressed by the Related Parties Committee mentioned above, is required;
   (iii) said Committee may avail itself of independent experts to be selected by the same;
   (iv) *ex ante* disclosure be promptly given to the company body having competence to resolve thereon and to said Committee, so that the latter may express its own opinion.

   While, as far as concerns the transactions of greater importance, such procedures provide that:
   (i) a reservation of competence to resolve thereon be attributed to the Board of Directors;
   (ii) said Committee's binding opinion is required.
2) set forth the methods for examination and approval of transactions with related parties, as well as the formation and rules of operation of the "Related Parties Committee" which, consistently with Consob's recent recommendations, is formed exclusively of independent directors both in the event of transactions of "lesser" and "greater" importance.
3) establish the methods and timing according to which said Committee, as well as the management and control bodies, are provided with the information on transactions before the relevant resolution, and during and after implementation of such transactions;
4) set the rules governing the cases in which the Company examines and approves transactions with Ital-

ian or foreign subsidiaries;
5) designate the cases of "default exemption" from the rules and the cases of "optional exemption".

It is understood that the Company shall describe in detail all said transactions in the Directors' Report.
Closer details on this matter are set forth in the **"Procedures governing transactions with related parties" published on the Company's website ("*Governance/Documents*" section)**.

In relation to the specific case in which **a Director has interests** on his/her own behalf or on behalf of third parties, it is specified that the Company's Board of Directors shall adopt, from time to time, the operational solutions it may consider as more appropriate (such as, by way of example, such director shall be prevented from voting or asked to temporarily leave the meeting at the time when resolution is taken)

13. Appointment of statutory auditors

The Company By-Laws provide for the list vote mechanism in order to guarantee the presence of representatives of minority shareholders in the Board of Statutory Auditors.
As expressly set forth by the By-laws, the lists must be filed at the Company's registered office, in accordance with the terms and manner provided for by applicable laws and regulations, jointly with the documents required by the laws and the Company's By-laws.
Only shareholders globally holding, individually or collectively with the other shareholders, a number of shares representing at **least 1%** (or the lowest percentage provided for by the provisions of applicable laws and regulations) **of the company's share capital** with voting rights in shareholders' ordinary meetings, are entitled to file lists.

The members of the Board of Statutory Auditors are elected as follows.

- two standing and two alternate auditors are drawn, in the progressive number in which they are listed in the corresponding sections of the list, from the list that has obtained the higher number of votes cast by the shareholders attending the meeting.
- the remaining standing member, who shall also be appointed as Chairman of the Board of Statutory Auditors, and the other alternate member are drawn from the list that ranked second in number of votes, among the lists submitted and voted by the shareholders holding no relationship with the reference shareholders in compliance with the laws and regulations in force, on the basis of the progressive number with which they were listed in the corresponding sections of the list.

In the event two or more lists filed by minority shareholders have obtained the same number of votes, the candidates senior in age among those appearing under number one in the corresponding sections of the lists obtaining an equal number of votes are appointed as Standing Auditor and Alternate Auditor.
In the event only one list is submitted, all the standing and alternate auditors are drawn therefrom, to be elected according to the order in which they are listed. Also in this case, the title of Chairman of the Board of Statutory Auditors is attributed to the person registered as first in the list.
In the event a Statutory Auditor leaves office, for any reason whatsoever, the same is replaced by the first alternate auditor elected in the same list, by previously verifying fulfilment of the above requirements.
In the event the Standing auditor drawn from the list which ranked second in number of vote leaves office and cannot be replaced, for any reason whatsoever, by the alternate auditor appointed from that same list, the same shall be replaced – by previously verifying fulfilment of the above requirements – by the candidate registered immediately thereafter within that same list or, in default, by the candidate registered as first in the list which ranked second in number of votes among the lists filed by minority shareholders.

In order to ensure, with a view to substantial equal-ity, the balance between genders as far as concerns the access to company offices, one fifth of the standing members of the Board of Statutory Auditors to be appointed on the occasion of the first renewal of such body having taken place on 24 April 2012, belongs to the gender which is less represented within the Board of Statutory Auditors.

For closer details on other aspects connected with the appointment of the Board of Statutory Auditors please refer to art. 25 of the By-laws of Astaldi S.p.A. published on the Company's website ("Governance/Documents" section).

14. Statutory auditors

The Board of Statutory Auditors presently holding office for the three-year period 20012/2014, the composition of which is described in closer detail in Table 4 attached hereto, was appointed during the **Shareholders' Meeting held on April 24, 2012**.
It is underlined that, on such occasion, **2 lists** were filed, in accordance with the provisions of the By-laws and of art. 148 of the Consolidated Finance Act.
The first one was filed by the shareholder FIN.AST. S.r.l., proposing Lelio Fornabaio and Ermanno La Marca as candidates for Standing Auditors, and Giulia De Martino and Francesco Follina as candidates for Alternate Auditors.

The second list was filed by the shareholders Allianz Global Investors Italia SGR S.p.A., ANIMA SGR S.p.A., AZ Fund Management S.A., Ersel Asset Management SGR S.p.A., Eurizon Capital SGR S.p.A., Pioneer Asset Management S.A., Pioneer Investment Management SGR S.p.A., Eurizon Capital SA, ARCA SGR S.p.A., JP Morgan Asset Management LTD, who proposed Daria Beatrice Langosco Di Langosco as candidate for Standing Auditor and Andrea Lorenzatti as candidate for Alternate Auditor.

At the end of the voting process, the first list obtained the favourable vote of 2 (two) shareholders globally holding 51,618,462 (fifty-one million six hundred eighteen thousand four hundred and sixty-two) shares corresponding to 75.06% of the share capital held by those attending the Shareholders' Meeting, and the second list obtained the favourable vote of 114 (one hundred and fourteen) shareholders globally holding 14,928,888 (fourteen million nine hundred and twenty-eight thousand eight hundred and eighty-eight) shares, corresponding to 21.70% of the share capital held by those attending the Shareholders' Meeting. On the second topic of the agenda, 34 (thirty-four) shareholders, globally holding 2,218,099 (two million two hundred and eighteen thousand and ninety-nine) shares, corresponding to 3.22% (three point twenty-two percent) share capital held by those attending the Shareholders' Meeting abstained from voting.

During its meeting held on 30 May 2012, **the Board of Statutory Auditors, pursuant to the Application Criterion 8.C.1 of the Code of Conduct, deemed that independence requirements are (still) met by its members, such assessment having been carried out by application** of all the criteria provided for by the subject-matter Code in matter of independence of Directors.

Moreover, the Company complies with the principles of the Code of Conduct in accordance with which the statutory auditor who, on his/her own account or on the account of third parties, has an interest in any of the transactions carried out by the Company, shall promptly give comprehensive notice thereof to the other Statutory Auditors and to the Chairman of the Board of Directors, setting forth in detail the nature, origin and scope of his/her interest (Application Criterion 8.C.3).

Moreover, the Board of Statutory Auditors supervised the independence of the independent auditors, thus verifying both compliance with the laws and regulations governing the matter, and the nature and the scope of services, other than the audit of financial statements, rendered to the Company and its subsidiaries by such independent auditors and the entities belonging to its group (Application Criterion 8.C.1).

The Board of Statutory Auditors, in order to carry out its activities, availed itself of the collaboration and coordination of the Internal Control Officer, who is also the Internal Control Department Manager. Moreover, the Board of Statutory Auditors acted in coordination with the Control and Risks Committee, constantly exchanging information with the latter, by both causing the Chairman of the Board of Statutory Auditors to attend the meetings of said Committee, and by means of meetings held on a joint basis whenever the topics discussed and the company offices interviewed were considered of common interests taking into account their respective sphere of competence (Application Criteria 8.C.4 and 8.C.5).

It is hereby reminded, as set forth above, that consequently to the coming into force of art. 19 of Legislative decree no. 39/2010, and in accordance with the Communication No. 18916 by Borsa Italiana S.p.A., the supervision in matter of audit of accounts, as per letters d) and e) of art. 8.C.3 of the Code of Conduct for listed companies, is entrusted to the Board of Statutory Auditors on an exclusive basis.

During 2012, 10 meetings of the Board of Statutory Auditors were held (of which, the meetings of 18 January, 6 March and 6 July were held jointly with the Control and Risks Committee; the meeting of 22 February was held jointly with the Supervisory Body; the meeting of 26 March was held jointly with the boards of statutory auditors of some investees).

As far as the financial year 2013 is concerned, the Board of Statutory Auditors scheduled 4 meetings and, at the date hereof, one of them has already been held (14 January 2013).

15. Relations with shareholders

The Company, also considering its admission to the listing on the STAR segment of the Telematic Stock Market, appointed, as of 2002, Alessandra Onorati as **Head of Investor Relations** ("Investor Relator"), who is also head of the relevant company department.
Moreover, in order to promote dialogue with the shareholders and the market, the Company regularly makes available on its website, all information of both an accounting nature (financial statements, half-yearly and quarterly reports) and of general interest to shareholders (such as, for example, press releases, the company Code of Ethics, the Organisational, Management and Control Model as per Legislative decree No. 231/01, Directors' Reports on the topics of Shareholders' Meetings agenda, etc.).

16. Shareholders' meetings (as per art. 123-bis, paragraph 2(c) of the Consolidated Finance Act)

Pursuant to art. 10 of the By-laws presently in force, Shareholders' Meetings shall be called by the Board of Directors by notice to be published in accordance with the terms and manner provided for by the law.
The Company's By-laws further provide that the same notice may also set forth a different date for second call meeting, should the first call meeting be unattended; in the case of Shareholders' Extraordinary Meetings, that same notice may also set forth the date for the third call meeting.

The Shareholders' Meeting is responsible for fulfilling the tasks as per article 2364 of the Italian civil code; moreover, in accordance with the provisions of art. 2365, second paragraph, of the Italian civil code, art. 22 of the By-laws expressly attributed to the Board of Directors the competence to resolve upon the following:
(i) merger and demerger, in the events provided for by articles 2505 and 2505-bis of the Italian civil code, in the terms and manner provided for therein;

(ii) setting up and closing down of secondary offices, also abroad;
(iii) designation of the directors having the power to represent the Company;
(iv) decrease the share capital in the event a shareholder withdraws;
(v) adaptation of the Company's By-laws to legislative provisions;
(vi) relocation of the registered office within the national territory.

With reference to the Shareholders' rights and, more particularly, their entitlement to attend Shareholders' meetings, the By-laws presently in force, in accordance with the provisions of article 2370, first paragraph of the Italian civil code, and art. 83-sexies of the Consolidated Finance Act., expressly provide that "*Shareholders' meetings may be attended by those who are entitled to vote in accordance with the appropriate attestations issued and forwarded by the brokers pursuant to the law*".

Moreover, the Company, pursuant to art. 135-novies, paragraph 5, of the Consolidated Finance Act and art. 12 of the Company's By-laws, makes available to the shareholders a specific section of its Internet website through which they may electronically deliver the proxies with power to vote, by using the form of proxy made available therein ("*Governance/Shareholders' Meeting*" section).

At present, the Company's By-laws do not provide, in connection with Shareholders' Meetings, for any procedure for casting votes by electronic means or any audiovisual connection.

In accordance with the provisions contained in Art. 13 of the Company By-Laws – according to which "the operation of the Shareholders' Meeting, both ordinary and extraordinary, is governed by a regulation approved by the Shareholders' Ordinary Meeting and valid for all subsequent ones, until amended or replaced" – at their Ordinary Meeting of 11 March 2002 , the Shareholders approved the "**Shareholders' Meeting Regulation**", subsequently updated by resolution of 5 November 2010, which sets clear and univocal rules for orderly and functionally holding Shareholders' Meetings, without being, at the same time, prejudicial to each Shareholder's right to express his/her own opinion and to formulate requests for greater detail and explanations regarding the topics of the agenda.

Indeed, in relation to the above, the Shareholders' Meeting Regulation provides that the those entitled to cast votes may ask to speak in connection with the topics of the agenda, in order to make remarks and proposals or to ask for additional information, until the Chairman of the Meeting closes the discussion of such topic. The Chairman of the Shareholders' Meeting, or those providing the same with assistance, shall answer the relevant questions, and the Shareholders' Meeting Regulation provides that those who asked to speak may concisely reply thereto.

It is underlined that the Board of Directors, in order to ensure that the shareholders are given proper information so as to take part, with full knowledge, in the resolutions to be taken at the Shareholders' Meeting, makes available to the Shareholders all the documents and reports relating to the topics of the agenda, by forwarding such documents to Borsa Italiana S.p.A. and by publishing the same on its own website.

17. Additional corporate governance practices (as per art. 123-bis, paragraph 2(a) of the Consolidated Finance Act)

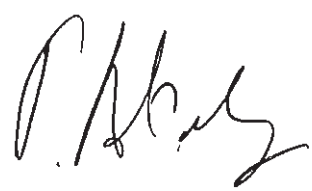
No corporate governance practice is provided for in addition to those already described above.

18. Changes occurred after the reporting period

No change in Company's corporate governance structure occurred after the reporting period.

Rome, 13 March 2013

The Chairman
Paolo Astaldi



Summary tables

SHARE CAPITAL STRUCTURE as at 31 December 2012

Table 1: Information on Shareholding Structure

	Number of shares	% of share capital	Listed (mention markets) / Not listed	Rights and Obligations
Ordinary shares	98,424,900	100%	MTA - STAR	-
Shares with limited voting rights	-	-	-	-
Shares without voting rights	-	-	-	-

Table 2: Board of Directors' and Committees' structure as at 31 December 2012

Board of Directors in office as at 31 December 2012 *									Control and Risks Committee		Remuneration Committee	
Office	Members	in office from until	Executive	Non executive	Independent pursuant to the Code of Conduct	Independent pursuant to the Consolidated Finance Act	% ****	Number of other positions **	***	****	***	****
Chairman	Paolo Astaldi	Board of Directors appointed by the Shareholders' Meeting of April 23, 2010 for financial years 2010/2012, holding office until approval of the Company's financial statements as at December 31, 2012	x				100%	1				
Deputy Chairman	Ernesto Monti			x		X	100%	5			x	100%
Deputy Chairman	Giuseppe Cafiero		x				100%	-				
Chief Executive Officer	Stefano Cerri		x				100%	2				
Director	Caterina Astaldi			x			50%	1				
Director	Pietro Astaldi			x			17%	1				
Director	Luigi G. Cavalchini			x			100%	1				
Director	Giorgio Cirla			x	x	x	100%	1	x	100%		
Director	Paolo Cuccia			x	x	x	80%	-				
Director	Mario Lupo			x	x	x	100%	-	x	75%		
Director	Eugenio Pinto			x	x	x	100%	4	x	75%	x	100%
Director	Maurizio Poloni			x	x	x	100%	-			x	100%

Quorum required for filing lists: 2.5%

Number of meetings held during the period	BoD: 6	Control and Risks Committee: 4	Remuneration Committee: 2

* The Board of Directors holding office since 31 December 2012 was appointed on the basis of one sole list filed by the majority shareholder Fin.Ast. S.r.l.

** This column shows the number of positions as director or statutory auditor held by the individual concerned in other companies listed on regulated markets, in Italy or abroad, in finance, banking and insurance companies as well as other large companies. The subject-matter positions are shown in Table 3.

*** The "X" mark means that the Director is a member of the Committee.

**** This column shows the percentage of each of the directors' attendance at BoD's and Committee's meetings held in 2012. It should be noted that the percentage shown refers to the number of meetings each director or committee member has attended since the date of his/her appointment.

Table 3: Number of positions as director or statutory auditor held by each Director in other companies listed on regulated markets, in Italy or abroad, in finance, banking and insurance companies or other large companies as at 31 December 2012:

Name and Surname	Other offices held pursuant to Article 1.3 of the Code of Conduct
Paolo Astaldi	Chief Executive Officer of Fin.Ast S.r.l.
Ernesto Monti	Chairman of the Board of Directors of Finanziaria Tosinvest S.p.A.; Director of Alitalia S.p.A., Unicredit MCC S.p.A., Erg Renew S.p.A. (formerly known as Enertad S.p.A.), Ariscom Compagnia di Assicurazioni S.p.A.
Giuseppe Cafiero	none
Stefano Cerri	A4 Holding S.p.A. and AUTOSTRADE Serenissima S.p.A.
Caterina Astaldi	Director of Fin.Ast. S.r.l.
Pietro Astaldi	Director of Fin.Ast. S.r.l.
Luigi Guidobono Cavalchini	Director of Reale Mutua Assicurazioni
Giorgio Cirla	Director of IMMSI S.p.A.
Paolo Cuccia	none
Mario Lupo	none
Eugenio Pinto	Chairman of the Board of Statutory Auditors of Eni Adfin S.p.A. and Stogit S.p.A. and Snam Rete Gas S.p.A.; Standing Auditor of Finmeccanica S.p.A.
Maurizio Poloni	none

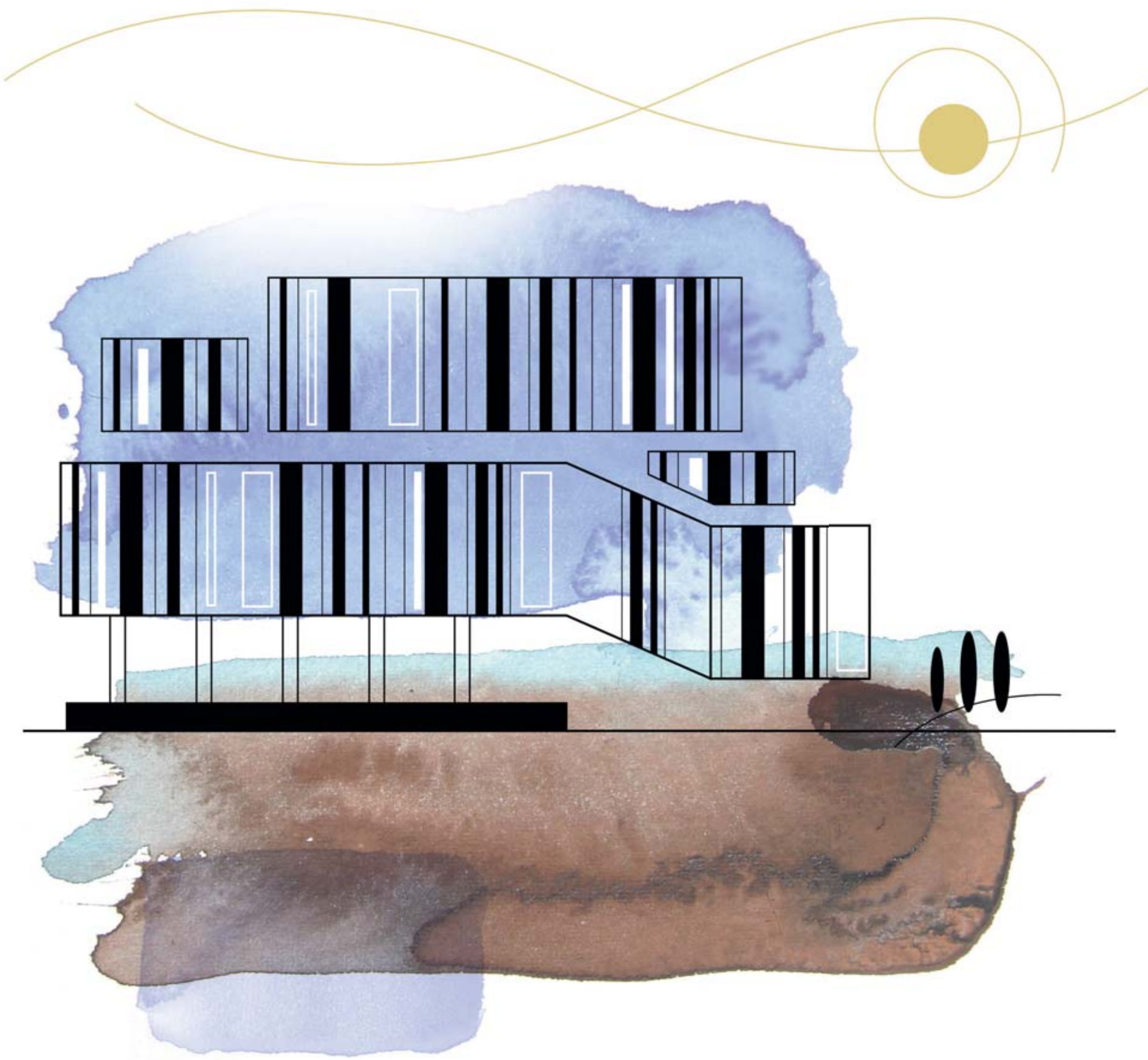
Table 4: Board of Statutory Auditors structure as at 31 December 2012

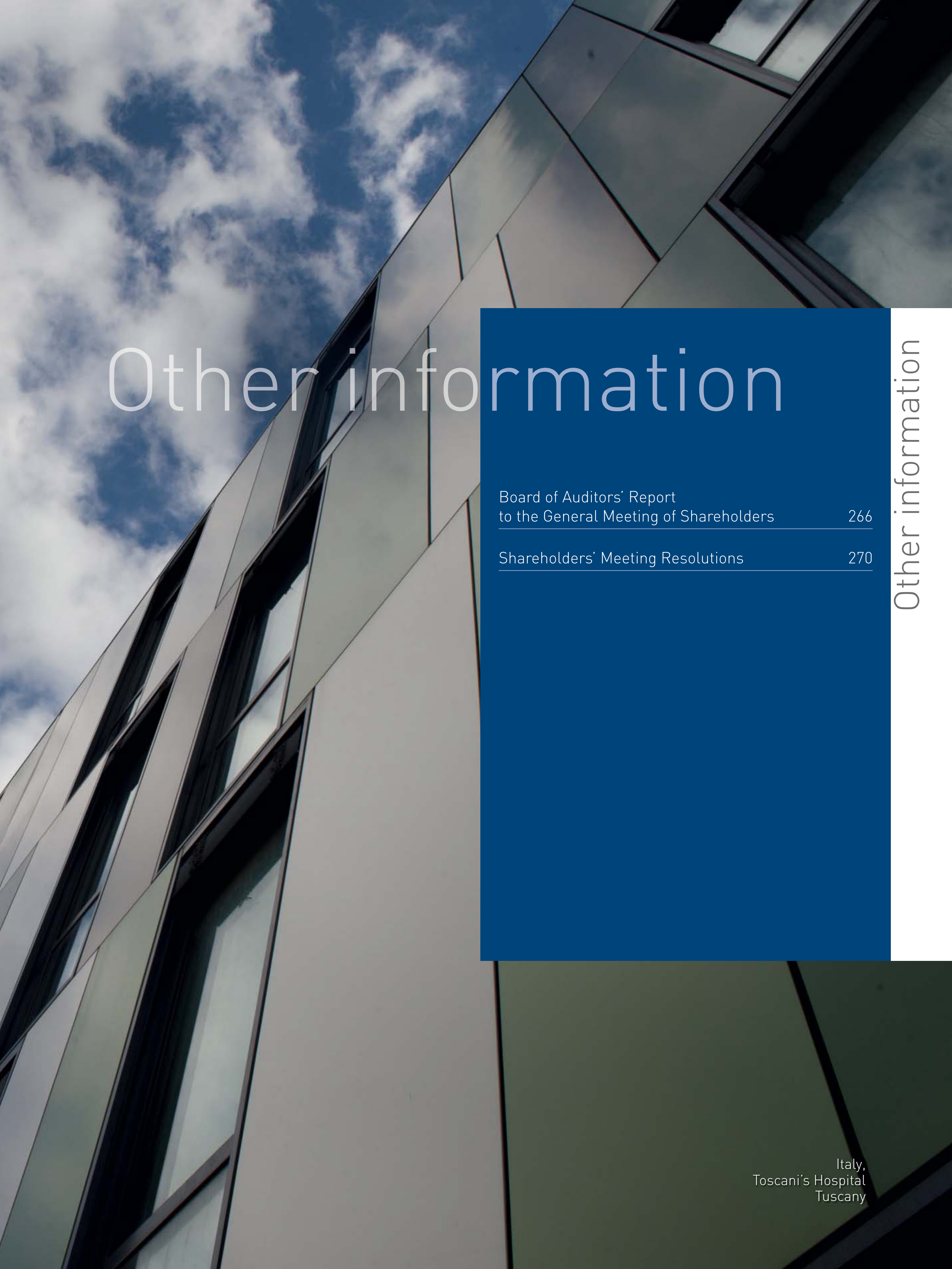
Office	Members	in office from/until	List	Independence pursuant to the Code	Percentage of attendance at Board of Statutory Auditors meetings	Number of other positions*
Chairman	Daria Beatrice Langosco di Lango sco	Board of Statutory Auditors appointed by the Shareholders' Meeting of April 24, 2012 for financial years 2012/2014, holding office until approval of the Company's financial statements as at December 31, 2014	minority	x	100%	1
Standing Auditor	Lelio Fornabaio		majority	x	100%	16
Standing Auditor	Ermanno La Marca		majority	x	100%	1
Alternate Auditor	Andrea Lorenzatti		minority	x	100%	0
Alternate Auditor	Giulia De Martino		majority	x	100%	2
Alternate Auditor	Francesco Follina		majority	x	100%	20

Number of meetings held in 2012: 4

Quorum required for filing lists by minorities for the election of one or more standing auditors (pursuant to Art. 148 of the Consolidated Finance Act). In accordance with the Company's By-laws, only shareholders who individually or collectively with other shareholders represent at least 1% of the share capital are entitled to file lists.

* This column shows the number of offices as director or statutory auditor held by the concerned individual considered as significant as per art. 148 bis of the Consolidated Finance Act.. The full list of positions held is published by Consob in its own Internet website pursuant to art. 144-quinquiesdecies of the Issuers' Regulation issued by Consob.





Other information

Italy,
Toscani's Hospital
Tuscany

Other information

Board of Auditors' Report to the General Meeting of Shareholders

Dear Shareholders,
in compliance with the laws and regulations in force applicable to stock companies issuers of securities listed in regulated stock markets and in accordance with the provisions of the Company's By-laws, during the financial year ended December 31, 2012, we conducted our audit activity in accordance with the laws and the provisions of the Code of Conduct of the Board of Auditors issued by the Italian National Board of Chartered Accountants.
In particular, the Board of Auditors appointed by the Shareholders' Meeting held on April 24, 2012, taking into account also the indications given by Consob by its communications, report as follows:

1. We verified - by means of direct observation and meetings with department managers and with the audit company - compliance with the principles of correct management, as well as with the law and corporate by-laws, and found the existence of an adequate organization allowing to comply with the laws and regulation and to fulfil the obligations provided for thereby;
2. we attended all the Board of Directors' meetings and obtained from the Directors, also pursuant to art. 151 paragraph 1 of T.U.F. (Italian Financial Services Act) periodical information on the activities and on most important economic, financial and equity-related transactions carried out by the Company and its main subsidiaries, the Directors having further reported about their characteristics and economic effects. To such respect we can reasonably assure you that the actions resolved upon and implemented comply with the law and the corporate by-laws, as well as with the principles of fair management and do not appear to be imprudent, risky, in potential conflict of interest or in contrast with Board of Directors' resolutions, or likely to adversely affect corporate assets;
3. to the best of our knowledge, we have neither found nor received information from the Board of Directors, the Audit Firm or the Manager of the Internal Audit Department or the shareholders themselves about atypical and/or unusual transactions carried out during the fiscal year with third parties, related parties or group companies;
4. we have taken knowledge and verified, to the extent of our responsibility, the adequacy of the Company's organizational structure and compliance with the principles of correct management. To such respect, we acknowledged the existence of a corporate organization chart clearly identifying functions, roles and lines of responsibility, supplemented by a clear and well-defined system of powers

and delegations. Decision-making powers are exercised in accordance with the powers conferred, with appropriate separation and distinction of responsibilities between the various tasks and functions;

5. we verified the adequacy of instructions given by the company to subsidiaries in accordance with article 114, sub-section 2 of Italian *Decreto Legislativo* No. 58/98; by gathering information from managers of the organizational departments and meetings with the Audit Firm in order to mutually exchange significant data and information.

   On November 10, 2010, the Company's Board of Directors approved the procedure governing the "Transactions with Related Parties", as required by art. 4 of Consob Regulation No. 17221/2010, as subsequently amended, which came into force on January 1, 2011. To such respect, while fulfilling our verification activity, we acknowledged that such procedure was confirmed as appropriate by the Board of Directors' meeting held on November 13, 2012.

6. we appraised and evaluated the suitability of the internal audit and risk management system and of the administrative-accounting system, as well as its reliability in correctly representing management matters; this was done by gathering information from managers of the respective departments, as well as by examining corporate documents and analyzing the results of the work carried out by the Audit Firm, as well as by attending the meetings held by the Risks and Audit Committee as, when so required by the aspects examined, by holding joint meeting together with said Committee.

   In particular, we supervised the action plan worked out by the Manager of the Internal Audit Department and examined the relevant reports summarizing the activities carried out during the period, mainly addressed to verifying compliance with, and the effectiveness and efficiency of the Group's internal control system. To such respect, no deficiency was detected within the corporate control system. We further verified that the Company proposed corrective actions in relation to the aspects capable of being improved which have been found and, in the meanwhile, took the improvement actions recommended in 2011 follow-up activities.

   Moreover, we held meetings with the Manager of the Corporate Risk Management Department which focused on the risk management system, and analyzed the relevant scopes, activity plans and outcome of the activities carried out by the same; we further analyzed the information flows with the other corporate offices, also with reference to the Internal Audit Department, and analyzed with closer attention the methods adopted to identify, manage and monitor risks.

   On such occasions, we held joint meetings with the Risks and Audit Committee and the Chief Executive Officer in order to examine in closer detail the Company's approach to risk management and the relevant flows of information toward the Risks and Control Committee, the Board of Directors and the Board of Auditors itself.

   Still in connection with internal control activities, we report that, in 2012, the Company started a control system update programme aimed at taking advantage of the outcome of control activities carried out during 2011, with the contribution of the company Ernst & Young.

   Concurrently, we acknowledged the start of the project for the revision of the internal audit system in Foreign countries and relevant head-office functions involved, and the official adoption of an internal audit handbook.

   With reference to the verification of the effectiveness and efficiency of the administrative-accounting system and its reliability, as well as to all intents and purposes of art. 19 paragraph 1 lett. a) of Italian *Decreto Legislativo* 39/2010, we took notice of the tests on the audit activities carried out and of the plan of audit activities to be carried out worked out as required by the provisions of Law No. 262/2005. We did not find any particular critical aspect or impediment to the issue of the declaration by the Manager in charge of drawing up corporate accounting documents and of the statement by the Chief Executive Officer on the effectiveness and efficiency of administrative and accounting procedures to draw up the statutory individual financial statements and the consolidated financial statements of Astaldi S.p.A. as at December 31, 2012.

To such respect, we acknowledged that the Company entrusted the company KPMG with the task of carrying out, on a voluntary basis, the examination of the declarations included in the statements issued by the Chief Executive Officer and by the Manager in charge of drawing up corporate accounting documents pursuant to art. 154 bis, paragraph 5, of Italian *Decreto Legislativo* No. 58/98.

As to the verification of the actual application of art. 154-bis of T.U.F. (the Italian Financial Services Act), during the meeting of the Risks and Audit Committee held on February 19, 2013, we examined the outcome of the audit activities carried out by the operating structure providing support to the Manager in charge of drawing up the corporate accounting documents.

Based on the activity carried out, we agree upon the substantial suitability of the administrative-accounting system and its reliability in correctly representing management matters in compliance with the law provisions governing the preparation and drawing up of the financial statements and the directors' report, also based on the information gathered from managers of the respective departments, as well as by examining corporate documents and analyzing the results of the work carried out by the auditing company.

We further verified the effectiveness of the procedures concerning the preparation, filing and publication of the financial statements and interim financial reports, the fulfilment of law requirements concerning the information to be disclosed in the directors' report attached to the financial statements, as well as the procedures governing the collection, working our and issue of press releases setting forth price-sensitive information;

7. while fulfilling such activities, we coordinated with the Risks and Audit Committee and the Internal Audit Department, which carries out internal audit activity also by supplementing the verification and control activities performed by various corporate departments and offices playing an assurance role. In particular, joint control activities focused on verifying the compliance with current laws and regulations, Group's guidelines and corporate procedures, as well as the observance of delegations of powers and correct behaviours, and proposing corrective actions or solutions aimed at improving the procedural and audit system, also for the purpose of improving the corporate organization's efficiency;
8. during the period we attended 4 meetings of the Risks and Audit Committee, held also jointly with the Board of Auditors whose activity was further reported by the same to the Board of Directors and is set forth in the Annual Corporate Governance Report, which is at your disposal;
9. we supervised the statutory audit of accounts, thus evaluating, jointly with the Manager in charge of drawing up the corporate accounting documents, the Audit Firm's plan of activities, supervising the effectiveness of the audit process by holding periodical meetings and exchanging information with the Audit Firm also in matter of the accounting principles and practices to be adopted, and further verifying that all the data and information specifically requested by the Audit Firm had been duly provided;
10. In fact, the Audit Firm reported to the Board of Auditors, pursuant to the provisions of art. 19, paragraph 3, of Italian Decreto Legislativo 39/2010, on the fundamental issues becoming evident during the statutory audit which did not show any significant deficiency of the internal audit system in relation to the financial disclosure process. Finally, it is underlined that the Audit Firm did not provide this Board, while fulfilling its duties, with any report according to the provisions of the Accounting Standard No. 260 "*Disclosure of facts*

and circumstances concerning the audit to corporate governance managers";

11. the Audit Firm issued, on March 29, 2013, the reports on the individual financial statements and the consolidated financial statements, respectively, as at December 31, 2012, drafted in accordance with the International Financial Reporting Standards adopted by the European Union and in compliance with laws and regulations enacted as implementation of art. 9 of Italian *Decreto Legislativo* No. 38/2005. Such reports show that both the individual financial statements and the consolidated financial statements of Astaldi S.p.A. present clearly and give a true and fair view of the financial position, the results of operations, the changes in shareholders' equity and the cash flows of Astaldi S.p.A. for the year then ended, and that the directors' report is consistent with said financial statements;
12. we supervised the independence of the Audit Firm, thus verifying both compliance with the laws and regulations governing the matter, and the nature and the scope of services, other than the audit of accounts, rendered to the Issuer and its subsidiaries by the Audit Firm itself and the entities belonging to its group, and received proper written declaration, issued in compliance with the provisions of Art. 17 of Italian *Decreto Legislativo* 39/10.
    To such respect, it is underlined that the Audit Firm provided us with the list of tasks attributed to the same during financial year 2012 and we have no remark in connection therewith;
13. we held meetings with the representatives of the Audit Firm, in compliance with the provisions of article 150 of D.Lgs. No. 58/98, who provided us with regular updates on the progress of audit activities and with proper information;
14. *we acknowledge that during the period which the Financial Statements you are asked to approve refer neither proceedings records under Article 2408 of Italian Civil Code, nor claims of any kind by third parties were filed;*
15. we obtained information on activities implemented in accordance with Italian *Decreto Legislativo* No. 231/2001 regarding the administrative responsibilities of Bodies also by exchanging information with the Supervisory Board set up by the Company. To such respect, the Supervisory Body reported its activity carried out in 2012 to the Board of Directors, as set forth in the Annual Corporate Governance Report, at your disposal;
16. The Company complies with the Self-Governance Code of listed companies, established by Borsa Italiana S.p.A. and the internal organization is consistent with the guidelines of said Code, as set forth in the Corporate Governance Report;
17. all the information on the nature and importance of the remuneration policy is set forth in the remuneration report (drawn up in accordance with the provisions of art. 123-ter of D.Lgs. 58/98), with reference to which we acknowledge that the same was produced to the Board of Directors on March 22, 2013 and we have no observation in connection therewith;
18. as to the supervision activity in matter of health, safety and the environment, we acknowledge that the Company implemented and maintained a valid certification according to recognized standards (ISO 14001 and OHSAS 18001) for effective management systems aimed at minimizing specific risks;
19. as regards transactions with related parties and intragroup operations, the information provided by the Directors in their report is suitable for describing the activities carried out in 2012.
    In accordance with the provisions of IAS 24 as well as CONSOB communication no. 6064293 of July 28, 2006, concerning the definition of related parties, we underline that the notes to the individual financial statements and to the consolidated financial statements show the totals of existing transactions and balances resulting from financial and commercial relations with related companies, as well as the fees due to Directors, Auditors and General Managers.
    No atypical or unusual operations with respect to normal management, or conflicts of interest regarding Directors, have been found;

20. during the period, we checked the fair application of verification criteria and procedures adopted by the Board of Directors in order to assess the independence of its own members and established, on the basis of the declarations made by the single Auditors and kept with the corporate records, the inexistence of any causes of ineligibility and incompatibility of Auditors, as well as the fulfilment of the requirements provided for by the laws and the by-laws for appointment as such, also with reference to the criteria set forth in the "Self-Governance Code for listed companies" and to be met by Independent Directors and the members of the Board of Auditors.

The aforementioned supervisory activities for 2012, including also the activities performed by the Board of Auditors as formed during its previous term of office, were carried out throughout 10 Board of Auditors' Meetings, and the resolutions taken thereat are set forth in the minutes recorded in the book of meetings of the Board of Auditors itself, and by attending 1 meeting of the shareholders of the Company, 6 Board of Directors' meetings and 4 meetings held by the Risks and Audit Committee.

While carrying out the supervisory activity, and according to information obtained from the Audit Firm, neither omissions and/or reprehensible facts and/or irregularities were found — nor, in any case, important facts worthy being reported to control bodies or being mentioned in this report.

Taking into account the above, the Board of Auditors, to the extent of its own competence, has found no grounds for objecting to the approval of both the financial statements as at December 31, 2012, and the proposals of resolution made by the Board of Directors.

Rome, this 29th of March, 2013

THE BOARD OF AUDITORS

Signed by (Daria Beatrice Langosco di Langosco)

Signed by (Lelio Fornabaio)

Signed by (Ermanno La Marca)

Shareholders' Meeting Resolutions

The Shareholders' Meeting, held at first call on 23 April 2013, resolved in particular:

- To approve the financial statement as at 31 December 2012 and the Director's Report drawn up pursuant to Article 2428 of the Italian Civil Code and to Article 40 of the Italian Legislative Decree n. 127/1991, jointly with the proposal of allocation of profit as submitted by the Board of Directors itself;

- To fix the number of members of the Board of Directors at 13 (thirteen) and to appoint the following as members of the Board of Directors for the three-year period 2013-2015: Paolo Astaldi, Ernesto Monti, Giuseppe Cafiero, Stefano Cerri, Caterina Astaldi, Luigi Guidobono Garofoli, Giorgio Cirla, Paolo Cuccia, Mario Lupo, Eugenio Pinto, Chiara Mancini, Nicoletta Mincato, Guido Guzzetti;

- To renew, for a period of twelve months running from 27 May 2013, the authorization granted to the Board of Directors – as per Articles 2357 and subsequent of the Italian Civil Code and Article 132 of the Italian Legislative Decree No. 58, 24 February 1998 – to purchase, on the Telematic Stock Market, Company's own shares.

Società per Azioni
Share Capital EUR 196,849,900.00 (fully paid up)
Listed in the Registry of Companies of Rome
Tax No. 00398970582
(formerly listed under No. 847/50 - Rome Court)
Chamber of Commerce No. 152353 – VAT No. 00880281001

Registered Office and Headquarters
Rome (Italy), Via Giulio Vincenzo Bona 65 – 00156

Milan Office
Milan (Italy), Via Adige 19 – 20123

External Relations and IR Department
Rome (Italy), Via Giulio Vincenzo Bona 65 – 00156
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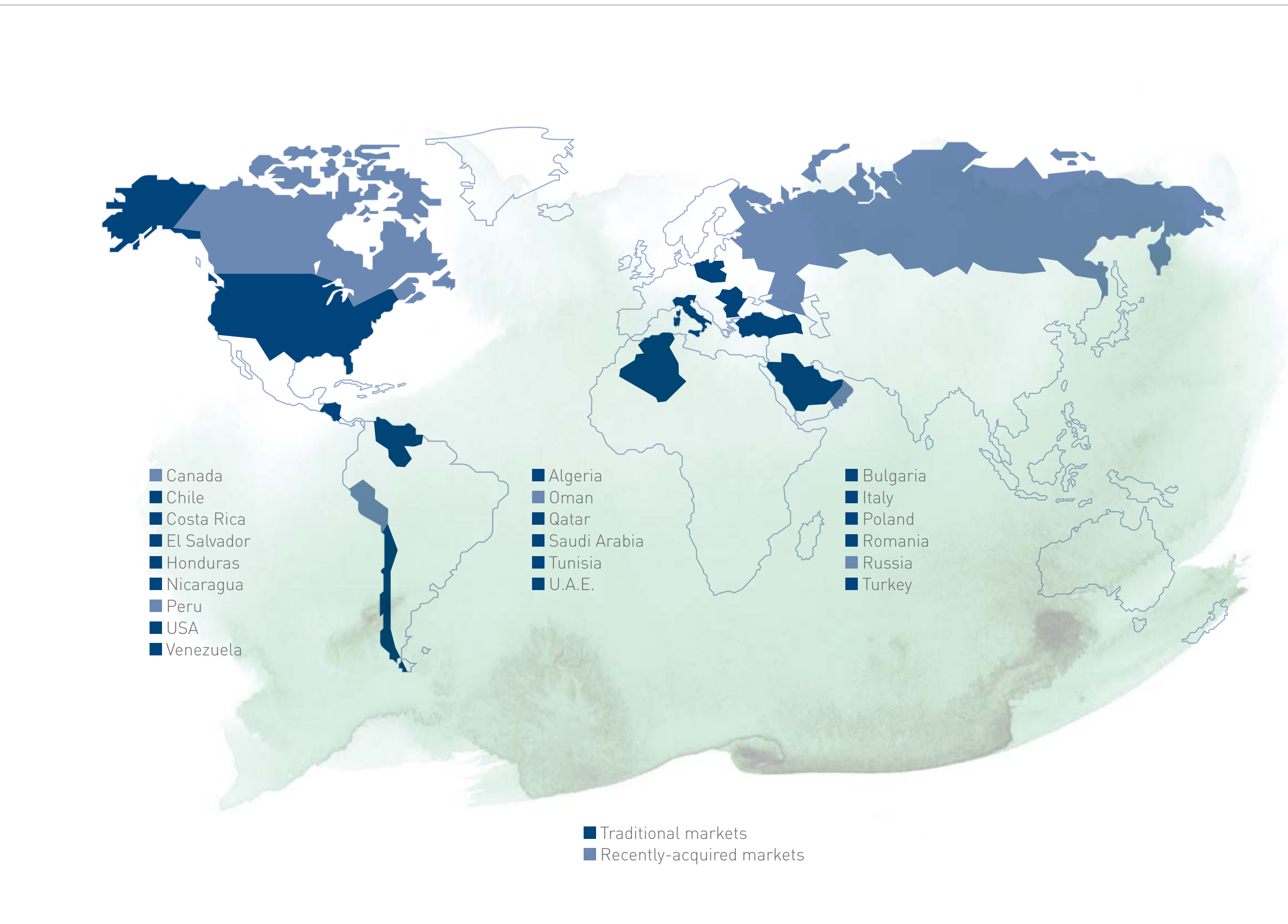
www.astaldi.com

Final printing in August 2013

Astaldi worldwide

Let's build a good name for Italy the world over

The Group has always been a leading player on the international scene, and deals with expansion of its range of activity as a strategic challenge which has proved to be a winner. Astaldi is a well-known and highly-esteemed name throughout Europe and the rest of the world: the works performed, the scale of projects and the undeniable contribution to the development of the various countries and situations it operates in all speak for the Group. Romania, Poland and Turkey are key areas for the Group which has already built roads, motorways, railways and undergrounds in said countries. Algeria is the country within Africa which sees Astaldi mainly involved in the construction of dams and aqueducts, but also of motorways and railways. As regards America, Venezuela, a large part of Central America, the US (Florida) and, more recently, Chile, Canada and Peru have all used Astaldi for the design and construction of infrastructures, roads, railways, undergrounds and water and renewable energy projects. Today, Astaldi Group operates in 25 Country, both as General Contractor and as Promotor on project finance initiatives and concessions.


Canada
Chile
Costa Rica
El Salvador
Honduras
Nicaragua
Peru
USA
Venezuela
Algeria
Oman
Qatar
Saudi Arabia
Tunisia
U.A.E.
Bulgaria
Italy
Poland
Romania
Russia
Turkey
Traditional markets
Recently-acquired markets

List of secondary offices

ALGERIA
Bureau Administratif et Financier
Lotissement 19/20 Aissat Idir
Cheraga – W. Alger - Algeri

BOLIVIA
Avenida La Guardia, Km 6 ½
7° Anillo
Santa Cruz de la Sierra

BULGARIA
N. 67 Tsanko Tserkoski Str.,
entrance V, 4th floor - 1421 Sofia

CANADA
4001 rue Saint Antoine Ouest,
#110, Montreal - Quebec H4C 1B9

CHILE
Avenida Apoquindo No. 3910, of. 701
piso 7 - Las Condes - Santiago

COSTA RICA
Bello Horizonte Escazu de
Distribuidora Santa Bárbara
200 mts. sur, 200 mts. este,
Urbanización la Suiza 150 mts.
noroeste- condominio Ingrid No. 6
Casa Blanca a Mano Derecha,
San José

EL SALVADOR
Blvd. El Hipódromo Pasaje 10
Casa No. 139, Colonia San Benito
San Salvador

GUATEMALA
Oficina Legal: 6ª Calle 5-47, zona 9,
Quinto Nivel - Ciudad de Guatemala
(GUATEMALA, C.A.)

HONDURAS
Plantel El Carrizal,
Blvd Fuerzas Armadas,
Salida Carretera del Norte
Ap. Postal 3199
Tegucigalpa

NICARAGUA
Reparto Villa Fontana,
Boulevard Jean Paul Genie No. 38
Managua

OMAN
Office 44 - 4th floor - Al Masriq
Building - Azaibah – Muscat

PANAMA
Edificio Proconsa 1, Piso 10,
Oficina 10A,
Area Bancaria Frente A Movistar
Panamá

PERU
Calle Los Nardos 1018, piso 2,
San Isidro – Lima 27

POLAND
Astaldi S.p.A. Spotka Akcyjna
Ul. Sapiezynska 10a
00-215 Warszaw

ROMANIA
Strada Carol Davila 70
Sector 5
050455 Bucarest

TURKEY
Armada Iş Merkezi - Eskişehir Yolu
6/A Blok, Kat.9, No. 11,
06520 Söğütözü - Ankara

UNITED ARAB EMIRATES
Al Bateen Area, (near UAE Central
Bank) 7th Street
Six Towers – Building C2
1st Floor – Apt. 102
P.O.Box 112554 - Abu Dhabi

USA (Florida)
8220 State Road 84 – Suite 300
Davie – Florida 33324

VENEZUELA
Oficina Astaldi
Centro Operativo San Diego
Entrada por Sub-Estación Km 150
A.R.C. - Sentico Caracas Valencia
Estado Carabobo

VENEZUELA (Registered Office)
Centro Ciudad Commercial
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Primera Etapa Piso 6
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Caracas